

AWT
INVESTMENTS LIMITED

QUARTERLY REPORT
FOR THE PERIOD ENDED
SEPTEMBER 30, 2018

VISION

“To deliver quality and innovative asset management, wealth management and advisory services at the local and regional level.”

MISSION

“To be a dominant player in the fund management industry recognized for its high levels of ethical and professional conduct and a commitment towards enhancing investor interests.”

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PIML INCOME FUND
FOR THE PERIOD ENDED SEPTEMBER 30, 2018

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PIML Income Fund

FUND'S INFORMATION

Management Company	AWT Investments Limited 3rd Floor, AWT Plaza I.I Chundrigar Road, Karachi	
Board of Directors	Lt. General Najib Ullah Khan (Retd.) Maj. General Akhtar Iqbal (Retd.) Mr. Tariq Iqbal Khan Mr. Malik Riffat Mehmood Ms. Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Director Director Director Director Chief Executive Officer
Chief Financial Officer	Mr. Hamza Saboor	
Company Secretary	Mr. Naveed ul Islam	
Audit Committee	Mr. Tariq Iqbal Khan Maj. General Akhtar Iqbal (Retd.) Mr. Malik Riffat Mehmood	Chairman Member Member
HR Committee	Maj. General Akhtar Iqbal (Retd.) Ms. Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Member Member
Trustee	Central Depository Company of Pakistan Limited DC House, 99B, Block-B, SMCHS, Main Shahra-e-Faisal, Karachi	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building No. 2 Beaumont Road Karachi. 75530	
Legal Advisors	Mohsin Tayebaly & Co. 2nd Floor, Dime Centre, BC-4 Block-9, Kehkashan, Clifton, Karachi	
Bankers	Allied Bank Limited Bank Al-Habib Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited UBL Bank Limited Summit Bank Limited Askari Bank Limited Samba Bank Limited Al-Baraka Bank (Pakistan) Limited JS Bank Limited Silk Bank Limited U Micro Finance Bank Limited	
Rating	A+(f) by PACRA	

PIML Income Fund

DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of AWT Investments Limited the Management Company of PIML- Income Fund, is pleased to present the un-audited condensed interim financial statements for the quarter ended September 30, 2018

REVIEW OF FUND PERFORMANCE

During 1Q FY19, Income fund delivered an annualized yield of 6.76% compared to its benchmark return of 7.99%, thus showing an under performance of 123bps. Benchmark for income fund category is 6m kibar. All Funds in this category underperformed this benchmark, while our income fund remained one of the top performing funds in 1Q after remaining the top performer in the previous year.

As of quarter end, the Net Assets of the fund stood at PKR 881.004 million, showing 37% decline from June 30, 2018 level of PKR 1,403.292 million. The weighted average time to maturity of the portfolio was at 259 days.

The fund's exposure in Debt Securities on September 30, 2018 stood at 27.33% (increased to fall in fund size) as compared to the exposure on June 30, 2018 stood at 10.01%. The fund's Net Asset Value on September 30, 2018 was PKR 106.85.

The Fund was launched on 9th August 2012. The fund falls in the Income Fund category and aims to provide its investor with competitive returns while preserving their capital.

ECONOMIC OUTLOOK

During 1QFY19, the economy has come under severe strains due to deterioration in balance of payment situation, with country foreign reserves losing further 4.46% to \$15.52bn. SBP has begun aggressive tightening with two 100bsp increases in policy rate (July and September) to 8.5%. The new government of PTI, which came in power after July 25 elections in the country, has to announce new fiscal measures (mini budget) to generate more tax revenues while cutting development expenditures by 25% Rs750bn in order to lower the fiscal budget in current fiscal year as against 6.6% of GDP recorded in the outgoing year.

The rate of CPI inflation in 1QFY19 has surged by 1.89%QoQ to average CPI of 5.60%, with central bank keeping its annual CPI projection in the range of 6.5%-7.5%. During the remaining months of current fiscal year, CPI will be mainly influenced by the rate of rupee depreciation and oil prices in international markets (up by 7.66% in FYTD to PKR81.48/bbl in 1QFY19). There is high probability that inflation will accelerate above SBP estimates on account of expected rupee depreciation as Pakistan moves into IMF program for balance of payment support. During 1QFY19, exports were up by 4.56% to USD5.39bn while imports were up marginally 0.63% to USD14.26bn. Despite decline in trade deficit by 1.61%YoY in 1QFY19 to USD8.87bn, the C/A deficit was up by 9.85%YoY to USD2.72bn in 2MFY19. Pak rupee declined to PKR123.15/USD from PKR121.73/USD in 1QFY19. During July, it fell to PKR128/USD before regaining to PKR122/USD after July 25 elections.

During the 2MFY19, FDI in the country has shrunk by 40.12%YoY to USD288mn when compared to USD481mn in 2MFY18. On the other side FPI in the country has dropped by 15.69%YoY to USD129mn in 2MFY19 when compared to 2MFY18. Contrary to this, remittances numbers have surged by 13.44%YoY to USD3.97bn in 2MFY19 when compared to 2MFY18.

Overall, the government has embarked upon implementing IMF led policy measures such as increase in the policy rate and pushing the rupee lower ahead of moving into the stand by arrangement for balance of payment support. Similarly, the government will go for reduction its twin deficits of fiscal and current account, which means more cuts in development expenditures leading to lower GDP growth in the range of 4-4.5% compared to previous year growth of 5.8%.

FUND STABILITY RATING

The Fund stability rating 'A+ (f)' assigned by The Pakistan Credit Rating Agency Limited (PACRA) to the Fund remains unchanged.

PIML Income Fund

DIRECTORS' REPORT TO THE UNIT HOLDERS

MANAGEMENT QUALITY RATING

The JCR-VIS Credit Rating Company Limited has reaffirmed Management Quality Rating of "AM3+" 'with Rating Watch-Developing' to AWT Investments Limited on December 15, 2016. The rating denotes high management quality of the Management Company.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company is thankful to the Securities and Exchange Commission of Pakistan for their valuable support, assistance and guidance. The Board also wish to express gratitude to the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

Rawalpindi: October 26, 2018

Chief Executive Officer

Director

PIML Income Fund

یونٹ ہولڈرز کو ڈائریکٹرز کی رپورٹ: PIML انکم فنڈ

AWT انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز جو کہ پرائس انویسٹمنٹ مینجمنٹ لمیٹڈ (انکم فنڈ) کی اختتامی کمیٹی ہے، 30 ستمبر 2018 کو اختتام پزیر ہونے والی سرمایہ کاری کا مالیاتی گوشوارہ پیش کرتے ہوئے انتہائی مسرت محسوس کر رہی ہے۔

فنڈ کی کارکردگی کا جائزہ

جائزہ لیے جانے والے عرصے، مالیاتی سال 19 کے دوران فنڈ نے 6.76 فی صد سالانہ پیداوار کی جب کہ اس کا بیچ مارک منافع 7.99 فی صد رہا جس سے 123 پیسوں کے خسارے کا اشارہ ملتا ہے۔ انکم فنڈ کی کارکردگی کا بیچ مارک 6 بلین Kibor ہے۔ اس کی کارکردگی کے تمام فنڈز نے اس بیچ مارک میں منفی کارکردگی کا مظاہرہ کیا، جب کہ ہمارا انکم فنڈ پہلی سرمایہ میں بہترین کارکردگی کا مظاہرہ کرنے والا واحد فنڈ تھا یہی کارکردگی گزشتہ سال میں بھی برقرار رہی تھی۔

سرمایہ کے اختتام میں فنڈ کے خالص اثاثوں کی مالیت 881.004 بلین پاکستانی روپے تھی جو کہ 30 جون 2018 سے 37 فی صد خسارے کا اشارہ دے رہا ہے۔ پاکستانی روپے میں یہ شرح 1,403.292 بلین نئی ہے۔ پورٹ فولیو کی پیوریٹی کا اوسط دورانیہ 259 دن رکھا گیا۔

30 ستمبر 2018 میں ڈیف سکیورٹیز میں فنڈ کی تشہیر 27.34 فی صد تھی (فنڈ کے حجم میں اضافے سے) بلحاظ 30 جون 2018 کے جب کہ شرح 10.01 فی صد تھی۔ 30 ستمبر 2018 میں فنڈ کے خالص اثاثوں کی مالیت 106.85 بلین پاکستانی روپے تھی۔

انکم فنڈ کا اجراء 9 اگست 2012 کو کیا گیا۔ یہ فنڈ، انکم فنڈ کی کیٹیگری میں شامل کیا گیا اور اس کا مقصد سرمایہ کاروں کو ان کا سرمایہ محفوظ رکھ کر بہترین شرح منافع فراہم کرنا تھا۔

معاشی توقعات

مالی سال 2018 کی پہلی سرمایہ کے دوران، پاکستانی معیشت گتین بحران کا شکار نظر آئی جس کی وجوہات میں ادائیگیوں کے توازن میں متزلزل اور ملک کے غیر ملکی زرمبادلہ کے ذخائر میں کمی تھی جو مزید 4.46 فی صد کم ہو کر 15.52 بلین امریکی ڈالر رہ گئے۔ اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ پر پینچ گواہی رکھا ہے، جولائی اور ستمبر میں مزید 100 پیسوں یعنی 8.5 فی صد کا اضافہ کیا۔ پاکستان تحریک انصاف کی نئی حکومت نے، جو کہ 25 جولائی کو ہونے والے عام انتخابات کے نتیجے میں اقتدار میں آئی، اس نے مزید ٹیکس ریویو پیکج پیش کرنے کے لیے نئے مالیاتی اقدامات (منشی جٹ) کا اعلان کر دیا اور ترقیاتی منصوبوں پر خرچ کیے جانے والے اخراجات میں 25 فی صد یعنی 750 بلین روپے کی کوئی کردی تاکہ موجودہ مالی سال میں مالیاتی بجٹ کو کم کیا جاسکے۔ 6.6 فی صدی ڈی پی ٹی کی شرح کے برخلاف جو کہ رواں سال میں ریکارڈ کیا گیا۔

1QFY19 میں اضافی شرح تیزی سے بڑھ کر سرمایہ سے سرمایہ کی بنیاد پر 1.89 فی صد سے 5.60 فی صد ہو گئی۔ سینٹرل بینک نے اپنی سالانہ CPI پروجیکشن 6.5 فی صد سے 7.5 فی صد کے درمیان رکھی۔ موجودہ مالی سال کے ہٹا پائینوں میں CPI پر زیادہ تاثر روپے میں کمی اور بین الاقوامی مارکیٹ میں تیل کی قیمتوں میں کمی کے باعث ہو گا۔ (FYTD میں 7.66 فی صد اضافے کے بعد 1QFY19 میں 81.48 پاکستانی روپے)۔ اس بات کا بھی بہت زیادہ امکان ظاہر کیا جا رہا ہے کہ افراط زر میں SBP کے تعین سے بہت زیادہ اضافہ ہو جائے گا کیوں کہ پاکستانی روپے کی قدر میں کمی اس کی بنیاد ہی جاسکتی ہے، جس کے باعث ادائیگیوں میں توازن کی غرض سے آئی ایم ایف سے قرض لینا پڑے گا۔

1QFY19 کے دوران برآمدات کا حجم 4.56 بلین امریکی ڈالر رہا۔ جب کہ درآمدات 0.63 فی صد اضافے سے 14.26 بلین امریکی ڈالر تک چا پتی ہیں۔ 1QFY19 کے دوران تجارتی خسارہ میں سال پر سال 1.61 فی صد کمی کے باوجود 8.87 بلین امریکی ڈالر تھا۔ کرنٹ اکاؤنٹ کا خسارہ 2MFY19 کے دوران سال پر سال 9.85 فی صد بڑھ کر 2.72 بلین امریکی ڈالر رہا۔ 1QFY19 میں پاکستانی روپے کی قدر 123.15 فی ڈالر سے کم ہو کر 121.73 امریکی ڈالر ہو گئی۔ جولائی کے دوران اس کی قدر مزید کم ہو کر 128 روپے فی ڈالر ہو گئی تھی جب کہ 25 جولائی کے ایکشن کے بعد دو ماہوں میں 122 فی ڈالر کی سطح کو پہنچ گیا۔

2MFY19 کے دوران ملک میں FDI کا حجم سیکڑ سال پر سال 40.12 فی صد ہو گیا یعنی 288 بلین امریکی ڈالر جب کہ 2MFY18 میں یہ شرح 481 بلین امریکی ڈالر تھی۔ دوسری جانب FPI میں سال پر سال 15.69 فی صد کمی واقع ہوئی جو 2MFY19 کے عرصے میں 129 بلین امریکی ڈالر تھی۔ بمقابلہ 2MFY18 کے۔ اس کے برعکس تریبلٹ زر کے حجم میں تیزی سے اضافہ ہوا اسل

PIML Income Fund

پر سال جو کہ 2MFY19 میں 13.44 فی صد رہی، 3.97 بلین امریکی ڈالر تھا، مقابلہ 2MFY18 کے۔
مجموعی طور پر حکومت آئی ایم ایف کی پالیسیوں کے مطابق مل بیرونی کے جانب اقدامات کرتی نظر آتی ہے جن میں پالیسی ریٹ میں اضافہ اور روپے کی قدر میں کمی جیسے اقدامات سے ادائیگیوں کے توازن کا بندوبست کرنے میں مدد ملے۔ اسی طرح حکومت اپنے دو خساروں یعنی تجارتی اور کرنٹ اکاؤنٹ خسارے میں کمی کرنے کی جس کا مطلب ترقیاتی منصوبوں میں کوئی کمی جاسکتی ہے۔ جس سے جی ڈی پی گرتھ میں کمی ہوگی 4-4.5 فی صد کی شرح سے جب کہ پچھلے سال اس کی شرح 5.8 فی صد تھی۔

فنڈ کے استحکام کی ریٹنگ

فنڈ کے لیے پاکستان کریڈٹ ریٹنگ ایجنسی ایمینڈ (PACRA) کی جانب سے فنڈ اسٹیبلٹی ریٹنگ A+(f) متعین کی گئی جس میں کوئی تبدیلی رونما نہیں ہوئی۔

میجمنٹ کو ایلی ریٹنگ

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے پرنس انویسٹمنٹ میجمنٹ لمیٹڈ کو 15 دسمبر 2016 میں میجمنٹ کو ایلی ریٹنگ AM3+ کے علاوہ ریٹنگ واچ ڈیولپنگ سے بھی نوازا ہے۔ یہ ریٹنگ میجمنٹ کمپنی کی اعلیٰ درجہ کی انتظامی خصوصیات کو ظاہر کرتی ہے۔

اظہار تشکر

میجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز، سیکریٹری، اینڈ ایگزیکٹو کمیشن آف پاکستان کی جانب سے قابل قدر مدد و معاونت اور رہنمائی کے لیے ان کے شکر گزار ہیں۔ علاوہ ازیں بورڈ میجمنٹ کمپنی کے کارکنان اور سٹریٹجی کی لگن اور جفاکشی محنت پر ان کا تودل سے مشکور ہے۔ بورڈ نے پونٹ ہولڈرز کی جانب سے میجمنٹ پر بھروسہ کرنے پر ان کا بھی شکر یہ ادا کیا۔

راولپنڈی : 26 اکتوبر 2018

چیف ایگزیکٹو آفیسر

ڈائریکٹر

PIML Income Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2018

		September 30 2018	June 30 2018
	Note	----- Rupees '000 -----	
		(Unaudited)	(Audited)
ASSETS			
Bank balances	4	568,552	1,083,606
Investments	5	340,799	370,424
Prepayment, deposits and other receivables	6	8,965	6,334
TOTAL ASSETS		918,316	1,460,364
LIABILITIES			
Payable to AWT Investments Limited- Management Company		925	1,168
Payable to Central Depository Company of Pakistan Limited - Trustee		168	193
Annual fee payable to Securities and Exchange Commission of Pakistan		224	670
Accrued expenses and other liabilities	7	35,995	55,041
TOTAL LIABILITIES		37,312	57,072
NET ASSETS		881,004	1,403,292
Unit holders' funds		881,004	1,403,292
Contingency and Commitments	8		
		-----Number of units-----	
Number of units in issue		8,245,162	12,606,779
		-----Rupees-----	
Net asset value per unit		106.85	111.31

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

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Income Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	FOR THE QUARTER ENDED SEPTEMBER 30	
	2018	2017
	---- Rupees in '000 ----	
INCOME		
Return / mark-up on;		
- bank balances	20,005	4,116
- term deposit receipt	721	2,358
- government securities (PIBs and T-bills)	-	11
- term finance certificates	3,879	3,235
Net (loss) / gain on sale of investments	-	(125)
Net unrealized gain on investments classified 'at fair value through profit or loss - held-for-trading'	45	659
	24,650	10,254
EXPENSES		
Remuneration of AWT Investments Limited - Management Company	2,987	1,306
Sindh Sales Tax on remuneration of Management Company	388	170
Federal Excise Duty on remuneration of Management company	-	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	467	188
Sindh Sales tax on Trustee fee	61	24
Annual fee to Securities and Exchange Commission of Pakistan	224	83
Amortization of deferred formation costs	-	28
Annual fees and subscriptions	175	166
Auditors' remuneration	72	76
Provision of Sindh Workers Welfare Fund	316	163
Printing related costs	-	18
Bank and other charges	1	3
	4,691	2,225
Net income for the period before taxation	19,959	8,029
Taxation	-	-
Net income for the period after taxation	19,959	8,029
Allocation of net income for the period		
Net income for the period after taxation	19,959	8,029
Income already paid on units redeemed	(5,646)	(1,932)
	14,313	6,097
Accounting income available for distribution		
- Relating to capital gains	45	406
- Excluding capital gains	14,268	5,691
	14,313	6,097

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

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Income Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	FOR THE QUARTER ENDED SEPTEMBER 30	
	2018	2017
	----- Rupees in '000 -----	
Net income for the period after taxation	19,959	8,029
<u>Other Comprehensive Income for the period</u> <i>Items that may be reclassified subsequently to income statement:</i>		
Total comprehensive Income for the period	<u>19,959</u>	<u>8,029</u>

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Income Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	FOR THE QUARTER ENDED SEPTEMBER 30	
	2018	2017
	Rupees '000	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	19,959	8,029
Adjustments:		
Return / mark-up on;		
- bank balances	(20,005)	(4,116)
- term deposit receipt	(721)	(2,358)
- government securities	-	(11)
- term finance certificates	(3,879)	(3,235)
- other income	-	-
Net unrealized gain on sale of marketable securities	(45)	(534)
Amortization of deferred formation costs	-	28
	(24,650)	(10,226)
(Increase) / decrease in current assets		
Investments - net	31,655	213,922
Security deposit with National Clearing Company of Pakistan	-	-
Prepayments and other receivables	(2,631)	(2,326)
	29,024	211,596
Increase / (decrease) in current liabilities		
Payable to Management Company	(243)	(65)
Remuneration payable to the Trustee	(25)	26
Annual fee payable to Securities and Exchange Commission of Pakistan	(446)	(2,531)
Accrued expenses and other liabilities	(19,064)	(1,161)
	(19,778)	(3,731)
Return on bank balances and placements received	18,453	4,909
Return on government / debt securities received	3,542	2,477
Net cash (used in) / generated from operating activities	26,550	213,054
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received from issuance of units	151,417	636,375
Amounts paid on redemption of units	(614,875)	(442,414)
Dividend paid	(78,146)	-
Net Cash generated from / (used in) financing activities	(541,604)	193,961
Net increase / (decrease) in cash and cash equivalents	(515,054)	407,015
Cash and Cash equivalents at the beginning of the period	1,083,606	161,737
Cash and Cash equivalents at the end of the period	568,552	568,752

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Income Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	For the quarter ended September					
	2018			2017		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the period	1,459,213	(55,921)	1,403,292	438,360	21,992	460,352
Sales of 1,436,794 units (2017: 6,001,300)						
- Capital value	150,950	-	150,950			
- Element of income	468	-	468			
Total proceeds on issuance of units	151,417	-	151,417	630,257	6,118	636,375
Redemption of 5,798,412 units (2017: 4,194,256)						
- Capital value	(609,181)	-	(609,181)			
- Element of loss	(48)	(5,646)	(5,694)			
Total payments on redemption of units	(609,229)	(5,646)	(614,875)	(440,481)	(1,933)	(442,414)
Element of loss and capital losses in prices of units sold less those in units redeemed - net	-	-	-	-	(4,185)	-
Total comprehensive income for the period	-	19,959	19,959	-	8,029	8,029
Distribution during the period	-	(78,789)	(78,789)	-	-	-
Net assets as at end of the period	<u>1,001,409</u>	<u>(120,397)</u>	<u>881,004</u>	<u>628,136</u>	<u>30,021</u>	<u>662,342</u>
Undistributed income brought forward:						
- Realized income at beginning of the period		(55,144)			21,333	
- Unrealized income at beginning of the period		(777)			659	
		(55,921)			21,992	
Accounting income available for distribution:						
Relating to capital gains	45			659		
Excluding capital gains	14,220			7,370		
	14,265			8,029		
Net gain for the period after taxation		19,959			8,029	
Distribution during the period		(78,789)			-	
Undistributed income at end of the period		<u>(120,445)</u>			<u>30,021</u>	
Represented by:						
- Realized (loss) / income at end of the period		(120,490)			29,362	
- Unrealized income at end of the period		45			659	
Undistributed income at end of the period		<u>(120,445)</u>			<u>30,021</u>	
Net assets value per unit at beginning of the period			<u>111.31</u>			<u>105.02</u>
Net assets value per unit at end of the period			<u>106.85</u>			<u>106.99</u>

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Income Fund

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

PIML Income Fund ("the Fund") has been established under a Trust Deed, dated June 20, 2012, between AWT Investments Limited as the Management Company, a company incorporated under the Companies Act, 2017 and Central Depository Company of Pakistan Limited (CDC) as the Trustee, also incorporated under the Companies Act, 2017.

During the year ended June 30, 2014, the Fund has been re-categorized from money market category to income fund category. Securities and Exchange Commission of Pakistan has approved the application for amendments related to above change in the first supplemental offering document via letter dated April 16, 2014.

The Management Company of the Fund has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management and investment advisory services as a Non-Banking Finance Company. The registered office of AWT Investments Limited is situated at 3rd Floor, I. I Chundrigar Road, Karachi.

The Fund aims to generate reasonable returns consistent with low risk from a portfolio constituted of high quality short and long term debt instruments including cash deposits and government securities.

The JCR VIS Credit Rating Company Limited (JCR VIS) has assigned as asset manager rating of AM3+ (June 30, 2018: AM3+) to the Management Company while the stability rating of A+(f) (June 30, 2018: A+(f)) has been assigned to the Fund by the Pakistan Credit Rating Agency Limited (PACRA).

Title to the assets of the Fund are held in the name of CDC as a trustee of the Fund.

2. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at September 30, 2018.

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

3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

3.1.1 Reclassification of financial assets:

During the current period IFRS-9 became applicable. According to the standard, all equity investments to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the fund has elected to report value change in 'other comprehensive income'. However, fund carried all its financial assets measured at fair value through profit or loss (FVTPL). For the purpose of measurement of debt instruments, SECP vide its letter to MUFAP dated November 21, 2017 relaxed the applicability of IFRS-9 impairment requirements for debt securities on mutual funds and deferred it till further instructions.

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

4. BANK BALANCES

PLS savings accounts

September 30 2018	June 30, 2018
----- Rupees '000 -----	
(Un-audited)	(Audited)
568,552	1,083,606
<u>568,552</u>	<u>1,083,606</u>

4.1 These accounts carry profit rates ranging from 6.5% to 8.50% (30 June 2018: 6.5% to 8%) per annum.

PIML Income Fund

		September 30 2018	June 30, 2018
	Note	----- Rupees '000 -----	
		(Un-audited)	(Audited)
5. INVESTMENTS			
- At fair value through profit or loss - held for trading			
Government securities			
Term finance certificate - Unlisted	5.1	50,000	50,000
Corporate Sukuk - Listed	5.2	13,573	14,611
Sukuk certificate - Unlisted	5.3	75,947	75,813
		<u>139,520</u>	<u>140,424</u>
Loans and receivables			
Term deposit receipt	5.5	100,000	230,000
Commercial Papers	5.4	101,280	-
		<u>201,280</u>	<u>230,000</u>

5.1 Term Finance Certificates - Unlisted
- Face value of Rs. 5,000 each

	-----Number of Certificates-----					
	Holding at the beginning of the period	Acquired during the period	Matured / Disposed During the period	Holding at the end of period	Market value / Carrying value of holdings	% of Net assets
Bank AlHabit Limited	10,000	-	-	10,000	50,000	5.68
					<u>50,000</u>	<u>5.68</u>
					<u>50,000</u>	

Cost of investments as September 30, 2018

5.2 Corporate Sukuk - Listed
- Face value of Hascol Sukuk is Rs. 5,000 each

	-----Number of Certificates-----					
	Holding at the beginning of the period	Acquired during the period	Matured / Disposed During the period	Holding at the end of period	Market value / Carrying value of holdings	% of Net assets
Hascol Petroleum Limited	3,800	-	-	3,800	13,573	1.54
					<u>13,573</u>	<u>1.54</u>
					<u>13,918</u>	

Cost of investments as September 30, 2018

5.3 Corporate Sukuk
- Face value of Rs. 1,000,000 each

	-----Number of Certificates-----					
	Holding at the beginning of the period	Acquired during the period	Matured / Disposed During the period	Holding at the end of period	Market value / Carrying value of holdings	% of Net assets
TPL Trakker Limited (Unlisted)	25	-	-	25	25,947	2.95
Aspin Pharma (Pvt) Limited (Privately Placed)	50	-	-	50	50,000	5.68
					<u>75,947</u>	<u>8.62</u>
					<u>75,000</u>	

Cost of investments as September 30, 2018

5.4 Commercial Papers
- Face value of Rs. 1,000,000 each

	-----Number of Certificates-----					
	Holding at the beginning of the period	Acquired during the period	Matured / Disposed During the period	Holding at the end of period	Market value / Carrying value of holdings	% of Net assets
K Electric Limited - Sukuk	-	105	-	105	101,280	11.50
					<u>101,280</u>	<u>11.50</u>
					<u>100,467</u>	

Cost of investments as September 30, 2018

5.5 This carries mark up rate of 9.50% (2018: 9.50%) per annum and will mature on 04 June, 2018.

PIML Income Fund

		September 30, 2018	June 30, 2018
		-----Rs in 000-----	
6	Note	(Un-audited)	(Audited)
6 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES			
Prepaid Listing fee		21	-
Security Deposit with:			
National Clearing Company of Pakistan Limited (NCCPL)		2,500	2,500
Central Depository Company of Pakistan Limited (CDC)		100	100
Bank balances & Term Deposit Receipts		3,957	1,684
Term finance certificate		2,387	2,050
		8,965	6,334
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
FED payable on management company's remuneration	7.1	20,813	20,813
Sales tax payable on Management Company remuneration	7.3	2,441	2,473
Auditors' remuneration		252	181
Printing and stationery		45	45
Provision of Sindh Workers Welfare Fund	7.2	11,686	11,375
Payable against redemption of units		-	19,734
Other Payable		758	420
		35,995	55,041

- 7.1 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 4 September 2013. While disposing the above petition through order dated 16 July 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from 01 July 2016. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Furthermore, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax. This amount is payable to the Management Company for onward payment to the government.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained provision for FED aggregating to Rs. 20.813 million.

- 7.2 Provision for Sindh Workers' Welfare Fund is being made on a daily basis pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) letter to mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 hence WWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF, but as a matter of abundant caution management has recorded SWWF at 2% of the net income earned by a Fund effective from 12 April 2016 (the date of the commencement of the Fund's operation).

The total provision for SWWF till 30 June 2018 is Rs. 11.686 million (30 June 2018: Rs. 11.375 million).

Furthermore, on 10 November 2016, Honourable Supreme Court of Pakistan (SCP) passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition with the SCP against the said judgment, which is pending hearing. While the petition filed by the Collective Investment Schemes (CISs) on the matter are still pending before the Sindh High Court (SHC), the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) have taken legal and tax opinions on the impact of the SCP's judgement on the CISs petition before the SHC. Both the legal and tax advisors consulted were of the view that the SCP's judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgement of the SCP.

Pursuant to above MUFAP recommended that the entire provision of Rs. 13.862 million against WWF held by the CISs till 30 June 2015, to be reversed on 12 January 2017.

- 7.3 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% on Management Company's remuneration. Above liability includes Rs. 2.321 million (30 June 2017: Rs. 2.321 million) accrued on Federal Excise Duty (FED) on the management remuneration

8. CONTINGENCIES AND COMMITMENTS

The Fund had no contingency or commitment at the quarter end except as those mentioned elsewhere in these condensed interim financial statements.

PIML Income Fund

9. TOTAL EXPENSE RATIO

Total expense ratio (comprising of all the expenses, including the government levies, incurred during the year divided by average net asset value for the year) is 1.58% per annum. Total expense ratio (excluding government levies) is 1.25% per annum. As per the NBFC Regulations, 2008 total expense ratio of the Income Scheme shall be capped upto 2% (excluding the government levies).

10. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I 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. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2019 as reduced by capital gains (whether realized or unrealized) to its unit holders.

11. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

On-balance sheet financial instruments	Carrying amount			Fair value		
	Fair value through income	Loans and receivables	Other financial liabilities	Level 1	Level 2	Total
	Note statement					
	(Rupees in '000)					
30 September 2018						
Financial assets measured at fair value						
Investments	139,520	-	-	139,520	-	139,520
Financial assets not measured at fair value						
Bank balances	-	568,552	-	568,552	-	-
Investments	-	201,280	-	201,280	-	-
Other receivables	-	6,365	-	6,365	-	-
Security deposits	-	2,600	-	2,600	-	-
	-	778,797	-	778,797	-	-
Financial liabilities not measured at fair value						
Remuneration payable to the Management Company	-	-	925	925	-	-
Remuneration payable to the Trustee	-	-	149	149	-	-
Accrued expenses and other liabilities	-	-	36,238	36,238	-	-
	-	-	37,312	37,312	-	-

PIML Income Fund

On-balance sheet financial instruments	Carrying amount				Fair value	
	Fair value through income statement	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2
	Note statement					
	(Rupees in '000)					
30 June 2018						
Financial assets measured at fair value						
Investments	140,424	-	-	140,424	-	140,424
Financial assets not measured at fair value						
Bank balances	-	1,083,606	-	1,083,606	-	-
Investments	-	230,000	-	230,000	-	-
Other receivables	-	3,734	-	3,734	-	-
Security deposits	-	2,600	-	2,600	-	-
	-	1,319,940	-	1,319,940	-	-
Financial liabilities not measured at fair value						
Remuneration payable to the Management Company	-	-	1,168	1,168	-	-
Remuneration payable to the Trustee	-	-	171	171	-	-
Accrued expenses and other liabilities	-	-	20,380	20,380	-	-
	-	-	21,719	21,719	-	-

11.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

12. TRANSACTIONS WITH CONNECTED PERSONS

12.1 Connected persons include AWT Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Army Welfare Trust which is the parent entity of the Management Company of the Management Company, Pak Brunei Investment Company Limited, other funds managed by the Management Company, associated companies of the management company / parent entity of the management company, entities in which the above parties or their connected persons have a material interest, Key Management Personnel and include entities holding 10% or more units of the Fund as at 30 June 2018. It also includes the staff retirement benefit funds of the above related parties / connected persons. Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

	September 30, 2018 ----- Rupees in '000 ----- (Unaudited)	June 30, 2018 ----- (Audited)
12.2 Detail of balances outstanding at the period end with connected persons are as follows:		
AWT Investments Limited - Management Company		
Remuneration payable to the Management Company	925	1,168
Sindh Sales Tax payable on remuneration of Management Company	2,441	2,473
Federal Excise Duty payable on remuneration of Management Company	20,813	20,813
PIML Provident Fund		
Units held - Nil units (June 30, 2018 : 7,227 units)	-	759
Army Welfare Trust - Ultimate Parent Company		
Units held - Nil units (June 30, 2018 : 2,352,277 units)	-	261,832
Pak Brunei Investment Company Limited (Note 12.6)		
Units Held- Nil units (2018: Units Held 93,731)	-	10,433
Askari General Insurance Limited		
Units held - 1,523,372 units (June 30, 2018 : 1,501,661 units)	162,772	167,150
Silk Bank Limited- Common Directorship		
Bank Balances	367,958	805,318
Investment in Term Deposit Receipt including accrued profits	-	130,080
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	149	171
Sales Tax on Trustee Fee	19	22
Security Deposit	100	100
Key Management Personnel of the Management Company		
Units held 2,121 units (June 30, 2018: 6,784 units)	227	755
Unit holders holding 10% or more of unit in issue		
Units held 889,662 units (June 30, 2018: Nil units)	95,060	-

PIML Income Fund

12.3 Detail of transactions with connected persons during the period are as follows:

	For the quarter ended September 30	
	2018	2017
	----- Rupees in '000 -----	
AWT Investments Limited - Management Company		
Remuneration of Management Company	2,987	1,306
Sindh sales tax on remuneration of Management Company	388	170
Issuance of Nil units (2018 : 473,440 units)	-	50,000
Redemption of Nil units (2018 : 515,604 units)	-	54,169
PIML Provident Fund		
Issuance of 21,118 units (2017 : Nil units)	2,245	-
Redemption of 28,345 units (2017 : Nil units)	3,021	-
Army Welfare Trust - Ultimate Parent Company		
Issuance of 123,151 units (2017 : 2,352,277 units)	14,702	250,000
Redemption of 2,475,428 units (2017 : Nil units)	264,326	-
Askari General Insurance Company Limited		
Issuance of 21,711 units (2017 : 960,061 units)	2,281	102,000
Dividend paid during the period	7,104	-
Pak Brunei Investment Company Limited (Note 12.6)		
Dividend paid during the period	365	-
Issuance of 2,101 units (2017 : Nil units)	221	-
Redemption of 95,832 units (2017 : Nil units)	10,133	-
Silk Bank Limited- Common Directorship		
Maturity of Term Deposit Receipt	130,801	-
Mark-up earned on bank balances & placements	14,393	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	467	188
Sindh sales tax on Trustee Fee	61	24
CDC Settlement Charges	1	2
Key Management Personnel of the Management Company		
Issuance of 340 units (2017:Nil units)	36	-
Redemption of 4,994 units (2017:53,487 units)	528	5,627
Dividend paid during the period	6	-
Unit holders holding 10% or more of unit in issue		
Issuance of 48,589 units (2017 : Nil units)	5,307	-
Redemption of 8,059 units (2017 : Nil units)	854	-

12.4 Transactions with connected persons are carried out in normal course of business at contracted rates and terms determined in accordance with market norms.

12.5 Remuneration payable to the Management Company and the Trustee have been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.

PIML Income Fund

12.6 On 2 August 2018, AWT acquired further 30% shares of the AMC from Pak Brunei Investment Company Limited (PBICL) resulting 100% holding of the AMC shares by AWT. Therefore, PBICL shall not be considered as associated company of the management company from the mentioned date of acquisition of 30% shares remaining shares.

12. GENERAL

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

12.2 Figures have been rounded off to the nearest thousand rupees. Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in this condensed interim financial information during the period.

13. DATE OF AUTHORIZATION

13.1 This condensed interim financial information was authorised for issue on **October 26, 2018** by the Board of Directors of the Management Company.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**PIML ISLAMIC INCOME FUND
FOR THE PERIOD ENDED SEPTEMBER 30, 2018**

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PIML Islamic Income Fund

FUND'S INFORMATION

Management Company	AWT Investments Limited 3rd Floor, AWT Plaza I.I Chundrigar Road, Karachi	
Board of Directors	Lt. General Najib Ullah Khan (Retd.) Maj. General Akhtar Iqbal (Retd.) Mr. Tariq Iqbal Khan Mr. Malik Riffat Mehmood Ms Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Director Director Director Director Chief Executive Officer
Chief Financial Officer	Mr. Hamza Saboor	
Company Secretary	Mr. Naveed ul Islam	
Audit Committee	Mr. Tariq Iqbal Khan Maj. General Akhtar Iqbal (Retd.) Mr. Malik Riffat Mehmood	Chairman Member Member
HR Committee	Maj. General Akhtar Iqbal (Retd.) Ms Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Member Member
Trustee	Central Depository Company of Pakistan Limited DC House, 99B, Block-B, SMCHS, Main Shahra-e-Faisal, Karachi	
Auditors	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants Progressive Plaza, 601, Shaheed Chaudary Aslam Road, Civil Lines, Karachi	
Legal Advisors	Mohsin Tayebaly & Co. 2nd Floor, Dime Centre, BC-4 Block-9, Kehkashan, Clifton, Karachi	
Bankers	Habib Bank Limited (Islamic Banking) Bank Al-Falah Limited (Islamic Banking) Al-Baraka Bank (Pakistan) Limited (Islamic Banking) Soneri Bank Limited (Islamic Banking) Askari Bank Limited (Islamic Banking) BankIslami Pakistan Limited	
Shariah Advisor	Mufti Abdul Zahid Farooqui	
Rating	A(f) by PACRA	

PIML Islamic Income Fund

DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of AWT Investments Limited the Management Company of PIML- Islamic Income Fund ("the Fund"), is pleased to present the un-audited condensed interim financial statements for the quarter ended September 30, 2018

REVIEW OF FUND PERFORMANCE

During 1Q FY19 Islamic Income Fund delivered an annualized yield of 4.85% compared to its benchmark return of 2.67% denoting an outperformance by 218 bps.

On September 30, 2018 the Net Assets of the fund stood at PKR 71.69 million, showing 27.6% decline from June 30, 2018 level of PKR 99.07 million. The weighted average time to maturity of the portfolio stands at 417days. The fund's Net Asset Value on September 30, 2018 was PKR 102.97.

The Fund was launched on 4th March 2014. The fund falls in the Shariah Compliant Income category.

ECONOMIC OUTLOOK

During 1QFY19, the economy has come under severe strains due to deterioration in balance of payment situation, with country foreign reserves losing further 4.46% to \$15.52bn. SBP has begun aggressive tightening with two 100bsp increases in policy rate (July and September) to 8.5%. The new government of PTI, which came in power after July 25 elections in the country, has to announce new fiscal measures (mini budget) to generate more tax revenues while cutting development expenditures by 25% Rs750bn in order to lower the fiscal budget in current fiscal year as against 6.6% of GDP recorded in the outgoing year.

The rate of CPI inflation in 1QFY19 has surged by 1.89%QoQ to average CPI of 5.60%, with central bank keeping its annual CPI projection in the range of 6.5%-7.5%. During the remaining months of current fiscal year, CPI will be mainly influenced by the rate of rupee depreciation and oil prices in international markets (up by 7.66% in FYTD to PKR81.48/bbl in 1QFY19). There is high probability that inflation will accelerate above SBP estimates on account of expected rupee depreciation as Pakistan moves into IMF program for balance of payment support. During 1QFY19, exports were up by 4.56% to USD5.39bn while imports were up marginally 0.63% to USD14.26bn. Despite decline in trade deficit by 1.61%YoY in 1QFY19 to USD8.87bn, the C/A deficit was up by 9.85%YoY to USD2.72bn in 2MFY19. Pak rupee declined to PKR123.15/USD from PKR121.73/USD in 1QFY19. During July, it fell to PKR128/USD before regaining to PKR122/USD after July 25 elections.

During the 2MFY19, FDI in the country has shrunk by 40.12%YoY to USD288mn when compared to USD481mn in 2MFY18. On the other side FPI in the country has dropped by 15.69%YoY to USD129mn in 2MFY19 when compared to 2MFY18. Contrary to this, remittances numbers have surged by 13.44%YoY to USD3.97bn in 2MFY19 when compared to 2MFY18.

Overall, the government has embarked upon implementing IMF led policy measures such as increase in the policy rate and pushing the rupee lower ahead of moving into the stand by arrangement for balance of payment support. Similarly, the government will go for reduction its twin deficits of fiscal and current account, which means more cuts in development expenditures leading to lower GDP growth in the range of 4-4.5% compared to previous year growth of 5.8%.

FUND STABILITY RATING

The Fund stability rating 'A (f)' assigned by The Pakistan Credit Rating Agency Limited (PACRA) to the Fund remains unchanged.

PIML Islamic Income Fund

MANAGEMENT QUALITY RATING

The JCR-VIS Credit Rating Company Limited has reaffirmed Management Quality Rating of "AM3+" 'with Rating Watch-Developing' to AWT Investments Limited on December 15, 2016. The rating denotes high management quality of the Management Company.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company is thankful to the Securities and Exchange Commission of Pakistan for their valuable support, assistance and guidance. The Board also wish to express gratitude to the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

Rawalpindi: October 26, 2018

Chief Executive Officer

Director

PIML Islamic Income Fund

یونٹ ہولڈرز کو ڈائریکٹرز کی رپورٹ: PIML اسلامک انکم فنڈ

AWT انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز جو کہ پرائس انویسٹمنٹ مینجمنٹ لمیٹڈ - اسلامک انکم فنڈ (فنڈ) کی انتظامی کیمپی ہے، 30 ستمبر 2018 کو اختتام پذیر ہونے والی سرمایہ کاری کا مالیاتی گوشوارہ پیش کرتے ہوئے انتہائی مسرت محسوس کر رہی ہے۔

فنڈ کی کارکردگی کا جائزہ

مالی سال 19 کی پہلی سرمایہ میں اسلامک انکم فنڈ نے 4.85 فی صد کا مالی منافع حاصل کیا جب کہ اس کا بیچ مارک منافع 2.67 فی صد رہا جس سے 218 پیسوں کی نمو کا اشارہ ملتا ہے۔

30 ستمبر 2018 کو فنڈ کے خالص اثاثوں کی مالیت 71.69 ملین پاکستانی روپے تھی جس سے 30 جون 2018 کے مقابلے میں 27.6 فی صد تنزیلی کا اشارہ ملتا ہے۔ اس وقت فنڈ کے خالص اثاثوں کی مالیت 99.07 ملین پاکستانی روپے تھی۔ پورٹ فولیو کی پیوریٹی کا اوسط دو درجہ 417 دن رکھا گیا۔ 30 ستمبر 2018 میں فنڈ کے فی منافع شرح منافع کی قدر 102.97 روپے تھی۔

پرائس انویسٹمنٹ مینجمنٹ لمیٹڈ - اسلامک انکم فنڈ کا اجراء 4 مارچ 2014 میں کیا گیا۔ یہ فنڈ بشریہ کھپانے والی ایکٹیوٹی میں شامل کیا گیا۔

معاشی توقعات

مالی سال 2018 کی پہلی سرمایہ کے دوران، پاکستانی معیشت سنگین بحران کا شکار نظر آئی جس کی وجوہات میں ادائیگیوں کے توازن میں تنزیلی اور ملک کے غیر ملکی زرمبادلہ کے ذخائر میں کمی تھی جو مزید 4.46 فی صد کم ہو کر 15.52 ملین امریکی ڈالر رہ گئے۔ اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ پر سختی کو جاری رکھا ہے، جولائی اور ستمبر میں مزید 100 پیسوں یعنی 8.5 فی صد کا اضافہ کیا۔ پاکستان تحریک انصاف کی نئی حکومت نے، جو کہ 25 جولائی کو ہونے والے عام انتخابات کے نتیجے میں اقتدار میں آئی، اس نے مزید ٹیکس ریویو پیچھا کرنے کے لیے نئے مالیاتی اقدامات (مٹی بجٹ) کا اعلان کر دیا اور ترقیاتی منصوبوں پر خرچ کیے جانے والے اخراجات میں 25 فی صد یعنی 750 ملین روپے کی کوٹھی کر دی تاکہ موجودہ مالی سال میں مالیاتی بجٹ کو کم کیا جاسکے۔ 6.6 فی صدی ڈی پی ٹی کی شرح کے برخلاف جو کہ رواں سال میں ریکارڈ کیا گیا۔

1QFY19 میں CPI میں اضافی شرح تیزی سے بڑھ کر سرمایہ سے سرمایہ کی بنیاد پر 1.89 فی صد سے 5.60 فی صد ہو گئی۔ سینٹرل بینک نے اپنی سالانہ CPI پروجیکشن 6.5 فی صد سے 7.5 فی صد کے درمیان رکھی۔ موجودہ مالی سال کے ہٹا یا مہینوں میں CPI پر زیادہ اثر روپے میں کمی اور بین الاقوامی مارکیٹ میں تیل کی قیمتوں میں کمی کے باعث ہو گا۔ (FYTD میں 7.66 فی صد اضافے کے بعد 1QFY19 میں 81.48 پاکستانی روپے)۔ اس بات کا بھی بہت زیادہ امکان ظاہر کیا جا رہا ہے کہ فراڈز میں SBP کے تخمینے سے بہت زیادہ اضافہ ہو جائے گا کیوں کہ پاکستانی روپے کی قدر میں کمی اس کی بنیاد رکھی جاسکتی ہے، جس کے باعث ادائیگیوں میں توازن کی غرض سے آئی ایم ایف سے قرض لینا پڑے گا۔

1QFY19 کے دوران برآمدات کا حجم 4.56 فی صد یعنی 5.39 ملین امریکی ڈالر رہا۔ جب کہ درآمدات 0.63 فی صد اضافے سے 14.26 ملین امریکی ڈالر تک جا پہنچیں۔ 1QFY19 کے دوران تجارتی خسارہ میں سال بہ سال 1.61 فی صد کی بے باوجود 8.87 ملین امریکی ڈالر تھا۔ کرنٹ اکاؤنٹ کا خسارہ 2MFY19 کے دوران سال بہ سال 9.85 فی صد بڑھ کر 2.72 ملین امریکی ڈالر رہا۔ 1QFY19 میں پاکستانی روپے کی قدر 123.15 فی ڈالر سے کم ہو کر 121.73 امریکی ڈالر ہو گئی۔ جولائی کے دوران اس کی قدر مزید کم ہو کر 128 روپے فی ڈالر ہو گئی تھی جب کہ 25 جولائی کے ایکشن کے بعد وہ واپس 122 فی ڈالر کی سطح پر پہنچ گیا۔

2MFY19 کے دوران ملک میں FDI کا حجم سزکرسال بہ سال 40.12 فی صد ہو گیا یعنی 288 ملین امریکی ڈالر جب کہ 2MFY18 میں پیرچرٹ 481 ملین امریکی ڈالر تھی۔ دوسری جانب FPI میں سال بہ سال 15.69 فی صد کی واقع ہوئی جو 2MFY19 کے عرصے میں 129 ملین امریکی ڈالر تھی۔ بمقابلہ 2MFY18 کے۔ اس کے برعکس تریلیات زر کے حجم میں تیزی سے اضافہ ہوا سال بہ سال جو کہ 2MFY19 میں 13.44 فی صد یعنی 3.97 ملین امریکی ڈالر تھا۔ بمقابلہ 2MFY18 کے۔

مجموعی طور پر حکومت آئی ایم ایف کی پالیسیوں کے مطابق عمل پیرا ہونے کی جانب اقدامات کرتی نظر آتی ہے جن میں پالیسی ریٹ میں اضافہ اور روپے کی قدر میں کمی جیسے اقدام جن سے ادائیگیوں کے توازن کا بندوبست کرنے میں مدد ملے۔ اسی طرح حکومت اپنے دو خساروں یعنی تجارتی اور کرنٹ اکاؤنٹ خسارے میں کمی کرنے کی جس کا مطلب ترقیاتی منصوبوں میں کوٹھی کٹی جاسکتی ہے۔ جس سے جی

PIML Islamic Income Fund

ذی بی گرتھ میں کمی ہوگی 4-4.5 فی صد کی شرح سے جب کہ پچھلے سال اس کی شرح 5.8 فی صد تھی۔
فنز کے استحکام کی درجہ بندی

فنز کے لیے، پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) کی جانب سے فنڈ اسٹیبلٹی ریٹنگ 'A(f)' متعین کی گئی جو تاحال مستحکم ہے۔

میںجنت کوٹلی ریٹنگ

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے پرائس انوسٹمنٹ میںجنت لمیٹڈ کو 15 دسمبر 2016 میں میںجنت کوٹلی ریٹنگ AM3+ کے علاوہ ریٹنگ واچ-ڈیولپنگ سے بھی نوازا ہے۔ یہ ریٹنگ، میںجنت کوٹلی کی اعلیٰ درجہ کی انتظامی خصوصیات کو ظاہر کرتی ہے۔

اظہار تشکر

میںجنت کوٹلی کے بورڈ آف ڈائریکٹرز، سیکریٹریز اینڈ ایگزیکٹو کمیشن آف پاکستان کی جانب سے قابل قدر مدد و معاونت اور رہنمائی کے لیے ان کے شکر گزار ہیں۔ علاوہ ازیں بورڈ، میںجنت کوٹلی کے کارکنان اور سٹیبٹیز کی لگن اور جھٹکشی و محنت پر ان کا تبادلے سے مشکور ہے۔ بورڈ نے یونٹ ہولڈرز کی جانب سے میںجنت پر بھروسہ کرنے پر ان کا بھی شکر یہ ادا کیا۔

راولپنڈی : 26 اکتوبر 2018

چیف ایگزیکٹو آفیسر

ڈائریکٹر

PIML Islamic Income Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2018

		September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	<i>Note</i>	(Rupees in '000)	
Assets			
Bank balances	5	30,636	68,407
Investments	6	40,405	30,000
Prepayment, security deposit and other receivables		1,756	1,676
Deferred formation cost		198	346
Total assets		<u>72,995</u>	<u>37,958</u>
Liabilities			
Payable to the Management Company		44	174
Remuneration payable to the Trustee		10	14
Annual fee payable to Securities and Exchange Commission of Pakistan		15	78
Accrued expenses and other liabilities	7	1,235	1,091
Total liabilities		<u>1,304</u>	<u>1,357</u>
Contingency and commitment	8		
Net assets		<u>71,691</u>	<u>99,072</u>
Unit holders' fund		<u>71,691</u>	<u>99,072</u>
		(Number)	
Number of units in issue		<u>696,206</u>	<u>939,568</u>
		(Rupees)	
Net assets value per unit		<u>102.97</u>	<u>105.44</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Income Fund

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	Note	September 30,	
		2018	2017
		(Rupees in '000)	
Income			
Profit on sukuk certificates		327	78
Profit on Commercial Paper		84	-
Profit on term deposit receipts		302	-
Profit on bank balances		800	1,612
Gain on sale on held for trading investments - net		-	288
Total income		1,513	1,978
Expenses			
Remuneration of the Management Company		154	230
Sindh sales tax on Management Company's remuneration		20	30
Remuneration of the Trustee		35	46
Sindh sales tax on Trustee remuneration		5	6
Annual fee to the Securities and Exchange Commission of Pakistan		15	20
Auditors' remuneration		60	60
Fee and Subscription		210	236
Bank charges and Settlement Charges		1	38
Printing and related cost		18	18
Provision for Sindh Workers' Welfare Fund		20	26
Total expenses		538	710
Net income for the quarter before taxation		975	1,268
Taxation	12	-	-
Net income for the quarter after taxation		975	1,268
Allocation of net income for the quarter			
Net income for the quarter after taxation		975	1,268
Income already paid on units redeemed		(118)	(105)
		857	1,163
Accounting income available for distribution			
- Relating to capital gains		-	264
- Excluding capital gains		857	899
		857	1,163

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Income Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	September 30,	
	2018	2017
	(Rupees in '000)	
Net income for the quarter after taxation	975	1,268
Other comprehensive income	-	-
Total comprehensive income for the quarter	975	1,268

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Income Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	Note	September 30,	
		2018	2017
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the quarter before taxation		975	1,268
Adjustments for:			
Profit on sukuk certificates		(327)	(1,612)
Profit on Commercial Paper		(84)	-
Profit on term deposit receipts		(302)	-
Profit on bank balances		(800)	(78)
Gain on sale on held for trading investments - net		-	(288)
		<u>(538)</u>	<u>(710)</u>
(Increase) / Decrease in assets			
Deferred formation cost		148	148
Investments		(10,321)	14,465
Prepayment, security deposit and other receivables		(53)	34
		<u>(10,226)</u>	<u>14,647</u>
			33
Increase / (Decrease) in liabilities			
Payable to the Management Company		(130)	(17)
Remuneration payable to the Trustee		(4)	2
Annual fee payable to Securities and Exchange Commission of Pakistan		(63)	(175)
Accrued expenses and other liabilities		144	(85)
		<u>(53)</u>	<u>(275)</u>
Mark-up received on bank balances		1,005	1,518
Profit received on sukuk investment		397	-
Net cash (used in) / generated from operating activities		<u>(9,415)</u>	<u>15,180</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issuance of units (net of re-investment)		2,765	99,288
Amount paid on redemption of units		(27,635)	(31,366)
Dividend paid (net of re-investment)		(3,486)	-
Net cash (used in) / generated from financing activities		<u>(28,356)</u>	<u>67,922</u>
Net (decrease) / increase in cash and cash equivalents		<u>(37,771)</u>	<u>83,102</u>
Cash and cash equivalents at beginning of the quarter		68,407	21,416
Cash and cash equivalents at end of the quarter	5	<u>30,636</u>	<u>104,518</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Income Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	September 30, 2018			September 30, 2017		
	Value	Undistributed income	Total	Value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the quarter	95,212	3,860	99,072	35,962	448	36,410
Issuance of 27,140 units (2017: 980,199 units)						
Capital Value	2,761	-	2,761	99,245	-	99,245
Element of income	4	-	4	43	-	43
Amount received on issuance of units	2,765	-	2,765	99,288	-	99,288
Redemption of 270,502 units (2017: 308,768 units)						
Capital Value	(27,521)	-	(27,521)	31,263	-	31,263
Element of income:						
- Income already paid	-	-	-	-	(105)	(105)
- Refund / adjustment on units	(114)	-	(114)	5,147	-	5,147
Amount paid on redemption of units	(27,635)	-	(27,635)	36,410	(105)	36,305
Total comprehensive income for the quarter	-	975	975	-	1,268	1,268
Distribution during the quarter	-	(2,977)	(2,977)	-	-	-
Refund of Capital	(509)	-	(509)	-	-	-
Net income for the quarter less distribution	(509)	(2,002)	(2,511)	-	1,268	1,268
Net assets as at end of the quarter	69,833	1,858	71,691	171,660	1,611	173,271
Undistributed income brought forward:						
- Realized income		3,860			350	
- Unrealized income		-			98	
		<u>3,860</u>			<u>448</u>	
Accounting income available for distribution:						
Relating to capital gains	-			264		
Excluding capital gains	857			899		
		<u>857</u>		<u>1,163</u>		
Final Distribution for the year ended 30 June 2018 Rs. 3.71 per unit [Date of Distribution 06 July 2018] (2017: Rs. Nil Per Unit)						
- Cash distribution		(2,977)			-	
Undistributed income carried forward		<u><u>1,740</u></u>			<u><u>1,611</u></u>	
Undistributed income carried forward						
- Realized income		1,740			614	
- Unrealized income		-			997	
		<u><u>1,740</u></u>			<u><u>1,611</u></u>	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		<u><u>105.44</u></u>			<u><u>101.25</u></u>	
Net assets value per unit at end of the quarter		<u><u>102.97</u></u>			<u><u>102.42</u></u>	

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

**For AWT Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Income Fund

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 PIML Islamic Income Fund ("the Fund") was established under a Trust Deed, dated 15 May 2013, executed between AWT Investments Limited as Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and the Central Depository Company of Pakistan Limited (CDC) as a Trustee, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Securities and Exchange Commission of Pakistan (SECP) registered the Fund as a Notified Entity on 25 November 2013, under Regulations 44 of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (Establishment and Regulation) Rules. On 26 July 2017, Securities and Exchange Commission of Pakistan gave its approval for the change of Services and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). Registered office of the Management Company is situated at 3rd Floor, AWT Plaza, I.I. Chundrigar Road, Karachi.
- 1.2 The Fund offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.3 The Scheme is a 'Shariah Compliant Islamic Income Scheme' as per the criteria for the categorization of open-end collective investment schemes specified by the Securities and Exchange Commission of Pakistan. The objective of the Fund is to generate competitive risk adjusted returns by investing in short, medium and long-term Shariah Compliant fixed income instruments.
- 1.4 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.
- 1.5 Transactions undertaken by the Fund are in accordance with the guidelines issued by the Shariah Supervisory Council.
- 1.6 As per regulation 54 (3a) of Non-Banking Finance Companies and Regulations, 2008, the minimum size of an Open end Scheme shall be one hundred million rupees at all times during the life of the scheme. Subject to the above, if any time the size of any Open End Scheme falls below the minimum size specified above, the Management Company shall ensure compliance within three months of the breach and if the fund size remains below the minimum fund size limit for consecutive ninety days, the Asset Management Company shall immediately intimate the grounds to the Commission upon which it believes that the Open End Scheme is still commercially viable and its objective can still be achieved.

In the Fund's case, the net assets fell below the minimum level during 01 July 2017 to 05 July 2017, 07 August 2017 and 08 August 2017, 06 February 2018 to 25 March 2018 and from 27 June 2018 to date. On 30 September 2018, the net asset was Rs. 71.691 million.

Management has taken cognizant of the above legal requirement and is making effects to ensure that the Fund size is above the legal requirement in accordance with the approval of the Board of Directors of the Management Company.

- 1.7 The Fund has been given a stability rating of A(f) by The Pakistan Credit Rating Agency Limited. The Management Company of the Fund has been given quality rating of AM3+ by The Pakistan Credit Rating Agency Limited.

2. BASIS OF PREPARATION

The transactions undertaken by the Fund are in accordance with the Shariah guidelines issued by the Shariah advisor and are accounted for on substance rather than the form prescribed by the above referred guidelines. This practice is being followed to comply with the requirements of approved accounting standards as applicable in Pakistan.

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

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

4.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

4.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable. According to the standard, all equity investments to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the fund has elected to report value change in 'other comprehensive income'. However, fund carried all its financial assets measured at fair value through profit or loss (FVTPL). For the purpose of measurement of debt instruments, SECP vide its letter to MUFAP dated November 21, 2017 relaxed the applicability of IFRS-9 impairment requirements for debt securities on mutual funds and deferred it till further instructions.

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

		September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	(Rupees in '000)	
5. BANK BALANCES			
Balances with banks in:			
- Current account		3	3
- Profit and loss sharing accounts	5.1	<u>30,633</u>	<u>68,404</u>
		<u><u>30,636</u></u>	<u><u>68,407</u></u>

5.1 These accounts carry profit rates ranging from 6.5% to 7.25% (2017: 4.0% to 5.80%) per annum.

6 INVESTMENTS

At fair value through income statement

- held for trading

Sukuk certificates 6.1 15,000 15,000

Loans and Receivables

Term deposit receipt 6.2 15,000 15,000

Commercial papers 6.3 10,405 -

40,405 30,000

6.1 At fair value through income statement - held for trading	Sukuk certificates	Note	Number of certificates				Carrying value before revaluation as at 30 September 2018	Market value / carrying value as at 30 September 2018 (after revaluation)	% of total investments	% of net assets
			Holding at beginning of the period	Acquired during the period	Disposed during the period	Holding at end of the period				
	Face value of Rs. 100,000 each						(Rupees in '000)			
	ASPIN Pharma (Private) Limited	6.4 & 6.7	150	-	-	150	15,000	15,000	37%	
	Held for trading investments as at 30 June 2018						<u>15,000</u>	<u>15,000</u>	<u>37%</u>	
	Cost of held for trading investments as at 30 June 2018						<u>15,000</u>			
6.2 Term Deposit Receipt										
	NRSP Micro Finance Bank	6.5 & 6.7					<u>15,000</u>	-	<u>37%</u>	<u>20.92%</u>
6.3 Commercial papers										
	Face value of Rs. 1,000,000 each									
	K Electric Limited CP Sukuk	6.6	-	10.70	-	10.70	<u>10,405</u>	<u>10,405</u>	<u>26%</u>	<u>14.51%</u>
	Total Investment						<u><u>40,405</u></u>	<u><u>25,405</u></u>	<u><u>100%</u></u>	

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- 6.4 Above amount was paid on 30 November 2017 and carries profit at three months KIBOR plus 1.5%. At the year end profit rate was 7.90% (30 June 2017: Nil) per annum and will mature on 30 November 2023 (30 June 2017: Nil). Interest is payable quarterly while the principal is payable quarterly in twenty equal installments of Rs. 0.75 million, starting from the fifteenth month of the issue (i.e. 01 March 2019). These certificates are secured against a ranking charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount.

The entity and the sukuk instrument have been rated as 'A' by the JCR-VIS.

- 6.5 Term deposit receipt carry mark-up rate of 8% (2017: nil) per annum and will mature on 8 December 2018.
- 6.6 K Electric Limited Commercial Paper Sukuk carry mark-up rate of 8.95% (2017: nil) per annum and will mature on 01 March 2019.
- 6.7 As per regulation 55 (6) of Non-Banking Finance Companies and Regulations, 2008, in case of Shariah Compliant Islamic Funds, exposure to any single entity shall not exceed 15% of total net assets of the scheme. However as of 30 June 2018, the Fund's investment in the sukuk certificates issued by Aspin Pharma (Private) Limited & Term Deposit Receipt with NRSP Micro Finance Bank was in excess of the limit and was 20.92% & 20.92 respectively of the Fund's net assets. As per regulation 55 (13) of Non-Banking Finance Companies and Regulations, 2008, where the exposure of the Fund exceeds the limit of this regulation because of corporate actions including taking up rights or bonus issue or due to market price increase or decrease in net assets due to redemption, the excess exposure shall be regularized within four months of the breach of limits. The management intend to address the above within the specified time frame.

		September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
	<i>Note</i>	(Rupees in '000)	
Provision for Sindh Workers' Welfare Fund	7.1	362	342
Federal Excise Duty payable on Management Company's remuneration	7.2	339	339
Sindh Sales Tax payable on Management Company's remuneration	7.3	43	45
Sindh sales tax payable on Trustee remuneration		1	2
Auditors' remuneration payable		211	151
Shariah advisory fee		18	51
Printing and Stationary		49	33
Credit Rating Fee Payable		212	128
		1,235	1,091

- 7.1 Provision for Sindh Workers Welfare Fund is being made on a daily basis going forward pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) letter to mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 hence WWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF but as a matter of abundant caution the Management has recorded SWWF with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from 21 May 2015).

Pursuant to above MUFAP recommended that the entire provision of Rs. 0.152 million against WWF held by the CISs till 30 June 2015, to be reversed on 12 January 2017.

The total provision for SWWF till 30 September 2018 is Rs. 0.362 million. Had the provision not been made, Net Asset Value per unit of the Fund as at 30 September 2018 would have been higher by Re. 0.52 per unit.

Furthermore, on 10 November 2016, Honorable Supreme Court of Pakistan (SCP) passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition with the SCP against the said judgment, which is pending hearing. While the petitions filed by the Collective Investment Schemes (CISs) on the matter are still pending before the Sindh High Court (SHC), the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) have taken legal and tax opinions on the impact of the SCP's judgment on the CISs petition before the SHC. Both the legal and tax advisors consulted were of the view that the SCP's judgment

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has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgment of the SCP.

Above decisions regarding the reversal and the recognition of SWWF were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and SECP vide its letter dated 1 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective. Accordingly, the Fund has recorded these adjustments in its books on 12 January 2017.

- 7.2 As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective 13 June 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 04 September 2013.

While disposing the above petition through order dated July 16, 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from 01 July 2011. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Further, the Finance Act 2016, also introduced an amendment to the Federal Excise Act, 2015 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax. The amount is payable to management company for onwards payment to government.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained provision for FED aggregating to Rs. 0.339 million. Had the provision not been made, NAV per unit of the Fund as at 30 September 2018 would have been higher by Rs. 0.49 per unit (September 2017: 0.33 per unit).

- 7.3 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (2017: 13%) on Management Company's remuneration. Above liability includes Rs. 23,586 (2017: Rs. 23,586) accrued on Federal Excise Duty (FED) on the management remuneration. Had the provision on FED not been made, Net Asset Value per unit of the Fund as at 30 September 2018 would have been higher by Re. 0.034 (2017: Re. 0.023) per unit. The amount is payable to management company for onwards payment to government.

8. CONTINGENCIES AND COMMITMENTS

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

9. TOTAL EXPENSE RATIO (TER)

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2018 is 2.62% which include 0.36% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

10. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include AWT Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the trustee, other funds managed by the Management Company, associated companies (if any) of the management company, entities in which the above parties or their connected persons have a material interest, Key Management Personnel and includes entities holding 10% or more units of the Fund as at 30 September 2018 or during the quarter. It also includes the staff retirement funds of the above related parties / connected person. Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
	(Rupees in '000)	
10.1 Balances with related parties / connected persons as at quarter end		
AWT Investments Limited - Management Company of the Fund		
Remuneration payable to the Management Company	44	64
Preliminary and floatation costs payable to Management Company	110	110
Preliminary and floatation costs receivable from Management Company	584	437
Units held - 551,623 (2018: 535,037)-(representing 79.23% of net assets as at 30 September 2018)	56,803	56,414
Expense charged to the management company	129	129
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration of the Trustee	10	14
Security Deposit	100	100

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	Note	September 30, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
Pak Brunei Investment Company Limited - associated company of the Management Company			
Units held - Nil (2018: 100,662)	10.5	-	10,614
Key Management Personnel			
Units held - 52 (2018: 107,923) Units (representing 0.01% of net assets as at 30 September 2018)		5	11,379
10.2 Details of transactions with related parties / connected persons during the quarter		September 30, 2018	September 30, 2017
		(Unaudited)	
AWT Investments Limited - Management Company of the Fund			
Issuance of 16,583 units (2017: 534,805 units)		1,687	54,144
Capital Refund of 3 units (2017: Nil Units)		0.33	-
Dividend Paid		1,985	-
Remuneration of Management Company		154	230
Central Depository Company of Pakistan Limited - Trustee of the Fund			
Remuneration of the Trustee		35	46
Settlement charges		1	2
Key Management Personnel			
Issue of 100 units (2017: 49,558 units)		10	5,017
Redemption of 11,391 units (2017: 53,616 units)		11,508	-
Capital Refund of 919 Units (2017: Nil Units)		93	-
Dividend Paid (gross of tax)		307	-

10.3 Remuneration payable to the Management Company and the Trustee have been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.

10.4 Purchase and redemption of units of the Fund by related parties / connected persons are recorded at the applicable net asset value per unit. Other transactions are at agreed rate.

10.5 Furthermore, on October 13, 2017 the Board of Directors of Pak Brunei Investment Company Limited (PBICL) have approved the divestment of PBICL's remaining 30% shareholding in the Company by exercising the option contained in the shareholders' agreement dated December 14, 2016. The transaction was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 5, 2018 and was concluded on August 03, 2018 with the remaining holding transferred by PBICL in the name of AWT.

11 FAIR VALUES OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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	Note	Carrying amount			Fair value			
		Fair value through income statement	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Total
(Rupees in '000)								
30 September 2018 (Un-Audited)								
Financial assets measured at fair value								
Investments (non- traded)	11.1	15,000	-	-	15,000	-	-	-
Financial assets not measured at fair value								
Bank balances	11.1	-	30,636	-	30,636	-	-	-
Investments Loans & Receivables	11.1	-	40,405	-	40,405	-	-	-
Security deposit and other receivables	11.1	-	1,338	-	1,338	-	-	-
		-	72,379	-	72,379	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company	11.1	-	-	44	44	-	-	-
Remuneration payable to the Trustee	11.1	-	-	10	10	-	-	-
Accrued expenses and other liabilities	11.1	-	-	490	490	-	-	-
		-	-	544	544	-	-	-

	Note	Carrying amount			Fair value			
		Fair value through income statement	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Total
30 June 2018 (Audited)								
Financial assets measured at fair value								
Investments (non- traded)	11.1	15,000	-	-	15,000	-	-	-
Financial assets not measured at fair value								
Bank balances	11.1	-	68,407	-	68,407	-	-	-
Investment (Term Deposit Receipt)	11.1	-	15,000	-	15,000	-	-	-
Security deposit and other receivables	11.1	-	1,258	-	1,258	-	-	-
		-	84,665	-	84,665	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company	11.1	-	-	174	174	-	-	-
Remuneration payable to the Trustee	11.1	-	-	14	14	-	-	-
Accrued expenses and other liabilities	11.1	-	-	363	363	-	-	-
		-	-	551	551	-	-	-

11.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities because their carrying amounts are a reasonable approximation of their fair value.

12 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I 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. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2019 as reduced by capital gains (whether realized or unrealized) to its unit holders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

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13 GENERAL

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

13.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in this condensed interim financial information during the period except for the following for better presentation:

14 DATE OF AUTHORISATION

This condensed interim financial information was authorized for issue on **October 26, 2018** by the Board of Directors of the Management Company.

**For AWT Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

**PIML ISLAMIC EQUITY FUND
FOR THE PERIOD ENDED SEPTEMBER 30, 2018**

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FUND'S INFORMATION

Management Company	AWT Investments Limited 3rd Floor, AWT Plaza I.I Chundrigar Road, Karachi	
Board of Directors	Lt. General Najib Ullah Khan (Retd.) Maj. General Akhtar Iqbal (Retd.) Mr. Tariq Iqbal Khan Mr. Malik Riffat Mehmood Ms Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Director Director Director Director Chief Executive Officer
Chief Financial Officer	Mr. Hamza Saboor	
Company Secretary	Mr. Naveed ul Islam	
Audit Committee	Mr. Tariq Iqbal Khan Maj. General Akhtar Iqbal (Retd.) Mr. Malik Riffat Mehmood	Chairman Member Member
HR Committee	Maj. General Akhtar Iqbal (Retd.) Ms Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Member Member
Trustee	Central Depository Company of Pakistan Limited DC House, 99B, Block-B, SMCHS, Main Shahra-e-Faisal, Karachi	
Auditors	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants Progressive Plaza, 601, Shaheed Chaudary Aslam Road, Civil Lines, Karachi	
Legal Advisors	Mohsin Tayebaly & Co. 2nd Floor, Dime Centre, BC-4 Block-9, Kehkashan, Clifton, Karachi	
Bankers	Habib Bank Limited (Islamic Banking) Bank Al-Falah Limited (Islamic Banking) Al-Baraka Bank (Pakistan) Limited (Islamic Banking) Soneri Bank Limited (Islamic Banking) Askari Bank Limited (Islamic Banking) BankIslami Pakistan Limited	
Shariah Advisor	Mufti Abdul Zahid Farooqui	

PIML Islamic Equity Fund

DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of AWT Investments Limited the Management Company of PIML- Islamic Equity Fund ("the Fund"), is pleased to present the un-audited condensed interim financial statements for the quarter ended September 30, 2018

REVIEW OF FUND PERFORMANCE

During 1QFY19, IEF generated negative return of 4.38% compared to benchmark KMI-30 negative return of 2.57%. Equities have retreated in last two months due to worsening balance of payment situation and monetary tightening by SBP. Stocks which contributed in negative performance were NRL, SPEL, MUGHAL, PKGS, GLAXO and SEARL. Holdings which outperformed were MEBL, LUCK, ENGRO, PREMA and PSO in 1QFY19. Exposure in equities increased to 82.07% in 1QFY19 as fund size declined by 6.44%QoQ basis to PKR104.27mn in the 1QFY19 compared to PKR111.45mn by June end 2018. The fund's Net Asset Value on September 30, 2018 was PKR 102.66.

ECONOMIC OUTLOOK

During 1QFY19, the economy has come under severe strains due to deterioration in balance of payment situation, with country foreign reserves losing further 4.46% to \$15.52bn. SBP has begun aggressive tightening with two 100bsp increases in policy rate (July and September) to 8.5%. The new government of PTI, which came in power after July 25 elections in the country, has to announce new fiscal measures (mini budget) to generate more tax revenues while cutting development expenditures by 25% Rs750bn in order to lower the fiscal budget in current fiscal year as against 6.6% of GDP recorded in the outgoing year.

The rate of CPI inflation in 1QFY19 has surged by 1.89%QoQ to average CPI of 5.60%, with central bank keeping its annual CPI projection in the range of 6.5%-7.5%. During the remaining months of current fiscal year, CPI will be mainly influenced by the rate of rupee depreciation and oil prices in international markets (up by 7.66% in FYTD to PKR81.48/bbl in 1QFY19). There is high probability that inflation will accelerate above SBP estimates on account of expected rupee depreciation as Pakistan moves into IMF program for balance of payment support. During 1QFY19, exports were up by 4.56% to USD5.39bn while imports were up marginally 0.63% to USD14.26bn. Despite decline in trade deficit by 1.61%YoY in 1QFY19 to USD8.87bn, the C/A deficit was up by 9.85%YoY to USD2.72bn in 2MFY19. Pak rupee declined to PKR123.15/USD from PKR121.73/USD in 1QFY19. During July, it fell to PKR128/USD before regaining to PKR122/USD after July 25 elections.

During the 2MFY19, FDI in the country has shrunk by 40.12%YoY to USD288mn when compared to USD481mn in 2MFY18. On the other side FPI in the country has dropped by 15.69%YoY to USD129mn in 2MFY19 when compared to 2MFY18. Contrary to this, remittances numbers have surged by 13.44%YoY to USD3.97bn in 2MFY19 when compared to 2MFY18.

Overall, the government has embarked upon implementing IMF led policy measures such as increase in the policy rate and pushing the rupee lower ahead of moving into the stand by arrangement for balance of payment support. Similarly, the government will go for reduction its twin deficits of fiscal and current account, which means more cuts in development expenditures leading to lower GDP growth in the range of 4-4.5% compared to previous year growth of 5.8%.

EQUITY MARKET REVIEW

During 1QFY19 KSE-100 index slumped by 2.18% to 40,998.59 compared to Jun'18 index levels of 41,910.90. Market responded positively when PTI managed to secure comfortable majority in parliament after July 25 elections gaining almost 7%, however, market retreated those gains in last two months of the quarter as macroeconomic concerns came to surface amid decline in foreign exchange reserves and strong foreign selling. Monetary tightening of 200bps increase in policy rate to 8.50% has also caused the highly leveraged scrips to decline in the 1QFY19. Average daily trading volume (ADTV) of the KSE-ALL index fell by 14.76% in FYTD to 138mn shares in 1QFY19 when compared to 162mn shares in the month of Jun'18. On the FIPI side, foreigners have pulled out \$189mn from PSX in 1QFY19. While on the locals' side, Insurance companies were the top buyers with inflow of \$102mn followed by individuals with \$97mn inflow in 1QFY19.

PIML Islamic Equity Fund

During the quarter ended Sept'18, the sectors that declined in the quarter are mainly Insurance down by 8.97%, Automobile down 4.40%, Pharma declined by 3.04%, Refinery down by 2.46%, Power down by 2.34% and OMCs down by 1.86% when compared to Jun'18.

MANAGEMENT QUALITY RATING

The JCR-VIS Credit Rating Company Limited has reaffirmed Management Quality Rating of "AM3+" 'with Rating Watch-Developing' to AWT Investments Limited on December 15, 2016. The rating denotes high management quality of the Management Company.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company is thankful to the Securities and Exchange Commission of Pakistan for their valuable support, assistance and guidance. The Board also wish to express gratitude to the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

Rawalpindi: October 26, 2018

Chief Executive Officer

Director

PIML Islamic Equity Fund

پونٹ ہولڈرز کو ڈائریکٹرز کی رپورٹ: PIML اسلامک ایجوکیشنل فنڈ

AWT انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز جو کہ پرائس انویسٹمنٹ مینجمنٹ لمیٹڈ - اسلامک ایجوکیشنل فنڈ (فنڈ) کی انتظامی کمپنی ہے، 30 ستمبر 2018 کو اختتام پذیر ہونے والی سرمایہ کاری کا مالیاتی گوشوارہ پیش کرتے ہوئے انتہائی مسرت محسوس کر رہی ہے۔

فنڈ کی کارکردگی کا جائزہ

1QFY19 میں IEF نے 4.38 فی صد منفی منافع حاصل کیا، بمقابلہ KMI-30 - بیچ مارک مندی پرفارمنس کے ساتھ 2.57 فی صد رہا۔ ایکویٹیز نے آخری دو مہینوں میں SBP کی جانب سے مائیکرو ٹیکنیوں اور ادا ٹیکنیوں کے توازن میں ابتری کے باعث پسپائی اختیار کی۔ ناقص کارکردگی کا مظاہرہ کرنے والی کمپنیوں میں GLAXO-MUGHAL، PKGS، SPEL، NRL اور SEARL شامل ہیں۔ 1QFY19 میں ویکٹر جنٹوں نے سال کے دوران فنڈ میں مثبت انداز میں کارکردگی کا مظاہرہ کیا ان میں PREMA، ENGRO، LUCK، MEBL اور PSO شامل ہیں۔ 1QFY19 کے دوران ایکویٹیز میں ستمبر 2017 میں 82.07 فی صد بڑھ گئی کیوں کہ فنڈ کے حجم میں 6.44 فی صد تنزیلی ہوئی سرمایہ سے سرمایہ کی بنیاد پر 104.27 ملین پاکستانی روپے جب کہ جون 2018 کے اختتام پر یہ شرح 111.45 ملین پاکستانی روپے تھی۔ 30 ستمبر 2018 میں فنڈ کے خاص اثاثوں کی مالیت 102.66 پاکستانی روپے تھی۔

معاشی توقعات

مالی سال 2018 کی پہلی سرمایہ کے دوران، پاکستانی معیشت گتین بحران کا شکار نظر آئی جس کی وجوہات میں ادا ٹیکنیوں کے توازن میں تنزیلی اور ملک کے غیر ملکی زرمبادلہ کے ذخائر میں کمی تھی جو مزید 4.46 فی صد کم ہو کر 15.52 ملین امریکی ڈالر گئے۔ اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ کو چارج کیا رکھا ہے، جولائی اور ستمبر میں مزید 100 بیس پوائنٹس یعنی 8.5 فی صد کا اضافہ کیا۔ پاکستان تحریک انصاف کی نئی حکومت نے، جو کہ 25 جولائی کو ہونے والے عام انتخابات کے نتیجے میں اقتدار میں آئی، اس نے مزید ٹیکس ریویو پیدا کرنے کے لیے نئے مالیاتی اقدامات (منفی بجٹ) کا اعلان کر دیا اور ترقیاتی منصوبوں پر شرح کیے جانے والے اخراجات میں 25 فی صد یعنی 750 ملین روپے کی کٹوتی کر دی تاکہ موجودہ مالی سال میں مالیاتی بجٹ کو کم کیا جاسکے۔ 6.6 فی صد ڈی پی ٹی شرح کے برخلاف جو کہ رواں سال میں ریکارڈ کیا گیا۔

1QFY19 میں CPI میں اضافہ کی شرح تیزی سے بڑھ کر سرمایہ سے سرمایہ کی بنیاد پر 1.89 فی صد سے 5.60 فی صد ہو گئی۔ سینٹرل بینک نے اپنی سالانہ CPI پر چیلن 6.5 فی صد سے 7.5 فی صد کے درمیان رکھی۔ موجودہ مالی سال کے ہٹا پائینوں میں CPI پر زیادہ تر اثر روپے میں کمی اور بین الاقوامی مارکیٹ میں تیل کی قیمتوں میں کمی کے باعث ہوگا۔ (FYTD میں 7.66 فی صد اضافے کے بعد 1QFY19 میں 81.48 پاکستانی روپے)۔ اس بات کا بھی بہت زیادہ امکان ظاہر کیا جا رہا ہے کہ افراط زر میں SBP کے تعین سے بہت زیادہ اضافہ ہو جائے گا کیوں کہ پاکستانی روپے کی قدر میں کمی اس کی بنیاد بھی جاسکتی ہے، جس کے باعث ادا ٹیکنیوں میں توازن کی فرض سے آئی ایم ایف سے قرض لینا پڑے گا۔

1QFY19 کے دوران برآمدات کا حجم 4.56 فی صد یعنی 5.39 ملین امریکی ڈالر رہا۔ جب کہ درآمدات 0.63 فی صد اضافے سے 14.26 ملین امریکی ڈالر تک جا پہنچیں۔ 1QFY19 کے دوران تجارتی خسارہ میں سال بہ سال 1.61 فی صد کمی کے باوجود 8.87 ملین امریکی ڈالر تھا۔ کرنٹ اکاؤنٹ کا خسارہ 2MFY19 کے دوران سال بہ سال 9.85 فی صد بڑھ کر 2.72 ملین امریکی ڈالر رہا۔ 1QFY19 میں پاکستانی روپے کی قدر 123.15 فی ڈالر سے کم ہو کر 121.73 امریکی ڈالر ہو گئی۔ جولائی کے دوران اس کی قدر مزید کم ہو کر 128 روپے فی ڈالر ہو گئی تھی جب کہ 25 جولائی کے ایکشن کے بعد وہ واپس 122 فی ڈالر کی سطح کو پہنچ گیا۔

2MFY19 کے دوران ملک میں FDI کا حجم سز کر سال بہ سال 40.12 فی صد ہو گیا یعنی 288 ملین امریکی ڈالر جب کہ 2MFY18 میں یہ شرح 48.1 ملین امریکی ڈالر تھی۔ دوسری جانب FPI میں سال بہ سال 15.69 فی صد کمی واقع ہوئی جو 2MFY19 کے حصے میں 129 ملین امریکی ڈالر تھی۔ بمقابلہ 2MFY18 کے اس کے برعکس ترسیلات زر کے حجم میں تیزی سے اضافہ ہوا اسل پر سال جو کہ 2MFY19 میں 13.44 فی صد یعنی 3.97 ملین امریکی ڈالر تھا۔ بمقابلہ 2MFY18 کے۔

مجموعی طور پر حکومت آئی ایم ایف کی پالیسیوں کے مطابق عمل پیرا ہونے کی جانب اقدامات کرتی نظر آتی ہے جن میں پالیسی ریٹ میں اضافہ اور روپے کی قدر میں کمی جیسے اقدامات جن سے ادا ٹیکنیوں کے توازن کا بندوبست کرنے میں مدد ملے۔ اسی طرح حکومت اپنے دو خساروں یعنی تجارتی اور کرنٹ اکاؤنٹ خسارے میں کمی کرنے کی جس کا مطلب ترقیاتی منصوبوں میں کٹوتی بھی جاسکتی ہے۔ جس سے جی ڈی پی گرتھ میں کمی ہوگی۔ 4.5-4 فی صد کی شرح سے جب کہ پچھلے سال اس کی شرح 5.8 فی صد تھی۔

PIML Islamic Equity Fund

کیلیٹی مارکیٹ کا جائزہ

1QFY19 کے دوران KSE-100 انڈیکس میں 2.18 فی صد یعنی 40,998.59 پوائنٹس مندی کا رجحان رہا جب کہ جون 18 میں انڈیکس کی سطح 41,910.90 پوائنٹس تھی۔ مارکیٹ میں اس وقت مثبت رجحان دیکھنے میں آیا جب PTI نے 25 جولائی کے انتخابات کے بعد پارلیمنٹ میں اطمینان بخش اکثریت حاصل کی تقریباً 7 فی صد لیکن اس سب کے باوجود حکومت ان تمام کامیابیوں کو برقرار رکھنے میں، حالیہ سرمایہ کے گزشتہ دو مہینوں سے نا کام نظر آتی ہے کیوں کہ مائیکرو انڈیکس کے خدشات کھل کر سامنے آنے لگے ہیں اور ساتھ ہی غیر ملکی زرمبادلہ کے ذخائر میں کمی اور بیرونی سرمایہ کاری کا اختفاء جیسے عوامل بھی شامل ہیں۔ 1QFY19 میں مائیکرو انڈیکس 200 پیسوں کے اضافے سے پالیسی ریٹ میں 8.50 فی صد اضافہ دراصل، مندی اور قرضوں پر بہت زیادہ انحصار کرنے جیسے عوامل کی طرف لے گیا۔

1QFY19 کے دوران KSE-ALL انڈیکس کی روزانہ کی اوسط تجارت کا حجم (ADTV) ، FYTD میں 138 ملین حصص یعنی 14.76 فی صد گر گیا۔ جون 18 میں حصص 162 ملین تھے۔ FIPI کی بات کی جائے تو 1QFY19 کے دوران بیرونی سرمایہ کاری نے PSX سے 189 ملین ڈالر واپس کمال لیے۔ 1QFY19 کے عرصے میں مقامی طور پر انڈیکس کمپنیاں سب سے زیادہ خریداری میں سرفہرست رہیں جنہوں نے 102 ملین ڈالر کی سرمایہ کاری کی جس میں انفرادی طور پر 97 ملین ڈالر کی سرمایہ کاری کی گئی۔

ستمبر 18 کی سرمایہ کے اعتماد پر جن سیکٹروں میں کاروباری مندی دیکھی گئی ان میں بالخصوص انڈیکس کے شعبے میں 8.97 فی صد، آٹوموبائل 4.40 فی صد، فارماسیوٹیکلز 3.04 فی صد، ریٹائری 2.46 فی صد، توانائی کا شعبہ 2.34 فی صد اور OMCs میں 18 جون کے مقابلے میں 1.86 فی صد کمی دیکھی گئی۔

میجمنٹ کو اعلیٰ ریٹنگ

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے پرائس انویسٹمنٹ میجمنٹ لمیٹڈ کو 15 دسمبر 2016 میں میجمنٹ کو اعلیٰ ریٹنگ AM3+ کے علاوہ ریٹنگ واچ۔ ڈیولپمنٹ سے بھی نوازا ہے۔ یہ ریٹنگ، میجمنٹ کمپنی کی اعلیٰ درجہ کی انتظامی خصوصیات کو ظاہر کرتی ہے۔

اظہار تشکر

میجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز، سیکریٹریز اینڈ ایگزیکٹو کمیٹی آف پاکستان کی جانب سے قابل قدر مدد و معاونت اور رہنمائی کے لیے ان کے شکر گزار ہیں۔ علاوہ ازیں بورڈ، میجمنٹ کمپنی کے کارکنان اور سٹریٹجی کی لگن اور جھٹکاؤ و محنت پر ان کا تودل سے مشکور ہے۔ بورڈ نے پونٹ ہولڈرز کی جانب سے میجمنٹ پر بھروسہ کرنے پر ان کا بھی شکریہ ادا کیا۔

راولپنڈی : 26 اکتوبر 2018

چیف ایگزیکٹو آفیسر

ڈائریکٹر

PIML Islamic Equity Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2018

	September 30, 2018	June 30, 2018
Note	----- Rupees in '000 -----	
	(Unaudited)	(Audited)
ASSETS		
Bank balances	4 15,291	17,687
Investments	5 89,955	94,695
Dividend and other receivables	1,168	892
Security deposits	2,600	2,600
Preliminary and flotation costs	125	200
TOTAL ASSETS	109,139	116,074
LIABILITIES		
Payable to the Management Company	904	728
Remuneration payable to the Trustee	130	122
Annual fee payable to Securities and Exchange Commission of Pakistan	26	139
Accrued Expenses and other liabilities	6 3,809	3,633
TOTAL LIABILITIES	4,869	4,622
CONTINGENCIES AND COMMITMENTS	7 -	-
NET ASSETS	104,270	111,452
Unit holders' funds	104,270	111,452
	-----Number of units-----	
Number of units in issue	1,015,705	1,037,957
	----- Rupees -----	
Net asset value per unit	102.66	107.38

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Equity Fund

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	For the Quarter ended September 30, 2018	For the Quarter ended September 30, 2017
INCOME		
Return / mark-up on; - bank balances	272	414
Dividend income	754	1,165
Realized gain on sale of investments	-	(20,286)
Net unrealized gain/ (loss) on investments classified 'at fair value through profit or loss - held-for-trading'	<u>(4,607)</u>	<u>(17,102)</u>
	(3,581)	(35,809)
EXPENSES		
Remuneration of AWT Investments Limited - Management Company	544	1,004
Sindh Sales tax on remuneration of Management Company	71	131
Remuneration of Central Depository Company of Pakistan Limited - Trustee	176	176
Sindh Sales tax on remuneration of Central Depository Company of Pakistan Limited - Trustee	23	23
Annual fee to Securities and Exchange Commission of Pakistan	26	48
Amortization of deferred formation costs	76	76
Auditors' remuneration	58	58
Listing fee	6	9
Brokerage and settlement charges	106	369
Other expenses	142	176
	<u>1,228</u>	<u>2,070</u>
Net (Loss) for the period before taxation	(4,809)	(37,879)
Taxation	8	-
Net (Loss) for the period after taxation	(4,809)	(37,879)

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For AWT Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Equity Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	For the Quarter ended September 30, 2018	For the Quarter ended September 30, 2017
	----- Rupees in '000 -----	
Net (Loss) for the period after taxation	(4,809)	(37,879)
<u>Other comprehensive income for the quarter</u>		
Total comprehensive (Loss) / income for the quarter	(4,809)	(37,879)

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Equity Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	For the Quarter ended September 30, 2018	For the Quarter ended September 30, 2017
-----Rupees in '000'-----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (Loss) for the period after taxation	(4,809)	(37,879)
Adjustments:		
Return / mark-up on;		
- bank balances	(272)	(414)
Dividend income	(754)	(1,165)
Net (gain) on sale of marketable securities	-	20,286
Amortization of deferred formation costs	76	76
Net unrealized (gain) on investments classified 'at fair value through profit or loss - held-for-trading'	4,607	17,102
	(1,152)	(1,994)
(Increase) / decrease in current assets		
Investments - net	133	38,045
Dividend received	590	699
Prepayments and other receivables	(32)	4,102
	691	42,846
Increase / (decrease) in current liabilities		
Payable to Management Company	176	(196)
Remuneration payable to the Trustee	8	8
Annual fee payable to Securities and Exchange Commission of Pakistan	(113)	(209)
Accrued expenses and other liabilities	176	689
	247	292
Return on bank balances received	189	338
Net cash (used in) operating activities	(25)	41,482
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received from issuance of units	581	74,492
Amount paid on redemption of units	(2,952)	(139,102)
Net Cash (used in) / generated from financing activities	(2,371)	(64,610)
Net (decrease) / increase in cash and cash equivalents	(2,396)	(23,128)
Cash and Cash equivalents at the beginning of the period	17,687	39,592
Cash and Cash equivalents at the end of the period	15,291	16,464

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Equity Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	For the quarter ended 30 September					
	2018			2017		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	94,227	17,225	111,452	181,016	55,420	236,436
Issue of 5,338 units (2017: 558,089 units)						
- Capital value	573	-	573			
- Element of loss	6	-	6			
Total proceeds on issuance of units	579	-	579	76,308	(1,818)	74,490
Redemption of 27,570 units (2017: 1,128,536 units)						
- Capital value	(2,958)	-	(2,958)			
- Element of income	7	-	7			
Total payments on redemption of units	(2,952)	-	(2,952)	(154,305)	15,203	(139,102)
Element of loss and capital losses in prices of units sold less those in units redeemed - net	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	-	(4,809)	(4,809)	-	(37,879)	(37,879)
Distribution during the period	-	-	-	-	-	-
Net assets as at end of the period	91,854	12,416	104,270	103,018	30,927	133,945
Undistributed income brought forward:						
- Realized income at beginning of the period		37,042			40,130	
- Unrealized income at beginning of the period		(19,817)			15,290	
		17,225			55,420	
Accounting income available for distribution:						
Relating to capital gains	-			-		
Excluding capital gains	-			-		
Net (loss) / income for the period after taxation		(4,809)			(37,879)	
Distribution during the period		-			-	
Undistributed income at end of the period		12,416			17,541	
Represented by:						
- Realized income at end of the period		17,023			3,501	
- Unrealized income at end of the period		(4,607)			14,040	
Undistributed income at end of the period		12,416			17,541	
Net assets value per unit at beginning of the period			107.38			136.73
Net assets value per unit at end of the period			102.66			115.60

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML Islamic Equity Fund

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

PIML Islamic Equity Fund ("the Fund") was established under a Trust Deed, dated 15 May 2013, executed between AWT Investments Limited as Management Company, a company incorporated under the Companies Act, 2017 and the Central Depository Company of Pakistan Limited (CDC) as a Trustee. The Securities and Exchange Commission of Pakistan (SECP) registered the Fund as a Notified Entity on 25 November 2013, under Regulations 44 of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (Establishment and Regulation) Rules.

On 26 July 2017, Securities and Exchange Commission of Pakistan gave its approval for the change of the name of the Management Company from Primus Investment Management Limited to AWT Investments Limited. The change was made pursuant to the acquisition 70% shares of the Management Company by Army Welfare Trust (AWT).

The Management Company of the Fund has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management and investment advisory services as a Non-Banking Finance Company. The registered office of Primus Investment Management Limited is situated at 4th Floor, Horizon Vista, Commercial 10, Block 4, Scheme 5, Clifton, Karachi.

The Fund offers units for public subscription on a continuous basis. The units are transferable and can These can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited

The Scheme is a 'Shariah Compliant Islamic Equity Scheme' as per the criteria for the categorization of open-end collective investment schemes specified by the Securities and Exchange Commission of Pakistan. The objective of the Fund is to achieve long term capital growth by investing mainly in Shariah Compliant listed equity securities.

The Scheme is permitted to invest in secured, unsecured, listed equity market securities (subject to minimum limit of 70% during the year based on quarterly average investment calculated on a daily basis) including treasury bills not exceeding 90 days maturity and cash or near cash instruments, including cash in bank accounts (excluding TDRs), equity securities not listed on the stock exchange Investment outside Pakistan, including international listed securities and foreign currency bank deposits (excluding TDRs), subject to such conditions as imposed by SECP and with the prior approval of SECP and SBP (upto 30%, subject to a cap of USD 15 million) and any other securities or instrument that may be permitted by commission (upto a limit of 30%).

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Supervisory Council.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

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

3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

3.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund is not maintaining investment portfolio of 'available for sale' and considered not to be relevant in these condensed interim financial information.

		September 30, 2018	June 30, 2018
		----- Rupees in '000 -----	
Note		(Un-audited)	(Audited)
4. BANK BALANCES			
Current account		241	108
Profit and loss sharing accounts	4.1	15,050	17,579
		15,291	17,687

4.1 These represent bank balances with commercial banks carrying market competitive markup rates.

PIML Islamic Equity Fund

5. INVESTMENTS	Note	September 30, 2018	June 30, 2018
		----- Rupees in '000 -----	
		(Un-audited)	(Audited)
At fair value through profit or loss - held-for-trading			
Listed equity securities	5.1	89,955	94,007
Advance against subscription of shares		-	688
		89,955	94,695

5.1 At fair value through profit or loss - held-for-trading - Listed equity securities
Shares of listed companies - fully paid ordinary shares with a face value of Rs.10/- each unless stated otherwise.

Sectors / Companies	----- Number of shares -----				Holding at the end of the period	Market value (Rupees in 000)	% of net assets	% of investee capital
	At the beginning of the period	Acquired during the period	Bonus / rights received during the period	Disposed during the period				
Fertilizer								
Engro Corporation Limited	46,500	-	-	-	46,500	14,491 14,491	13.90 13.90	0.01
Cement								
Lucky Cement Company Limited (Related Party)	28,000	-	-	-	28,000	14,362 383	13.77 0.37	0.01
Maple Leaf Cement Factory Limited	8,125	-	-	-	8,125	14,745 14.14	14.14	0.00
Oil & Gas (Exploration Companies)								
Oil & Gas Development Company Limited	50,000	-	-	-	50,000	7,650 55	7.34 0.05	-
Mari Petroleum Company Limited	35	-	-	-	35	7,704 7.35	7.35	0.00
Oil & Gas (Marketing & Exploration)								
Pakistan State Oil Company Limited	36,000	-	-	-	36,000	11,478 891	11.01 0.85	0.01
Sui Northern Gas Pipelines Limited	10,000	-	-	-	10,000	12,369 19.30	19.30	0.00
Engineering								
Mughal Iron & Steel Industries Limited	56,263	-	-	-	56,263	2,753 5,380	2.64 5.16	0.02
International Industries Limited	25,000	-	-	-	25,000	8,133 7.80	7.80	0.02
Pharmaceuticals								
GlaxoSmithKline (Pak) Limited	21,000	-	-	-	21,000	3,104 4,711	2.98 4.52	0.01
Searle Company Limited	14,910	-	-	-	14,910	7,815 7.49	7.49	0.01
Textile Composite								
Nishat Mills Limited	50,000	-	-	-	50,000	7,030 7,030	6.74 6.74	0.01
Commercial Bank								
Meezan Bank	28,000	-	2800	-	30,800	7,030 7,030	6.74 6.74	0.01
Food and Personal care Products								
At-Tahur Limited	-	26,421	-	-	26,421	666 666	0.64 0.64	0.01
Paper & Board								
Packages Limited (Related Party)	12,200	-	-	-	12,200	5,456 5,456	5.23 5.23	0.01
Industrial Transportation								
Synthetic Products Limited	75,000	-	-	-	75,000	2,850 2,850	2.73 2.73	0.09
Market value as at September 30, 2018						89,955	91.59	
Cost as at September 30, 2018						113,933		
Held for trading investments as at 30 June 2018						103,473		
Cost of held for trading investments as at 30 June 2018						102,250		

5.2 Finance Act, 2014 had introduced tax on bonus shares issued by the Companies. Most Equity Funds including the Fund have challenged the applicability of withholding tax provision on bonus shares before Honourable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. In the Fund's case, up to the period end, tax in the shape of 350 shares of The Searle Company Limited (June 2018: 350 shares) 300 Shares of Pakistan State Oil Limited (June 2018: 300), 263 shares of Mughal Iron and Steel Industries (June 2018: 263) Limited and 35 Shares of Mari Petroleum Limited (June 2018: 35 shares) had been withheld by CDC. Market value of these shares as at 30 September 2018 amounted to Rs. 0.273 millions (30 June 2018: 0.283 million) and are included in the Fund's investments in these financial statements.

5.3 Following shares (mentioned in note 5.1) have been pledged with National Clearing Company of Pakistan Limited:

	September 30, 2018	June 30, 2018	September 30, 2018	June 30, 2018
	-----Number of shares -----		-----Rupees in '000' -----	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Engro Corporation Limited	30,000	30,000	9,348	9,416

PIML Islamic Equity Fund

	September 30, 2018	June 30, 2018
	----- Rupees in '000 -----	----- Rupees in '000 -----
	(Un-audited)	(Audited)
6. ACCRUED EXPENSES AND OTHER LIABILITIES		
Provision for Sindh worker's welfare fund	6.1 1,583	1,583
Haram Income	350	350
Auditors' remuneration	198	140
Other Payable	340	245
FED payable on management company's remuneration	6.2 1,145	1,145
Sales tax payable on Management Company remuneration	193	170
	3,809	3,633

6.1 PROVISION FOR SINDH WORKERS' WELFARE FUND

Provision for Sindh Workers Welfare Fund is being made on a daily basis going forward pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) letter to mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 hence WWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF but as a matter of abundant caution the Management has recorded SWWF with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from 21 May 2015).

The total provision for SWWF till 30 September 2018 is Rs. 1.583 million. Had the provision not been made, Net Asset Value per unit of the Fund as at 30 September 2018 would have been higher by Re. 1.56 per unit.

Furthermore on 10 November 2016, Honourable Supreme Court of Pakistan (SCP) passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition with the SCP against the said judgment, which is pending hearing. While the petitions filed by the Collective Investment Schemes (CISs) on the matter are still pending before the Sindh High Court (SHC), the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) have taken legal and tax opinions on the impact of the SCP's judgement on the CISs petition before the SHC. Both the legal and tax advisors consulted were of the view that the SCP's judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgement of the SCP.

Pursuant to above MUFAP recommended that the entire provision of Rs. 0.441 million against WWF held by the CISs till 30 June 2015, to be reversed on 12 January 2017.

6.2 As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective 13 June 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 04 September 2013.

While disposing the above petition through order dated 16 July 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from 01 July 2011. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Further, the Finance Act 2016, also introduced an amendment to the Federal Excise Act, 2015 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax. This amount is payable to the Management Company for onward payment to the government.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained provision for FED amounting to Rs. 1.145 million. Had the provision not been made, NAV per unit of the Fund as at September 30, 2018 would have been higher by Rs. 1.13 per unit (2018: 0.1.10 per unit).

The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% on Management Company's remuneration. Above liability includes Rs. 86,621 (30 June 2018: Rs. 86,621) accrued on Federal Excise Duty (FED) on the management remuneration as more fully explained in note 7.2 above. Had the provision on FED not been made, Net Asset Value per unit of the Fund as at 30 September 2018 would have been higher by Rs. 0.09 (2018: Re. 0.08) per unit. This amount is payable to the Management Company for onward payment to the government.

7. CONTINGENCIES AND COMMITMENTS

The Fund had no contingency or commitment at the period end except as those mentioned elsewhere in these condensed interim financial statements.

PIML Islamic Equity Fund

8. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I 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 realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

9. Fair value of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

On-balance sheet financial instruments	Note	Carrying amount				Fair value				
		Fair value through income statement	Available for sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 September 2018										
Financial assets measured at fair value										
Listed equity securities	9.1	89,955	-	-	-	89,955	89,955	-	-	89,955
Financial assets not measured at fair value										
Bank balances		-	-	15,291	-	15,291	-	-	-	-
Other receivables		-	-	1,139	-	1,139	-	-	-	-
Security deposits		-	-	2,600	-	2,600	-	-	-	-
		-	-	19,030	-	19,030	-	-	-	-
Financial liabilities not measured at fair value										
Payable to the Management Company	9.1	-	-	-	904	904	-	-	-	-
Remuneration payable to the Trustee		-	-	-	130	130	-	-	-	-
Accrued expenses and other liabilities		-	-	-	888	888	-	-	-	-
		-	-	-	1,922	1,922	-	-	-	-
30 June 2018										
Financial assets measured at fair value										
Equity securities	9.1	94,007	-	-	-	94,007	94,007	-	-	-
		94,007	-	-	-	94,007	94,007	-	-	-
Financial assets not measured at fair value										
Investment - advance against subscription of shares	9.1	-	-	688	-	688	-	-	-	-
Bank balances		-	-	17,687	-	17,687	-	-	-	-
Dividend and other receivable		-	-	681	-	681	-	-	-	-
Security deposits		-	-	2,600	-	2,600	-	-	-	-
		-	-	21,656	-	21,656	-	-	-	-
Financial liabilities not measured at fair value										
Payable to the Management Company	9.1	-	-	-	728	728	-	-	-	-
Remuneration payable to the Trustee		-	-	-	122	122	-	-	-	-
Accrued expenses and other liabilities		-	-	-	727	727	-	-	-	-
		-	-	-	1,577	1,577	-	-	-	-

9.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of their fair values.

PIML Islamic Equity Fund

10. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons / related parties include AWT Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the trustee, army welfare trust, parent company of the Management Company, other funds managed by the Management Company / parent company, associated companies (if any) of the management company, entities in which the above parties or their connected persons have a material interest, Key Management Personnel and includes entities holding 10% or more units of the Fund as at 30 September 2018 or during the year. It also includes the staff retirement funds of the above related parties / connected person. Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

Transactions with connected persons are carried out in normal course of business at contracted rates and terms determined in accordance with market norms.

	For the Quarter ended September 30, 2018	For the Quarter ended September 30, 2017
	---- Rupees in '000 ----	
10.1 Detail of transactions with connected persons during the period are as follows:		
AWT Investments Limited - Management Company		
Remuneration of Management Company	544	1,004
Sindh sales tax on remuneration of Management Company	71	131
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	176	176
Sindh sales tax on remuneration of the Trustee	23	23
Settlement charges	9	9
Key Management Personnel - Directors and Officers of the Management Company and their relatives		
Issuance of Nil units (2017 : 13,845 units)	-	1,822
10.2 Detail of balances outstanding at the period end with connected persons are as follows:		
AWT Investments Limited - Management Company		
Remuneration payable to the Management Company	366	190
Sindh sales tax payable on remuneration of Management Company	193	170
Federal excise duty payable on remuneration of Management Company	1,145	1,145
Units held - 241,935 units (2018: 241,935 units)	24,837	25,976
Preliminary and floatation costs payable to Management Company	213	325
Pak Brunei Investment Company Limited		
Units held - 426,464 units (2018: 426,464 units)	10.3	45,787
Pak Brunei Investment Company Limited - Staff Gratuity Fund		
Units held - 67,465 units (2018: 67,465 units)	10.3	7,244
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	122	122
Sindh sales tax payable on remuneration payable to the Trustee	8	8
Security Deposit	100	100
Primus Investment Management Limited - Provident Fund		
Units held - 2,837 units (2017: 2,837 units)	291	305
Key Management Personnel - Directors and Officers and their relatives		
Units held - 13,846 units (2018: 13,846 units)	1,421	1,487
Ten percent or more holding		
Units held - 170,794 units (2018: 170,794 units)	17,534	18,339
10.3 Furthermore, on October 13, 2017 the Board of Directors of Pak Brunei Investment Company Limited (PBICL) have approved the divestment of PBICL's remaining 30% shareholding in the Company by exercising the option contained in the shareholders' agreement dated December 14, 2016. The transaction was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 5, 2018 and was concluded on August 03, 2018 with the remaining holding transferred by PBICL in the name of AWT		

PIML Islamic Equity Fund

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended **September 30, 2018** is 0.98% which include 0.09% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

12. GENERAL

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

12.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in this condensed interim financial information during the period except for the following for better presentation:

13. DATE OF AUTHORISATION

This condensed interim financial information was authorized for issue on **October 26, 2018** by the Board of Directors of the Management Company.

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**PIML VALUE EQUITY FUND
FOR THE PERIOD ENDED SEPTEMBER 30, 2018**

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PIML VALUE EQUITY FUND

FUND'S INFORMATION

Management Company	AWT Investments Limited 3rd Floor, AWT Plaza I.I Chundrigar Road, Karachi	
Board of Directors	Lt. General Najib Ullah Khan (Retd.) Maj. General Akhtar Iqbal (Retd.) Mr. Tariq Iqbal Khan Mr. Malik Riffat Mehmood Ms Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Director Director Director Director Chief Executive Officer
Chief Financial Officer	Mr. Hamza Saboor	
Company Secretary	Mr. Naveed ul Islam	
Audit Committee	Mr. Tariq Iqbal Khan Maj. General Akhtar Iqbal (Retd.) Mr. Malik Riffat Mehmood	Chairman Member Member
HR Committee	Maj. General Akhtar Iqbal (Retd.) Ms Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Member Member
Trustee	Central Depository Company of Pakistan Limited DC House, 99B, Block-B, SMCHS, Main Shahra-e-Faisal, Karachi	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building No. 2 Beaumont Road Karachi. 75530	
Legal Advisors	Mohsin Tayebaly & Co. 2nd Floor, Dime Centre, BC-4 Block-9, Kehkashan, Clifton, Karachi	
Bankers	Allied Bank Limited Bank Al-Habib Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited UBL Bank Limited Summit Bank Limited Askari Bank Limited Samba Bank Limited Al-Baraka Bank (Pakistan) Limited JS Bank Limited	

PIML VALUE EQUITY FUND

DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of AWT Investments Limited the Management Company of PIML- Value Equity Fund ("the Fund"), is pleased to present the un-audited condensed interim financial statements for the quarter ended September 30, 2018

REVIEW OF FUND PERFORMANCE

VEF generated negative return of 3.58% in the 1QFY19 compared to its benchmark KSE-100 index negative return of 2.18%. Equities have retreated in last two months due to worsening balance of payment situation and monetary tightening by SBP. The scrips that performed negatively in 1QFY19 are ASL, MFL, SPEL, PKGS, MUGHAL, GLAXO and DGKC. Holdings which outperformed in the 1QFY19 were BAFL, GATM, LUCK, ENGRO and PREMA. Exposure in equities has declined by 1.69%QoQ to 74.13% in 1QFY19, while fund size declined by 1.68%QoQ to PKR111.33mn in 1QFY19 compared to PKR113.25mn in 4QFY18. The fund's Net Asset Value on September 30, 2018 was PKR 102.16.

ECONOMIC OUTLOOK

During 1QFY19, the economy has come under severe strains due to deterioration in balance of payment situation, with country foreign reserves losing further 4.46% to \$15.52bn. SBP has begun aggressive tightening with two 100bps increases in policy rate (July and September) to 8.5%. The new government of PTI, which came in power after July 25 elections in the country, has to announce new fiscal measures (mini budget) to generate more tax revenues while cutting development expenditures by 25% Rs750bn in order to lower the fiscal budget in current fiscal year as against 6.6% of GDP recorded in the outgoing year.

The rate of CPI inflation in 1QFY19 has surged by 1.89%QoQ to average CPI of 5.60%, with central bank keeping its annual CPI projection in the range of 6.5%-7.5%. During the remaining months of current fiscal year, CPI will be mainly influenced by the rate of rupee depreciation and oil prices in international markets (up by 7.66% in FYTD to PKR81.48/bbl in 1QFY19). There is high probability that inflation will accelerate above SBP estimates on account of expected rupee depreciation as Pakistan moves into IMF program for balance of payment support. During 1QFY19, exports were up by 4.56% to USD5.39bn while imports were up marginally 0.63% to USD14.26bn. Despite decline in trade deficit by 1.61%YoY in 1QFY19 to USD8.87bn, the C/A deficit was up by 9.85%YoY to USD2.72bn in 2MFY19. Pak rupee declined to PKR123.15/USD from PKR121.73/USD in 1QFY19. During July, it fell to PKR128/USD before regaining to PKR122/USD after July 25 elections.

During the 2MFY19, FDI in the country has shrunk by 40.12%YoY to USD288mn when compared to USD481mn in 2MFY18. On the other side FPI in the country has dropped by 15.69%YoY to USD129mn in 2MFY19 when compared to 2MFY18. Contrary to this, remittances numbers have surged by 13.44%YoY to USD3.97bn in 2MFY19 when compared to 2MFY18.

Overall, the government has embarked upon implementing IMF led policy measures such as increase in the policy rate and pushing the rupee lower ahead of moving into the stand by arrangement for balance of payment support. Similarly, the government will go for reduction its twin deficits of fiscal and current account, which means more cuts in development expenditures leading to lower GDP growth in the range of 4-4.5% compared to previous year growth of 5.8%.

EQUITY MARKET REVIEW

During 1QFY19 KSE-100 index slumped by 2.18% to 40,998.59 compared to Jun'18 index levels of 41,910.90. Market responded positively when PTI managed to secure comfortable majority in parliament after July 25 elections gaining almost 7%, however, market retreated those gains in last two months of the quarter as macroeconomic concerns came to surface amid decline in foreign exchange reserves and strong foreign selling. Monetary tightening of 200bps increase in policy rate to 8.50% has also caused the highly leveraged scrips to decline in the 1QFY19. Average daily trading volume (ADTV) of the KSE-ALL index fell by 14.76% in FYTD to 138mn shares in 1QFY19 when compared to 162mn shares in the month of Jun'18. On the FPI side, foreigners have pulled out \$189mn from PSX in 1QFY19. While on the locals' side, Insurance companies were the top buyers with inflow of \$102mn followed by individuals with \$97mn inflow in 1QFY19.

PIML VALUE EQUITY FUND

During the quarter ended Sept'18, the sectors that declined in the quarter are mainly Insurance down by 8.97%, Automobile down 4.40%, Pharma declined by 3.04%, Refinery down by 2.46%, Power down by 2.34% and OMCs down by 1.86% when compared to Jun'18.

MANAGEMENT QUALITY RATING

The JCR-VIS Credit Rating Company Limited has reaffirmed Management Quality Rating of "AM3+" 'with Rating Watch-Developing' to AWT Investments Limited on December 15, 2016. The rating denotes high management quality of the Management Company.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company is thankful to the Securities and Exchange Commission of Pakistan for their valuable support, assistance and guidance. The Board also wish to express gratitude to the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

Rawalpindi: October 26, 2018

Chief Executive Officer

Director

PIML VALUE EQUITY FUND

پونٹ ہولڈرز کو ڈائریکٹرز کی رپورٹ: PIML - ویلیو ایکویٹی فنڈ

AWT انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز جو کہ پرائس انویسٹمنٹ مینجمنٹ لمیٹڈ - ویلیو ایکویٹی فنڈ (فنڈ) کی انتظامی کمنٹی ہے، 30 ستمبر 2018 کو اختتام پزیر ہونے والی سرمایہ کاری مابین گوشوارہ پیش کرتے ہوئے انتہائی مسرت محسوس کر رہی ہے۔

فنڈ کی کارکردگی کا جائزہ

1QFY19 کے دوران، VEF نے 3.58 فی صد کا منفی منافع حاصل کیا، جبکہ ایکس اینج مارک 100-KSE نے 2.18 فی صد منفی منافع - ایکویٹیز میں گذشتہ دو مہینوں کے دوران مندی دیکھنے میں آئی اس کی وجوہات میں بدترین توازن کی صورت حال اور اسٹیٹ بینک کی جانب سے مائٹری سختیاں شامل تھیں۔ 1QFY19 کے دوران ناقص کارکردگی کا مظاہرہ کرنے والی کمپنیوں میں، GLAXO-MUGHAL، PKGS، SPEL، MFL، ASL اور DGKC شامل ہیں۔ پورٹ فولیو میں موجود دیگر کمپنیوں نے 1QFY19 کے دوران فنڈ میں مثبت انداز میں کارکردگی کا مظاہرہ کیا ان میں، ENGRO، LUCK، GATM، BAFL اور PREMA شامل ہیں۔ ایکویٹیز میں فنڈ کی تشہیر کم ہو کر سرمایہ سے سرمایہ کی بنیاد پر کم ہو کر 1.69 فی صد سے 74.13 فی صد ہو گئی۔ جب کہ فنڈ کا حجم 1QFY19 میں سرمایہ سے سرمایہ کی بنیاد پر کم ہو کر 1.68 فی صد یعنی 111.33 ملین پاکستانی روپے ہو گیا، جبکہ 4QFY18 کے دوران 113.25 ملین پاکستانی روپے تھی۔ 30 ستمبر 2018 میں فنڈ کے خالص اثاثوں کی مالیت 102.16 ملین پاکستانی روپے تھی۔

معاشی توقعات

مالی سال 2018 کی پہلی سرمایہ سے دوران، پاکستانی معیشت سگین، بحران کا شکار نظر آئی جس کی وجوہات میں ادائیگیوں کے توازن میں تیزی اور ملک کے غیر ملکی زرمبادلہ کے ذخائر میں کمی جی جومزید 4.46 فی صد کم ہو کر 15.52 ملین امریکی ڈالر رہ گئے۔ اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ پر تین گواہی رکھا ہے، جولائی اور ستمبر میں مزید 100 پیسوں یعنی 8.5 فی صد کا اضافہ کیا۔ پاکستان تحریک انصاف کی نئی حکومت نے، جو کہ 25 جولائی کو ہونے والے عام انتخابات کے نتیجے میں اقتدار میں آئی، اس نے مزید ٹیکس ریویو پیڈ کرنے کے لیے نئے مالیاتی اقدامات (منفی بجٹ) کا اعلان کر دیا اور ترقیاتی منصوبوں پر خرچ کیے جانے والے اخراجات میں 25 فی صد یعنی 750 ملین روپے کی کوٹھی کر دی تاکہ موجودہ مالی سال میں مالیاتی بجٹ کو کم کیا جاسکے 6.6 فی صد جی ڈی پی شرح کے برخلاف جو کہ رواں سال میں ریکارڈ کیا گیا۔

1QFY19 میں CPI میں اضافہ کی شرح تیزی سے بڑھ کر سرمایہ سے سرمایہ کی بنیاد پر 1.89 فی صد سے 5.60 فی صد ہو گئی۔ سینٹرل بینک نے اپنی سالانہ CPI پر پیش گوئی 6.5 فی صد سے 7.5 فی صد کے درمیان رکھی۔ موجودہ مالی سال کے ہتھ پائیوں میں CPI پر زیادہ تر اثر روپے میں کمی اور بین الاقوامی مارکیٹ میں تیل کی قیمتوں میں کمی کے باعث ہوگا۔ (FYTD) 7.66 فی صد اضافے کے بعد 1QFY19 میں 81.48 پاکستانی روپے)۔ اس بات کا بھی بہت زیادہ امکان ظاہر کیا جا رہا ہے کہ افراط زر میں SBP کے تجربہ سے بہت زیادہ اضافہ ہو جائے گا کیوں کہ پاکستانی روپے کی قدر میں کمی اس کی بنیاد کی جاسکتی ہے، جس کے باعث ادائیگیوں میں توازن کی غرض سے آئی ایم ایف سے قرض لینا پڑے گا۔

1QFY19 کے دوران برآمدات کا حجم 4.56 فی صد یعنی 5.39 ملین امریکی ڈالر رہا۔ جب کہ درآمدات 0.63 فی صد اضافے سے 14.26 ملین امریکی ڈالر تک پہنچیں۔ 1QFY19 کے دوران تجارتی خسارہ میں سال بہ سال 1.61 فی صد کمی کے باوجود 8.87 ملین امریکی ڈالر تھا۔ کرنٹ اکاؤنٹ کا خسارہ 2MFY19 کے دوران سال بہ سال 9.85 فی صد بڑھ کر 2.72 ملین امریکی ڈالر رہا۔ 1QFY19 میں پاکستانی روپے کی قدر 123.15 فی ڈالر سے کم ہو کر 121.73 امریکی ڈالر ہو گئی۔ جولائی کے دوران اس کی قدر مزید کم ہو کر 128 روپے فی ڈالر ہو گئی تھی جب کہ 25 جولائی کے انکیشن کے بعد وہ واپس 122 فی ڈالر کی سطح پہنچ گیا۔

2MFY19 کے دوران ملک میں FDI کا حجم سیکڑ کر سال بہ سال 40.12 فی صد ہو گیا یعنی 288 ملین امریکی ڈالر جب کہ 2MFY18 میں یہ شرح 481 ملین امریکی ڈالر تھی۔ دوسری جانب FPI میں سال بہ سال 15.69 فی صد کمی واقع ہوئی جو 2MFY19 کے عرصے میں 129 ملین امریکی ڈالر تھی، جبکہ 2MFY18 کے اس کے برعکس ترسیلات زر کے حجم میں تیزی سے اضافہ ہوا سال بہ سال جو کہ 2MFY19 میں 13.44 فی صد یعنی 3.97 ملین امریکی ڈالر تھا، جبکہ 2MFY18 کے۔

مجموعی طور پر حکومت آئی ایم ایف کی پالیسیوں کے مطابق عمل پیرا ہونے کی جانب اقدامات کرتی نظر آتی ہے جن میں پالیسی ریٹ میں اضافہ اور روپے کی قدر میں کمی جیسے اقدامات سے ادائیگیوں کے توازن کا بندوبست کرنے میں مدد ملے۔ اسی طرح حکومت اپنے دو خساروں یعنی تجارتی اور کرنٹ اکاؤنٹ خسارے میں کمی کرنے کی جس کا مطلب ترقیاتی منصوبوں میں کوٹھی کبی جاسکتی ہے۔ جس سے جی ڈی پی گرتھ میں کمی ہوگی 4-4.5 فی صد کی شرح سے جب کہ پچھلے سال اس کی شرح 5.8 فی صد تھی۔

PIML VALUE EQUITY FUND

ایکیویٹی مارکیٹ کا جائزہ

1QFY19 کے دوران KSE-100 انڈیکس میں 2.18 فی صد یعنی 40,998.59 پوائنٹس مندی کا رجحان رہا جب کہ جون 18 میں انڈیکس کی سطح 41,910.90 پوائنٹس تھی۔ مارکیٹ میں اس وقت مثبت رجحان دیکھنے میں آیا جب PTI نے 25 جولائی کے انتخابات کے بعد پارلیمنٹ میں اطمینان بخش اکثریت حاصل کی تقریباً 7 فی صد لیکن اس سب کے باوجود حکومت ان تمام کامیابیوں کو برقرار رکھنے میں، حالیہ سہ ماہی کے گذشتہ دو مہینوں سے نا کام نظر آتی ہے کیوں کہ مائیکرو انکس کے خدشات کھل کر سامنے آنے لگے ہیں اور ساتھ ہی غیر ملکی زرمبادلہ کے ذخائر میں کمی اور بیرونی سرمایہ کاری کا اختلاہ جیسے عوامل بھی شامل ہیں۔ 1QFY19 میں مائیکرو انکس اور 200 پیسوں کے اضافے سے پالیسی ریٹ میں 8.50 فی صد اضافہ دراصل، مندی اور قرضوں پر بہت زیادہ انحصار کرنے جیسے عوامل کی طرف لے گیا۔

1QFY19 کے دوران KSE-ALL انڈیکس کی روزانہ کی اوسط تجارت کا حجم (ADTV)، FYTD میں 138 ملین حصص یعنی 14.76 فی صد گر گیا۔ جون 18 میں حصص 162 ملین تھے۔ FIPI کی بات کی جائے تو 1QFY19 کے دوران بیرونی سرمایہ کاروں نے PSX سے 189 ملین ڈالر واپس کال لیے۔ 1QFY19 کے عرصے میں مقامی طور پر انشورنس کمپنیاں سب سے زیادہ خریداری میں سرفہرست رہیں جنہوں نے 102 ملین ڈالر کی سرمایہ کاری کی جس میں انفرادی طور پر 97 ملین ڈالر کی سرمایہ کاری کی گئی۔

ستمبر 18 کی سرمایہ کے اختتام پر جن بکٹروں میں کاروباری مندی دیکھی گئی ان میں بالخصوص انشورنس کے شعبے میں 8.97 فی صد، ٹو مو بائل 4.40 فی صد، فارماسیوٹیکلز 3.04 فی صد، ریٹائرمنٹ 2.46 فی صد، ٹوٹا ہوا ٹی کا شعبہ 2.34 فی صد اور OMCS میں 18 کے مقابلے میں 1.86 فی صد کی دیکھی گئی۔

میجمنٹ کوالٹی ریٹنگ

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے پرائس انویسٹمنٹ میجمنٹ لمیٹڈ کو 15 دسمبر 2016 میں میجمنٹ کوالٹی ریٹنگ AM3+ کے علاوہ ریٹنگ واچ۔ ڈیولپنگ سے بھی نوازا ہے۔ یہ ریٹنگ، میجمنٹ کمپنی کی اعلیٰ درجہ کی انتظامی خصوصیات کو ظاہر کرتی ہے۔

اظہار تشکر

میجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز، سیکرٹری، سیکرٹری اینڈ ایگزیکٹو کمیشن آف پاکستان کی جانب سے قابل قدر مدد و معاونت اور رہنمائی کے لیے ان کے شکر گزار ہیں۔ علاوہ ازیں بورڈ، میجمنٹ کمپنی کے کارکنان اور سٹیف کی لگن اور جفاکشی و محنت پر ان کا تودل سے مشکور ہے۔ بورڈ نے پورٹ فولیو کی جانب سے میجمنٹ پر بھروسہ کرنے پر ان کا بھی شکریہ ادا کیا۔

راولپنڈی : 26 اکتوبر 2018

چیف ایگزیکٹو آفیسر

ڈائریکٹر

PIML VALUE EQUITY FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2018

	September 30, 2018	June 30, 2018
Note	-----Rupees in '000'----- (Unaudited)	(Audited)
ASSETS		
Bank balances	4 24,567	22,112
Investments	5 85,549	89,785
Deferred formation cost	311	365
Prepayment Dividend and other receivables	2,256	2,072
Security deposits	2,600	2,600
TOTAL ASSETS	115,283	116,935
LIABILITIES		
Payable to the Management Company	840	844
Remuneration payable to the Trustee	66	58
Annual fee payable to Securities and Exchange Commission of Pakistan	27	130
Accrued expenses and other liabilities	6 3,018	2,652
TOTAL LIABILITIES	3,951	3,684
CONTINGENCIES AND COMMITMENTS	7 -	-
NET ASSETS	111,332	113,251
Unit holders' funds	111,332	113,251
	-----Number of units-----	
Number of units in issue	1,089,738	1,068,661
	-----Rupees-----	
Net asset value per unit	102.16	105.97

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

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML VALUE EQUITY FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	For the Quarter ended September 30, 2018	For the Quarter ended September 30, 2017
	Rupees in '000	
INCOME		
Return on- bank balances	466	246
Dividend income	532	722
Gain on sales of held for trading investments-net	-	(7,632)
Net unrealized Gain/(loss) on investments classified 'at fair value through profit or loss - held-for-trading'	<u>(4,099)</u>	<u>(16,025)</u>
	(3,101)	(22,689)
EXPENSES		
Remuneration of AWT Investments Limited - Management Company	573	827
Sindh Sales tax on remuneration of Management Company	75	108
Remuneration of Central Depository Company of Pakistan Limited - Trustee	176	176
Sindh Sales remuneration of Central Depository Company of Pakistan Limited - Trustee	23	23
Annual fee to Securities and Exchange Commission of Pakistan	27	39
Amortization of deferred formation costs	54	54
Listing Fee	6	9
Auditors' remuneration	58	58
Stability rating fee	-	-
Brokerage and settlement charges	123	281
	<u>1,115</u>	<u>1,575</u>
Net (Loss) /Income for the period before taxation	(4,216)	(24,264)
Taxation	8	-
Net (Loss) /Income for the period after taxation	(4,216)	(24,264)

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

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML VALUE EQUITY FUND

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	For the Quarter ended September 30, 2018	For the Quarter ended September 30, 2017
	----- Rupees in '000 -----	
Net (Loss) /Income for the period after taxation	(4,216)	(24,264)
<i>Other comprehensive income for the quarter:</i>	-	-
Total comprehensive income for the Quarter	<u>(4,216)</u>	<u>(24,264)</u>

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

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML VALUE EQUITY FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	For the Quarter ended September 30, 2018	For the Quarter ended September 30, 2017
-----Rupees in '000' -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (Loss) for the period after taxation	(4,216)	(24,264)
Adjustments:		
Return / mark-up on;		
- bank balances	(466)	(246)
Dividend income	(532)	(722)
Amortization of deferred formation costs	54	54
Gain on sale of held for trading investments - net	-	7,632
Net unrealized (gain)/loss on investments classified 'at fair value through profit or loss - held-for-trading'	4,099	16,025
	(1,061)	(1,521)
(Increase) / Decrease in current assets		
Investments - net	137	9,043
Prepayments and other receivables	(16)	2,838
	121	11,881
Increase / (Decrease) in current liabilities		
Payable to Management Company	(4)	(146)
Remuneration payable to the Trustee	8	74
Annual fee payable to Securities and Exchange Commission of Pakistan	(103)	(224)
Accrued expenses and other liabilities	366	647
	267	351
Return on bank balances and dividend received	831	1,272
Net cash generated from operating activities	158	11,983
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received from issuance of units	3,158	17,273
Amounts paid on redemption of units	(862)	(52,974)
Net cash generated / (used) from financing activities	2,296	(35,700)
Net increase / (decrease) in cash and cash equivalents	2,454	(23,717)
Cash and Cash equivalents at the beginning of the quarter	22,112	35,852
Cash and Cash equivalents at the end of the quarter	24,567	12,135

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

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML VALUE EQUITY FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	For the Quarter ended 30 September,					
	2018			2017		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	98,361	14,890	113,251	184,427	20,889	205,316
Issue of 29,452 units (2017: 133,250 units)						
- Capital value	3,119	-	3,119			
- Element of loss	38	-	38			
Total proceeds on issuance of units	3,157	-	3,157	17,533	(260)	17,273
Redemption of 8,374 units (2017: 420,405 units)						
- Capital value	(887)	-	(887)			
- Element of income	27	-	27			
Total payments on redemption of units	(860)	-	(860)	(55,322)	2,348	(52,974)
Total comprehensive (loss) / income for the period	-	(4,216)	(4,216)	-	(24,264)	(24,264)
Net assets as at end of the period	100,658	10,674	111,332	146,638	(1,787)	145,351
Undistributed income brought forward:						
- Realized income at beginning of the period		29,283			20,677	
- Unrealized income at beginning of the period		(14,393)			212	
		14,890			20,889	
Accounting income available for distribution:						
Relating to capital gains		-			-	
Excluding capital gains		-			-	
Net (loss) / income for the period after taxation		(4,216)			(24,264)	
Distribution during the period		-			(4,791)	
Undistributed income at end of the period		10,674			(3,375)	
Represented by:						
- Realized income at end of the period		14,773			12,650	
- Unrealized income at end of the period		(4,099)			(16,025)	
Undistributed income at end of the period		10,674			(3,375)	
Net assets value per unit at beginning of the period			105.97			131.59
Net assets value per unit at end of the period			102.16			114.17

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

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML VALUE EQUITY FUND

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

PIML Value Equity Fund ("the Fund") was established under a Trust Deed, dated 15 May 2013, executed between AWT Investments Limited as Management Company, a company incorporated under the Companies Act, 2017 and the Central Depository Company of Pakistan Limited (CDC) as a Trustee. The Securities and Exchange Commission of Pakistan (SECP) registered the Fund as a Notified Entity on 25 November 2013, under Regulations 44 of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (Establishment and Regulation) Rules.

On 26 July 2017, Securities and Exchange Commission of Pakistan gave its approval for the change of the name of the Management Company from Primus Investment Management Limited to AWT Investments Limited. The change was made pursuant to the acquisition 70% shares of the Management Company by Army Welfare Trust (AWT).

Subsequent to the year end on 02 August, 2018, AWT acquired further 30% shares of the Management Company. The Management Company of the Fund has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management and investment advisory services as a Non-Banking Finance Company. The registered office of AWT Investment Limited is situated at 3rd Floor, AWT Plaza, I.I Chandrigar Road, Karachi.

The Fund offers units for public subscription on a continuous basis. The units are transferable and can These can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited

The Scheme is an 'Open end Equity Scheme' as per the criteria for the categorization of open-end collective investment schemes specified by the Securities and Exchange of Pakistan. The objective of the Fund is to achieve long term capital growth by investing mainly in listed equity securities.

The Scheme is permitted to invest in secured, unsecured, listed equity market securities (subject to minimum limit of 70% during the year based on quarterly average investment calculated on a daily basis) including treasury bills not exceeding 90 days maturity and cash or near cash instruments, including cash in bank accounts (excluding TDRs), equity securities not listed on the stock exchange Investment outside Pakistan, including international listed securities and foreign currency bank deposits (excluding TDRs), subject to such conditions as imposed by SECP and with the prior approval of SECP and SBP (upto 30%, subject to a cap of USD 15 million) and any other securities or instrument that may be permitted by commission (upto a limit of 30%).

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

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

3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:

3.1.1 Reclassification of financial assets

During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund is not maintaining investment portfolio of 'available for sale' and considered not to be relevant in these condensed interim financial information.

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

		September 30, 2018	June 30, 2018
		-----Rupees in '000' -----	
		(Un-audited)	(Audited)
4. BANK BALANCES	Note		
Current account		4	4
PLS savings accounts	4.1	24,563	22,108
		24,567	22,112

4.1 These represent bank balances with commercial banks carrying market competitive markup rates.

PIML VALUE EQUITY FUND

		September 30, 2018	June 30, 2018
		-----Rupees in '000'-----	
		(Un-audited)	(Audited)
5. INVESTMENTS	Note		
At fair value through income statement - held for trading			
Listed equity securities	5.1	85,549	89,081
Advance against subscription of shares		-	704
		85,549	89,785

5.1 Investments in securities at fair value through profit or loss - held for trading
Ordinary shares have a face value of Rs.10/- each unless stated otherwise.

Sectors / Companies	Number of shares					Market value (Rupees in 000)	% of net assets	% of investee capital
	At the beginning of the period	Acquired during the period	Bonus / rights received during the period	Disposed during the period	Holding at the end of the period			
Oil and Gas Marketing Companies								
Pakistan State Oil Company Limited	36,000	-	-	-	36,000	11,478	10.31	0.01
						11,478	10.31	
Fertilizer								
Engro Corporation Limited	25,000	-	-	-	25,000	7,791	7.00	0.00
						7,791	7.00	
Cement								
D.G. Khan Cement Company Limited	30,000	-	-	-	30,000	3,072	2.76	0.01
Maple leaf Cement Factory Limited	3,750	-	-	-	3,750	177	0.16	0.00
Lucky Cement Company Limited (Related Party)	16,000	-	-	-	16,000	8,207	7.37	0.00
						11,456	10.27	
Pharmaceuticals								
Searle Company Limited	8,401	-	-	-	8,401	2,654	2.38	0.00
Glaxo Smithkline Limited	20,000	-	-	-	20,000	2,956	2.66	0.01
						5,610	5.04	
Textile Composite								
Gul Ahmed Textile Mills Limited	50,000	-	-	-	50,000	2,445	2.20	0.01
Nishat Mills Limited	58,900	-	-	-	58,900	8,281	7.44	0.02
						10,726	9.62	
Automobile Assembler								
Indus Motor Company Limited	4,000	-	-	-	4,000	5,595	5.03	0.01
						5,595	5.03	
Commercial Banks								
Bank Alfalah Limited	125,000	-	12,500	-	137,500	6,826	6.13	0.01
Faysal Bank Limited	19,994	-	-	-	19,994	537	0.48	0.00
						7,362	6.61	
						-	-	
Engineering								
Mughal Iron & Steel Industries Limited	30,263	-	-	-	30,263	1,481	1.33	0.01
International Industries Limited	16,000	-	-	-	16,000	3,443	3.09	0.01
Aisha Steel Limited	335,000	-	-	-	335,000	4,301	3.86	0.04
						9,225	8.29	
Paper & Board								
Packages Limited (Related Party)	12,650	-	-	-	12,650	5,657	5.08	0.01
						5,657	5.08	0.01
Leasing Companies								
Orix Leasing Pakistan Limited	100,000	-	-	-	100,000	4,316	3.88	0.07
						4,316	3.88	0.07
Food and Personal care Products								
Matco Foods Limited	112,335	-	-	-	112,335	3,390	3.05	0.10
At-Tahur Limited	-	27,026	-	-	27,026	681	0.61	0.01
						4,071	3.66	
General Industrials								
Synthetic Products Limited	59,500	-	-	-	59,500	2,261	2.03	0.07
						2,261	2.03	
Held for trading investments as at 30 September 2018						85,549	76.80	
Cost of held for trading investments as at 30 September 2018						109,585		
Held for trading investments as at 30 June 2018						103,473		
Cost of held for trading investments as at 30 June 2018						102,250		

5.2 Finance Act, 2014 had introduced tax on bonus shares issued by the Companies. Most Equity Funds including the Fund have challenged the applicability of withholding tax provision on bonus shares before Honourable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. In the Fund's case, up to the period end, tax in the shape of 202 shares of The Searle Company Limited (30 June 2018: 202), 300 shares of Pakistan State Oil Company Limited (30 June 2018: 300) and 263 shares of Mughal Iron and Steel Industries Limited (30 June 2018: 263) had been withheld by CDC. Market value of these shares as at 30 September 2018 amounted to Rs. 0.172 million (30 June 2018: 0.180 million) and are included in the fund's investments in these financial statements.

PIML VALUE EQUITY FUND

5.3 Following shares (mentioned in note 5.1) have been pledged with National Clearing Company of Pakistan Limited:

	September 30, 2018 -----Number of shares ----- (Un-audited)	June 30, 2018 (Audited)	September 30, 2018 -----Rupees in '000' ----- (Un-audited)	June 30, 2018 (Audited)
Engro Corporation Limited	22,000	22,000	6,856	6,905

	September 30, 2018 -----Rupees in '000' ----- (Un-audited)	June 30, 2018 (Audited)
6. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	201	143
Provision for Sindh Workers' Welfare Fund	6.1	1,189
FED payable on management company's remuneration	6.2	942
Sales tax payable on Management Company remuneration	158	158
Other payable	528	220
	3,018	2,652

6.1. PROVISION FOR SINDH WORKERS' WELFARE FUND

Provision for Sindh Workers Welfare Fund is being made on a daily basis going forward pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) letter to mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 hence WWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF but as a matter of abundant caution the Management has recorded SWWF with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from 21 May 2015).

The total provision for SWWF till 30 June 2018 is Rs. 1.189 million (30 June 2017: Rs 1.189). Had the provision not been made, Net Asset Value per unit of the Fund as at 30 June 2018 would have been higher by Re. 1.12 per unit.

Furthermore on 10 November 2016, Honourable Supreme Court of Pakistan (SCP) passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition with the SCP against the said judgment, which is pending hearing. While the petitions filed by the Collective Investment Schemes (CISs) on the matter are still pending before the Sindh High Court (SHC), the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) have taken legal and tax opinions on the impact of the SCP's judgement on the CISs petition before the SHC. Both the legal and tax advisors consulted were of the view that the SCP's judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgement of the SCP.

Pursuant to above MUFAP recommended that the entire provision of Rs. 0.202 million against WWF held by the CISs till 30 June 2015, to be reversed on 12 January 2017.

6.2 As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective 13 June 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 04 September 2013.

While disposing the above petition through order dated 16 July 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from 01 July 2011. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Further, the Finance Act 2016, also introduced an amendment to the Federal Excise Act, 2015 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax. This amount is payable to the Management Company for onward payment to the government.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained provision for FED amounting to Rs. 0.942 million. Had the provision not been made, NAV per unit of the Fund as at June 30, 2018 would have been higher by Rs. 0.89 per unit (2017: 0.60 per unit).

The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% on Management Company's remuneration. Above liability includes Rs. 108,165 (30 June 2018: Rs. 108,165) accrued on Federal Excise Duty (FED) on the management remuneration as more fully explained in note 6.2 above. Had the provision on FED not been made, Net Asset Value per unit of the Fund as at 30 September 2018 would have been higher by Rs. 0.10 (2018: Re. 0.11) per unit. This amount is payable to the Management Company for onward payment to the government.

7. CONTINGENCIES AND COMMITMENTS

The Fund had no contingency or commitment at the period end except as those mentioned elsewhere in these condensed interim financial statements.

PIML VALUE EQUITY FUND

8. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I 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 realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

9. Fair value of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

On-balance sheet financial instruments	Note	Carrying amount				Fair value				
		Fair value through income statement	Available for sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 September 2018										
Financial assets measured at fair value										
Listed equity securities	9.1	85,549	-	-	-	85,549	85,549	-	-	85,549
Financial assets not measured at fair value										
Bank balances	9.1	-	-	24,567	-	24,567	-	-	-	-
Other receivables		-	-	599	-	599	-	-	-	-
Security deposits		-	-	2,600	-	2,600	-	-	-	-
		-	-	27,766	-	27,766	-	-	-	-
Financial liabilities not measured at fair value										
Payable to the Management Company	9.1	-	-	-	840	840	-	-	-	-
Remuneration payable to the Trustee		-	-	-	66	66	-	-	-	-
Accrued expenses and other liabilities		-	-	-	729	729	-	-	-	-
		-	-	-	1,635	1,635	-	-	-	-
30 June 2018										
Financial assets measured at fair value										
Equity securities	9.1	89,081	-	-	-	89,081	89,081	-	-	-
		89,081	-	-	-	89,081	89,081	-	-	-
Financial assets not measured at fair value										
Investment - advance against subscription of shares	9.1	-	-	704	-	704	-	-	-	-
Bank balances		-	-	22,112	-	22,112	-	-	-	-
Dividend and other receivable		-	-	431	-	431	-	-	-	-
Security deposits		-	-	2,600	-	2,600	-	-	-	-
		-	-	25,847	-	25,847	-	-	-	-
Financial liabilities not measured at fair value										
Payable to the Management Company	9.1	-	-	-	844	844	-	-	-	-
Remuneration payable to the Trustee		-	-	-	58	58	-	-	-	-
Accrued expenses and other liabilities		-	-	-	313	313	-	-	-	-
		-	-	-	1,215	1,215	-	-	-	-

9.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of their fair values.

PIML VALUE EQUITY FUND

10. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons / related parties include AWT Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the trustee, Army Welfare Trust which is the parent entity of the Management Company, other funds managed by the Management Company, associated companies (if any) of the management company / parent entity of the management company, entities in which the above parties or their connected persons have a material interest, Key Management Personnel and includes entities holding 10% or more units of the Fund as at 30 September 2018. It also includes the staff retirement funds of the above related parties / connected person. Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

	For the Quarter ended September 30, 2018	For the Quarter ended September 30, 2017
-----Rupees in '000-----		
10.1 Detail of transactions with connected persons during the period are as follows:		
AWT Investments Limited (Management Company)		
Remuneration of Management Company	573	827
Sindh sales tax on remuneration of Management Company	75	108
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	176	176
Sindh sales tax on remuneration of the Trustee	23	23
Settlement Charges	9	8
Ten percent or more holding		
Issuance of Nil units (2017: 89,438 units)	-	11,697
Redemption of Nil units (2017: 144,047 units)	-	18,000
	'September 30, 2018	'June 30, 2018
	-----Rupees in '000 -----	
	(Unaudited)	(Audited)
10.2 Detail of balances outstanding at the period end with connected persons are as follows:		
AWT Investments Limited (Management Company)		
Remuneration payable to the Management Company	187	190
Sindh sales tax payable on remuneration of Management Company	158	158
Federal excise duty payable on remuneration of Management Company	942	942
Units held - 212,949 units (2018: 212,949 units)	21,755	22,567
Preliminary and floatation costs payable to Management Company	653	653
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	58	58
Sindh sales tax payable on remuneration payable to the Trustee	8	7
Security deposit	100	100
Pak Brunei Investment Company Limited		
Units held - Nil units (2018: 386,253 units)	10.3	40,931
ASKARI GENERAL INSURANCE CO. LTD		
Units held - 84,991 units (2018: 84,991 units)	8,683	9,006
Primus Investment Management Limited - Provident Fund		
Units held - 5,602 units (2018: 5,602 units)	572	594
Ten percent or more holding		
Units held - 173,820 units (2018: 173,820 units)	17,757	18,420
Silk Bank Limited (Common Directorship)		
Bank Balance	12	12

10.3 Furthermore, on October 13, 2017 the Board of Directors of Pak Brunei Investment Company Limited (PBICL) have approved the divestment of PBICL's remaining 30% shareholding in the Company by exercising the option contained in the shareholders' agreement dated December 14, 2016. The transaction was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 5, 2018 and was concluded on August 03, 2018 with the remaining holding transferred by PBICL in the name of AWT

PIML VALUE EQUITY FUND

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2018 is 0.98% which include 0.09% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

12. GENERAL

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

12.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in this condensed interim financial information during the period except for the following for better presentation:

13. DATE OF AUTHORISATION

This condensed interim financial information was authorized for issue on **October 26 2018** by the Board of Directors of the Management Company.

**For AWT Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

**PIML ASSET ALLOCATION FUND
FOR THE PERIOD ENDED SEPTEMBER 30, 2018**

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FUND'S INFORMATION

Management Company	AWT Investments Limited 3rd Floor, AWT Plaza I.I Chundrigar Road, Karachi	
Board of Directors	Lt. General Najib Ullah Khan (Retd.) Maj. General Akhtar Iqbal (Retd.) Mr. Tariq Iqbal Khan Mr. Malik Riffat Mehmood Ms Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Director Director Director Director Chief Executive Officer
Chief Financial Officer	Mr. Hamza Saboor	
Company Secretary	Mr. Naveed ul Islam	
Audit Committee	Mr. Tariq Iqbal Khan Maj. General Akhtar Iqbal (Retd.) Mr. Malik Riffat Mehmood	Chairman Member Member
HR Committee	Maj. General Akhtar Iqbal (Retd.) Ms Maleeha Humayun Bangash Mr. Salman Haider Sheikh	Chairman Member Member
Trustee	Central Depository Company of Pakistan Limited DC House, 99B, Block-B, SMCHS, Main Shahra-e-Faisal, Karachi	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building No. 2 Beaumont Road Karachi. 75530	
Legal Advisors	Mohsin Tayebaly & Co. 2nd Floor, Dime Centre, BC-4 Block-9, Kehkashan, Clifton, Karachi	
Bankers	Allied Bank Limited Bank Al-Habib Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited UBL Bank Limited Summit Bank Limited Askari Bank Limited Samba Bank Limited Al-Baraka Bank (Pakistan) Limited JS Bank Limited Silk Bank Limited	

PIML ASSET ALLOCATION FUND

DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of AWT Investments Limited the Management Company of PIML- Asset Allocation Fund ("the Fund"), is pleased to present the un-audited condensed interim financial statements for the quarter ended September 30, 2018

REVIEW OF FUND PERFORMANCE

During 1QFY19, AAF generated negative return of 2.04% compared to its benchmark negative return of 1.68%. AAF exposure in equities, which was around 49% of fund size contributed in fund's negative return as equities have retreated in last two months due to worsening balance of payment situation and monetary tightening by SBP.

Top negative contribution in fund's return came from SPEL, ASL, MUGHAL, MFL, DGKC and SEARL. Stocks which gave positive contribution and outperformed were GATM, LUCK, BAFL, PREMA, ENGRO, MCB and PSO. Net Assets of AAF has reduced by 4.39%QoQ to PKR 327.95mn in 1QFY19 compared to PKR 343mn in the 4QFY18. The fund's Net Asset Value on September 30, 2018 was PKR 89.12.

ECONOMIC OUTLOOK

During 1QFY19, the economy has come under severe strains due to deterioration in balance of payment situation, with country foreign reserves losing further 4.46% to \$15.52bn. SBP has begun aggressive tightening with two 100bsp increases in policy rate (July and September) to 8.5%. The new government of PTI, which came in power after July 25 elections in the country, has to announce new fiscal measures (mini budget) to generate more tax revenues while cutting development expenditures by 25% Rs750bn in order to lower the fiscal budget in current fiscal year as against 6.6% of GDP recorded in the outgoing year.

The rate of CPI inflation in 1QFY19 has surged by 1.89%QoQ to average CPI of 5.60%, with central bank keeping its annual CPI projection in the range of 6.5%-7.5%. During the remaining months of current fiscal year, CPI will be mainly influenced by the rate of rupee depreciation and oil prices in international markets (up by 7.66% in FYTD to PKR81.48/bbl in 1QFY19). There is high probability that inflation will accelerate above SBP estimates on account of expected rupee depreciation as Pakistan moves into IMF program for balance of payment support. During 1QFY19, exports were up by 4.56% to USD5.39bn while imports were up marginally 0.63% to USD14.26bn. Despite decline in trade deficit by 1.61%YoY in 1QFY19 to USD8.87bn, the C/A deficit was up by 9.85%YoY to USD2.72bn in 2MFY19. Pak rupee declined to PKR123.15/USD from PKR121.73/USD in 1QFY19. During July, it fell to PKR128/USD before regaining to PKR122/USD after July 25 elections.

During the 2MFY19, FDI in the country has shrunk by 40.12%YoY to USD288mn when compared to USD481mn in 2MFY18. On the other side FPI in the country has dropped by 15.69%YoY to USD129mn in 2MFY19 when compared to 2MFY18. Contrary to this, remittances numbers have surged by 13.44%YoY to USD3.97bn in 2MFY19 when compared to 2MFY18.

Overall, the government has embarked upon implementing IMF led policy measures such as increase in the policy rate and pushing the rupee lower ahead of moving into the stand by arrangement for balance of payment support. Similarly, the government will go for reduction its twin deficits of fiscal and current account, which means more cuts in development expenditures leading to lower GDP growth in the range of 4-4.5% compared to previous year growth of 5.8%.

EQUITY MARKET REVIEW

During 1QFY19 KSE-100 index slumped by 2.18% to 40,998.59 compared to Jun'18 index levels of 41,910.90. Market responded positively when PTI managed to secure comfortable majority in parliament after July 25 elections gaining almost 7%, however, market retreated those gains in last two months of the quarter as macroeconomic concerns came to surface amid decline in foreign exchange reserves and strong foreign selling. Monetary tightening of 200bps increase in policy rate to 8.50% has also caused the highly leveraged scrips to decline in the 1QFY19. Average daily trading volume (ADTV) of the KSE-ALL index fell by 14.76% in FYTD to 138mn shares in 1QFY19 when compared to 162mn shares in the month of Jun'18. On the FPI side, foreigners have pulled out \$189mn from PSX in 1QFY19. While on the locals' side, Insurance companies were the top buyers with inflow of \$102mn followed by individuals with \$97mn inflow in 1QFY19.

PIML ASSET ALLOCATION FUND

During the quarter ended Sept'18, the sectors that declined in the quarter are mainly Insurance down by 8.97%, Automobile down 4.40%, Pharma declined by 3.04%, Refinery down by 2.46%, Power down by 2.34% and OMCs down by 1.86% when compared to Jun'18.

MANAGEMENT QUALITY RATING

The JCR-VIS Credit Rating Company Limited has reaffirmed Management Quality Rating of "AM3+" 'with Rating Watch-Developing' to AWT Investments Limited on December 15, 2016. The rating denotes high management quality of the Management Company.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company is thankful to the Securities and Exchange Commission of Pakistan for their valuable support, assistance and guidance. The Board also wish to express gratitude to the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

Rawalpindi: October 26, 2018

Chief Executive Officer

Director

PIML ASSET ALLOCATION FUND

یونٹ ہولڈرز کو ڈائریکٹرز کی رپورٹ: PIML - ایسٹ ایلوکیشن فنڈ

AWT انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز جو کہ پرائیمرس انویسٹمنٹ منیجمنٹ لمیٹڈ - ایسٹ ایلوکیشن فنڈ (فنڈ) کی انتظامی کمپنی ہے، 30 ستمبر 2018 کو اختتام پذیر ہونے والی سہ ماہی کا مالیاتی گوشوارہ پیش کرتے ہوئے انتہائی مسرت محسوس کر رہی ہے۔

فنڈ کی کارکردگی کا جائزہ

1QFY19 میں AAF نے 2.04 فی صد کا منفی منافع حاصل کی جب کہ بیچ مارک 1.68 فی صد رہا۔ ایکویٹیٹیز میں فنڈ کی تشہیر جو کہ تقریباً 49% فی صد بنتی ہے، فنڈ کے منفی منافع کا سبب تھیں۔ ایکویٹیٹیز میں گذشتہ دو مہینوں کے دوران مندی دیکھنے میں آئی اس کی وجوہات میں ادا نیگیو میں بدترین توازن کی صورت حال اور اسٹیٹ بینک کی جانب سے مانیٹری سختیاں شامل تھیں۔ جن کمپنیوں نے فنڈ میں منفی رجحان کا مظاہرہ کیا ان میں SEARL، MUGHAL، ASL، SPEL اور DGKC، MFL، شامل ہیں۔ پورٹ فولیو میں موجود جن کمپنیوں نے بہتر کارکردگی کا مظاہرہ کیا ان میں GATM، MCB، ENGRO، PREMA، BAFL، LUCK اور PSO شامل ہیں۔ سہ ماہی سے سہ ماہی کی بنیاد پر 1QFY19 میں فنڈ کے خالص اثاثوں کی مالیت کم ہو کر 4.39 فی صد یعنی 327.92 ملین پاکستانی روپے ہو گئی جب کہ 4QFY18 میں یہ 343 ملین پاکستانی روپے تھا۔ 30 ستمبر 2018 کو فنڈ کے خالص اثاثوں کی مالیت 89.12 پاکستانی روپے تھی۔

معاشی توقعات

مالی سال 2018 کی پہلی سہ ماہی کے دوران، پاکستانی معیشت نگین بحران کا شکار نظر آئی جس کی وجوہات میں ادا نیگیو کے توازن میں متوزنی اور ملک کے غیر ملکی زرمبادلہ کے ذخائر میں کمی تھی جو مزید 4.46 فی صد کم ہو کر 15.52 ملین امریکی ڈالر ہو گئے۔ اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ پر سختی کو جاری رکھا ہے، جولائی اور ستمبر میں مزید 100 پیسوں یعنی 8.5 فی صد کا اضافہ کیا۔ پاکستان تحریک انصاف کی نئی حکومت نے، جو کہ 25 جولائی کو ہونے والے عام انتخابات کے نتیجے میں اقتدار میں آئی، اس نے مزید نیگس ریونیو پیدا کرنے کے لیے نئے مالیاتی اقدامات (منشی جٹ) کا اعلان کر دیا اور تقابلی منسوبوں پر شرح قے جانے والے اخراجات میں 25 فی صد یعنی 750 ملین روپے کی کوٹھی کر دی تاکہ موجودہ مالی سال میں مالیاتی بجٹ کو کم کیا جاسکے 6.6 فی صد جی ڈی پی شرح کے برخلاف جو کہ رواں سال میں ریکارڈ کیا گیا۔

1QFY19 میں CPI میں اضافہ کی شرح تیزی سے بڑھ کر سہ ماہی سے سہ ماہی کی بنیاد پر 1.89 فی صد سے 5.60 فی صد ہو گئی۔ سینٹرل بینک نے اپنی سالانہ CPI پر دیکھتے ہوئے 6.5 فی صد سے 7.5 فی صد کے درمیان رکھی۔ موجودہ مالی سال کے ہفتا پانچویں میں CPI پر زیادہ تاثر روپے میں کی اور بین الاقوامی مارکیٹ میں تیل کی قیمتوں میں کمی کے باعث ہوگا۔ FYTD میں 7.66 فی صد اضافے کے بعد 1QFY19 میں 81.48 پاکستانی روپے)۔ اس بات کا بھی بہت زیادہ امکان ظاہر کیا جا رہا ہے کہ افراط زر میں SBP کے تعین سے بہت زیادہ اضافہ ہو جائے گا کیوں کہ پاکستانی روپے کی قدر میں کمی اس کی بنیاد بھی جاسکتی ہے، جس کے باعث ادا نیگیو میں توازن کی غرض سے آئی ایم ایف سے قرض لینا پڑے گا۔

1QFY19 کے دوران برآمدات کا حجم 4.56 فی صد یعنی 5.39 ملین امریکی ڈالر رہا۔ جب کہ درآمدات 0.63 فی صد اضافے سے 14.26 ملین امریکی ڈالر تک پہنچیں۔ 1QFY19 کے دوران تجارتی خسارہ میں سال بہ سال 1.61 فی صد کمی کے باوجود 8.87 ملین امریکی ڈالر تھا۔ کرنٹ اکاؤنٹ کا خسارہ 2MFY19 کے دوران سال بہ سال 9.85 فی صد بڑھ کر 2.72 ملین امریکی ڈالر رہا۔ 1QFY19 میں پاکستانی روپے کی قدر 123.15 فی ڈالر سے کم ہو کر 121.73 امریکی ڈالر ہو گئی۔ جولائی کے دوران اس کی قدر مزید کم ہو کر 128 روپے فی ڈالر ہو گئی تھی جب کہ 25 جولائی کے انکشاف کے بعد وہ واپس 122 فی ڈالر کی سطح پر پہنچ گیا۔

2MFY19 کے دوران ملک میں FDI کا حجم سز کر سال بہ سال 40.12 فی صد ہو گیا یعنی 288 ملین امریکی ڈالر جب کہ 2MFY18 میں یہ شرح 481 ملین امریکی ڈالر تھی۔ دوسری جانب FPI میں سال بہ سال 15.69 فی صد کمی واقع ہوئی جو 2MFY19 کے عرصے میں 129 ملین امریکی ڈالر تھی۔ بمقابلہ 2MFY18 کے۔ اس کے برعکس ترسیلات زر کے حجم میں تیزی سے اضافہ ہوا سال بہ سال جو کہ 2MFY19 میں 13.44 فی صد یعنی 3.97 ملین امریکی ڈالر تھا۔ بمقابلہ 2MFY18 کے۔

مجموعی طور پر حکومت آئی ایم ایف کی پالیسیوں کے مطابق عمل پیرا ہونے کی جانب اقدامات کرتی نظر آتی ہے جن میں پالیسی ریٹ میں اضافہ اور روپے کی قدر میں کمی جیسے اقدامات جن سے ادا نیگیو کے توازن کا بندوبست کرنے میں مدد ملے۔ اسی طرح حکومت اپنے دو شماروں یعنی تجارتی اور کرنٹ اکاؤنٹ خسارے میں کمی کرنے کی جس کا مطلب تقابلی منسوبوں میں کوٹھی بھی جاسکتی ہے۔ جس سے جی ڈی پی کو تھ میں کمی ہوگی 4.5-4 فی صد کی شرح سے جب کہ پچھلے سال اس کی شرح 5.8 فی صد تھی۔

PIML ASSET ALLOCATION FUND

ایکیویٹی مارکیٹ کا جائزہ

1QFY19 کے دوران KSE-100 انڈیکس میں 2.18 فی صد یعنی 40,998.59 پوائنٹس مندی کا رجحان رہا جب کہ جون 18 میں انڈیکس کی سطح 41,910.99 پوائنٹس تھی۔ مارکیٹ میں اس وقت مثبت رجحان دیکھنے میں آیا جب PTI نے 25 جولائی کے انتخابات کے بعد پارلیمنٹ میں اطمینان بخش اکثریت حاصل کی تقریباً 7 فی صد لیکن اس سب کے باوجود حکومت ان تمام کامیابیوں کو برقرار رکھنے میں، حالیہ سہ ماہی کے گزشتہ دو مہینوں سے تا کام نظر آتی ہے کیوں کہ مائیکرو انٹیکس کے خدشات کھل کر سامنے آنے لگے ہیں اور ساتھ ہی غیر ملکی زرمبادلہ کے ذخائر میں کمی اور بیرونی سرمایہ کاری کا اخلاء جیسے عوامل بھی شامل ہیں۔ 1QFY19 میں مائیکرو یعنی 200 پیسوں کے اضافے سے پالیسی ریٹ میں 8.50 فی صد اضافہ دراصل، مندی اور قرضوں پر بہت زیادہ انحصار کرنے جیسے عوامل کی طرف لے گیا۔

1QFY19 کے دوران KSE-ALLI انڈیکس کی روزانہ کی اوسط تجارت کا حجم (ADTV)، FYTD میں 138 ملین حصص یعنی 14.76 فی صد گر گیا۔ جون 18 میں حصص 162 ملین تھے۔ FIPI کی بات کی جائے تو 1QFY19 کے دوران بیرونی سرمایہ کاروں نے PSX سے 189 ملین ڈالر واپس کال لیے۔ 1QFY19 کے عرصے میں مقامی طور پر انٹرنیشنل کمپنیاں سب سے زیادہ خریداری میں سرفہرست رہیں جنہوں نے 102 ملین ڈالر کی سرمایہ کاری کی جس میں انفرادی طور پر 97 ملین ڈالر کی سرمایہ کاری کی گئی۔

ستمبر 18 کی سہ ماہی کے اختتام پر جن ٹیکسوں میں کاروباری مندی دیکھی گئی ان میں بالخصوص انٹرنیشنل کے شعبے میں 8.97 فی صد، آٹوموبائل 4.40 فی صد، فارماسیوٹیکلز 3.04 فی صد، ریٹائری 2.46 فی صد، توانائی کا شعبہ 2.34 فی صد اور OMCS میں 18 جون کے مقابلے میں 1.86 فی صد کمی دیکھی گئی۔

میجمنٹ کوآپریٹو ریٹنگ

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے پرائس انویسٹمنٹ میجمنٹ لمیٹڈ کو 15 دسمبر 2016 میں میجمنٹ کوآپریٹو ریٹنگ AM3+ کے علاوہ ریٹنگ واچ ڈیولپمنٹ سے بھی نوازا ہے۔ یہ ریٹنگ، میجمنٹ کمپنی کی اعلیٰ درجہ کی انتظامی خصوصیات کو ظاہر کرتی ہے۔

اظہار تشکر

میجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز، سیکرٹریز اینڈ ایگزیکٹو کمیٹی آف پاکستان کی جانب سے قابل قدر مدد و معاونت اور رہنمائی کے لیے ان کے شکر گزار ہیں۔ علاوہ ازیں بورڈ، میجمنٹ کمپنی کے کارکنان اور سٹیفز کی لگن اور جھنجھکی و محنت پر ان کا تودل سے مشکور ہے۔ بورڈ نے یونٹ ہولڈرز کی جانب سے میجمنٹ پر بھروسہ کرنے پر ان کا بھی شکریہ ادا کیا۔

راولپنڈی : 26 اکتوبر 2018

چیف ایگزیکٹو آفیسر

ڈائریکٹر

PIML ASSET ALLOCATION FUND

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2018**

	Note	September 30, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
Assets			
Bank Balances	4	160,071	168,342
Investments	5	160,928	169,850
Security deposits		5,200	5,229
Dividend, advances and other receivables		5,441	3,362
Deferred formation cost		3,765	3,891
Total assets		335,405	350,674
Liabilities			
Payable to the Management Company		1,502	1,522
Remuneration payable to the Trustee		56	56
Annual fee payable to the Securities and Exchange Commission of Pakistan		81	339
Accrued expenses and other liabilities	6	5,776	5,748
Total liabilities		7,415	7,665
Contingencies and commitments	7		
Net assets		327,990	343,009
Unit holders' fund		327,990	343,009
		(Number)	
Number of units in issue		3,679,961	3,770,094
		(Rupees)	
Net assets value per unit		89.13	90.98

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

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML ASSET ALLOCATION FUND

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	Note	September 30,	
		2018	2017
(Rupees in '000)			
Income			
Markup on Bank balances		3,141	246
Dividend income (held for trading investments)		1,093	722
Loss on sale of held for trading investments - net		-	(7,632)
Unrealised loss on revaluation of held for trading investments - net	5	<u>(8,592)</u>	<u>(16,025)</u>
		(4,358)	(22,689)
Expenses			
Remuneration of the Management Company		1,715	827
Sindh sales tax on Management Company's remuneration		223	108
Remuneration to the Trustee		176	176
Sindh sales tax on Trustee's remuneration		23	23
Annual fee to the Securities and Exchange Commission of Pakistan		81	39
Amortisation of deferred formation cost		126	54
Auditors' remuneration		56	58
Annual listing fee		7	9
NCCPL Fee		92	-
Bank and settlement charges		8	264
Printing, stationery and postage		-	17
Total expenses		2,507	1,575
Net loss from operating activities		(6,865)	(24,264)
Net loss before taxation for the quarter		(6,865)	(24,264)
Taxation	9	-	-
Net loss after taxation for the quarter		(6,865)	(24,264)

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

**For AWT Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

PIML ASSET ALLOCATION FUND

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	<u>September 30,</u>	
	<u>2018</u>	<u>2017</u>
	(Rupees in '000)	
Net loss for the quarter	(6,865)	(24,264)
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>(6,865)</u>	<u>(24,264)</u>

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

**For AWT Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

PIML ASSET ALLOCATION FUND

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	Note	September 30,	
		2018	2017
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the year before taxation		(6,865)	(24,264)
Adjustments for:			
Return / mark-up on:			
Markup on Bank balances		(3,141)	(246)
Dividend income		(1,093)	(722)
Loss on sale of held for trading investments - net		-	7,632
Unrealized loss on revaluation of held for trading investments - net		8,592	16,025
Amortisation of deferred formation cost		126	54
		(2,381)	(1,521)
Decrease in current assets			
Investments - net		330	9,043
Prepayment and Other receivable		(21)	2,838
Security deposits		29	-
		338	11,881
(Decrease) / increase in current liabilities			
Payable to the Management Company		(20)	(146)
Remuneration payable to the Trustee		(0)	74
Annual fee payable to Securities and Exchange Commission of Pakistan		(258)	(224)
Accrued expenses and other liabilities		28	647
		(250)	351
Markup on Bank balances		1,605	1,272
Dividend received		571	-
Net cash (outflows) / inflow from operating activities		(117)	11,983
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issuance of units		-	17,273
Amount paid on redemption of units		(8,154)	(52,974)
Net cash outflows from financing activities		(8,154)	(35,701)
Net decrease in cash and cash equivalents		(8,271)	(23,718)
Cash and cash equivalents at beginning of the quarter		168,342	35,852
Cash and cash equivalents at end of the quarter	4	160,071	12,134

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

**For AWT Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

PIML ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	September 30, 2018			September 30, 2017		
	Value	Undistributed income	Total	Value	Undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the quarter	367,468	(24,459)	343,009	156,039	49,277	205,316
Issuance of 1,646,179 units (2017: 21,952,566 units)						
- Capital value	-	-	-			
- Element of loss	-	-	-			
Total proceeds on issuance of units	-	-	-	17,273	-	17,273
Redemption of 1,006,205 units (2017: 32,607,922 units)						
- Capital value	(8,210)	-	(8,210)			
- Element of income	56	-	56			
Total payments on redemption of units	(8,154)	-	(8,154)	(52,974)	-	(52,974)
Total comprehensive income for the quarter	-	(6,865)	(6,865)	-	(24,264)	(24,264)
Net assets as at end of the quarter	<u>359,314</u>	<u>(31,324)</u>	<u>327,990</u>	<u>120,338</u>	<u>25,013</u>	<u>145,351</u>
Undistributed income brought forward:						
- Realized income / (loss)		(279)			48,038	
- Unrealized income		(24,180)			1,239	
		(24,459)			49,277	
Accounting income available for distribution:						
Relating to capital gains		-			-	
Excluding capital gains		(6,865)			-	
		(6,865)			(24,264)	
Undistributed income at end of the quarter		<u>(31,324)</u>			<u>25,013</u>	
Undistributed income carried forward:						
- Realized (loss) / income		(22,732)			(8,239)	
- Unrealized (loss) / income		(8,592)			33,252	
		<u>(31,324)</u>			<u>25,013</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		<u>114.17</u>			<u>131.59</u>	
Net assets value per unit at end of the quarter		<u>89.13</u>			<u>114.17</u>	

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

For AWT Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PIML ASSET ALLOCATION FUND

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 PIML Asset Allocation Fund ("the Fund") was established under a Trust Deed, dated 29 September 2015, executed between AWT Investments Limited as Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and the Central Depository Company of Pakistan Limited (CDC) as the Trustee, also incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Securities and Exchange Commission of Pakistan (SECP) registered the Fund as a Notified Entity on 15 October 2015, under Regulations 44 of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (Establishment and Regulation) Rules. The Management Company of the Fund has been licensed by SECP to undertake Asset Management Services and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). Registered office of the Management Company is situated at 3rd Floor, AWT Plaza, I.I. Chundrigar Road, Karachi.
- 1.2 The Fund is an open end mutual Fund and is listed on the Pakistan Stock Exchange. The Fund offers units for public subscription on a continuous basis. These can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.3 The Scheme is an 'Open end Asset Allocation Scheme' as per the criteria for the categorization of open-end collective investment schemes specified by the Securities and Exchange Commission of Pakistan. The objective of the Fund is to achieve long term capital growth by investing mainly in listed equity securities.
- 1.4 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

2. BASIS OF PREPARATION

Statement of Compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

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

- 3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2018 except for the following:
- 3.1.1 **Reclassification of financial assets**
- During the current period IFRS-9 became applicable, according to the standard, all equity investments are to be measured at fair value in the statement of financial position with value change recognized in profit or loss. Standard also retains an option in respect of equity investments (other than held for trading) for which the entity may elect to report value change in 'other comprehensive income'. However, the fund is not maintaining investment portfolio of 'available for sale' and considered not to be relevant in these condensed interim financial information.
- 3.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

	<i>Note</i>	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
(Rupees in '000)			

4. BANK BALANCES

Profit and loss sharing accounts	4.1	160,071	40,332
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- 4.1 These accounts carry profit rate ranging from 4% to 8.15% (30 June 2018: 4% to 6.50%) per annum. These also include balance of Rs. 159,078 million (30 June 2018: Rs. 0374 million) held with Silk Bank Limited, a related party.

	<i>Note</i>	September 30, 2018 (Unaudited)	June 30, 2018 (Audited)
(Rupees in '000)			

5. INVESTMENTS

At fair value through income statement - held for trading

Listed equity securities	5.1	160,928	168,149
Advance against subscription of shares		-	1,701
		160,928	169,850

PIML ASSET ALLOCATION FUND

5.1 Listed equity securities - held for trading
(Ordinary shares have a face value of Rs. 10/- each unless stated otherwise)

Sectors / Companies	Holding at the beginning of the period	Acquired during the period	Bonus received during the period	Disposed during the period	Holding at the end of the period	Carrying value	Market value /	Unrealised	Market Value	Market Value	% of
						before revaluation as at 30 September 2018	carrying value as at 30 September 2018 (after revaluation)	loss / (gain) - net	as % of total investments	as % of net assets	Investee capital
	(Number of shares)					(Rupees in '000)					
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited - note 5.2	57,600	-	-	-	57,600	18,335	18,365	(31)	11.41	5.60	0.02
Shell Pakistan Limited	12,050	-	-	-	12,050	3,829	3,538	270	2.20	1.08	0.01
						21,144	21,904	240	13.61	6.68	0.03
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	25	-	-	-	25	38	39	(1)	0.02	0.01	0.00
Leasing											
Orix Leasing Pakistan Limited	160,000	-	-	-	160,000	6,955	6,906	50	4.29	2.11	0.11
Fertilizer											
Engro Corporation Limited - note 5.3	43,000	-	-	-	43,000	13,496	13,400	96	8.33	4.09	0.01
Cement											
D.G. Khan Cement Company Limited	50,000	-	-	-	50,000	5,725	5,121	604	3.18	1.56	0.01
Lucky Cement Company Limited (a related party)	35,500	-	-	-	35,500	18,032	18,209	(178)	11.32	5.55	0.01
						23,756	23,330	426	14.50	7.11	0.02
Pharmaceuticals											
The Searle Company Limited	24,658	-	-	-	24,658	8,371	7,790	581	4.84	2.38	0.01
Glaxo Smith Kline Pakistan Limited	20,500	-	-	-	20,500	3,403	3,030	373	1.88	0.92	0.01
						11,774	10,821	954	6.72	3.30	0.02
Textile Composite											
Gul Ahmed Textiles Mills Limited	105,313	-	-	-	105,313	4,531	5,149	(618)	3.20	1.57	0.03
Nishat Mills Limited	144,700	-	-	-	144,700	20,391	20,343	48	12.64	6.20	0.04
						24,912	25,492	(580)	15.84	7.77	0.07
Automobile Assembler											
Indus Motor Company Limited	6,600	-	-	-	6,600	9,382	9,231	151	5.74	2.81	0.01
Commercial Banks											
Bank Alfalah Limited	130,000	-	13,000	-	143,000	6,798	7,099	(301)	4.41	2.16	0.01
MCB Bank Limited	8,400	-	-	-	8,400	1,661	1,690	(29)	1.05	0.52	0.00
Faysal Bank Limited	3,900	-	-	-	3,900	101	105	(3)	0.07	0.03	0.00
						8,560	8,893	(333)	5.53	2.71	0.01
Paper and Board											
Packages Limited (a related party)	13,300	-	-	-	13,300	6,513	5,948	565	3.70	1.81	0.01
Engineering											
Mughal Iron and Steel Industries Limited	140,263	-	-	-	140,263	8,615	6,863	1,752	4.26	2.09	0.06
International Industries Limited	40,000	-	-	-	40,000	9,292	8,608	684	5.35	2.62	0.03
Asha Steel Limited	625,000	-	-	-	625,000	9,856	8,025	1,831	4.99	2.45	0.08
						27,763	23,496	4,267	14.60	7.16	0.16
General Industrials											
Synthetic Products Enterprises Limited	165,000	-	-	-	165,000	8,432	6,270	2,162	3.90	1.91	0.19
Food & Personal Care Products											
Matco Foods Limited	117,683	-	-	-	117,683	4,423	3,552	871	2.21	1.08	0.10
Al-Tajur Limited	-	65,347	-	-	65,347	1,372	1,647	(275)	1.02	0.50	0.04
						5,795	5,198	597	3.23	1.58	0.15
Held for trading investments as at 30 September 2018						Rupees 169,519	169,928	8,866	100	49.06	
Cost of held for trading investments as at 30 September 2018						Rupees 169,519					
Cost of held for trading investments as at 30 June 2018						Rupees 192,328					

5.1.1 Finance Act, 2014 had introduced tax on bonus shares issued by the Companies. Most Equity Funds including the Fund have challenged the applicability of withholding tax provision on bonus shares before Honourable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. In the Fund's case, up to the year end, tax in the shape of 329 shares of The Searle Company Limited (30 June 2018: 329 shares), 480 shares of Pakistan State Oils Company Limited (30 June 2018: 480 shares), 25 shares of Mari Petroleum Limited (30 June 2018: 25 shares), 473 shares of Faysal Bank Limited (30 June 2018: 473), 313 shares Gul Ahmed Textile Mills Limited (30 June 2018: 313 shares) and 263 shares of Mughal Iron and Steel Industries Limited (30 June 2018: 263 units) had been withheld by CDC. Market value of these shares as at 30 September 2018 amounted to Rs. 0.337 million (30 June 2018: 0.328 million) and are included in these condensed interim financial information.

5.2 Following shares (mentioned in note 5.1) have been pledged with National Clearing Company of Pakistan Limited:

	September 30, 2018	June 30, 2018	September 30, 2018	June 30, 2018
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	(Number of shares)		(Rupees in '000)	
Pakistan State Oil Company Limited	21,000	21,000	6,696	6,685
Engro Corporation Limited	5,000	5,000	1,558	1,569
	26,000	26,000	8,254	8,254

PIML ASSET ALLOCATION FUND

		September 30 2018	June 30, 2018
		-----Rupees in (000)-----	
		(Un-audited)	(Audited)
6.	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Federal Excise Duty on Remuneration of Management Company	6.1 2,644	2,644
	Provision of Sindh Worker Welfare Fund	6.2 2,456	2,456
	Sindh sales tax payable on Management Company remuneration	6.3 405	407
	Sindh sales tax payable on Trustee remuneration	7	7
	Auditors' remuneration payable	195	138
	Payable against printing, postage and stationery	37	36
	Fee payable to National Clearing Company of Pakistan Limited	32	60
		5,776	5,748

- 6.1 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 4 September 2013. While disposing the above petition through order dated 16 July 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from 01 July 2016. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Furthermore, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax. This amount is payable to the Management Company for onward payment to the government.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained provision for FED aggregating to Rs. 2.644 million. Had the provision not been made, NAV per unit of the Fund as at 30 September 2018 would have been higher by Re. 0.70 (30 June 2018: Re. 0.70).

- 6.2 Provision for Sindh Workers' Welfare Fund is being made on a daily basis pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) letter to mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 hence WWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF, but as a matter of abundant caution management has recorded SWWF at 2% of the net income earned by a Fund effective from 12 April 2016 (the date of the commencement of the Fund's operation). The total provision for SWWF till 30 June 2018 is Rs. 2.456 million (30 June 2018: Rs. 2.456 million). Had the provision not been made, Net Asset Value per unit of the Fund as at 30 September 2018 would have been higher by Re. 0.65 per unit (30 June 2018: Re. 0.65).
- 6.3 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (2017: 13%) on Management Company's remuneration. Above liability includes Rs. 118,277 (30 June 2018: 118,277) accrued on Federal Excise Duty (FED) on the management remuneration. Had the provision on FED not been made, Net Asset Value per unit of the Fund as at 30 September 2018 would have been higher by Re. 0.03 (30 June 2018: Re. 0.03). This amount is payable to the Management Company for onward payment to the government.

7. CONTINGENCIES AND COMMITMENTS

The Fund had no contingency or commitment at the period end except as those mentioned elsewhere in these Condensed interim financial statements.

8. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2018 is 2.56% which include 0.39% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

9. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I 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 realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

10. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include AWT Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the trustee, other funds managed by the Management Company, associated companies (if any) of the management company, entities in which the above parties or their connected persons have a material interest, Key Management Personnel and includes entities holding 10% or more units of the Fund as at 30 September 2018 or during the quarter. It also includes the staff retirement funds of the above related parties / connected person. Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

PIML ASSET ALLOCATION FUND

10.1 Balances with related parties / connected persons as at quarter end	Note	September 30, 2018 (Unaudited) (Rupees in '000)	June 30, 2018 (Audited)
AWT Investments Limited - Management Company of the Fund			
Payable to the Management Company		1,502	1,522
Units held - 145,113 units (30 June 2018: 233,638) (representing 3.90% of the net assets as of 30 September 2018)		12,934	21,257
Central Depository Company of Pakistan Limited - Trustee			
Remuneration payable to the Trustee		56	56
Security Deposit		200	200
Primus Investment Management Limited - Staff Provident Fund			
Units held - 17,433 (30 June 2018: 17,433) units (representing 0.47% of the net assets as at 30 September 2018)		1,554	1,586
Pak Brunei Investment Company Limited - associated company of the Management Company			
Units held - Nil (30 June 2018: 2,569,155) units	10.5	-	233,746
Pak Brunei Investment Company Limited - Staff Gratuity Fund			
Units held - Nil (30 June 2018: 19,624) units	10.5	-	1,785
Silk Bank Limited (Common Directorship)			
Balance with the bank		159,078	37
Entities holding 10% or more units in issue			
Units held - 2,569,155 (30 June 2018: Nil) units		228,985	-
10.2 Detail of transactions with connected persons as at quarter end			
		September 30, 2018 (Unaudited) (Rupees in '000)	September 30, 2017
AWT Investments Limited - Management Company of the Fund			
Remuneration of the Management Company		1,715	1,240
Redemption of 323,423 units (2017: Nil units)		8,000	-
Central Depository Company of Pakistan Limited - Trustee			
Remuneration of the Trustee		176	176
Annual, transaction, custodian, CDS connection fee		8	-
Primus Investment Management Limited - Staff Provident Fund			
Issuance of Nil Units (2017: 17,433 units)		-	1,645
Silk Bank Limited (Common Directorship)			
Profit on bank balances		2,417	1
Lucky Cement Limited (Common Directorship)			
Dividend income		284	216
10.3 Remuneration payable to the Management Company and the Trustee have been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.			
10.4 Purchase and redemption of units of the Fund by related parties / connected persons are recorded at the applicable net asset value per unit. Purchase of the shares of related parties as investment are executed at the rates quoted on the Pakistan Stock Exchange and recorded at the said rates. Other transactions are at agreed rates.			

PIML ASSET ALLOCATION FUND

10.5 Furthermore, on October 13, 2017 the Board of Directors of Pak Brunei Investment Company Limited (PBICL) have approved the divestment of PBICL's remaining 30% shareholding in the Company by exercising the option contained in the shareholders' agreement dated December 14, 2016. The transaction was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 5, 2018 and was concluded on August 03, 2018 with the remaining holding transferred by PBICL in the name of AWT.

11 FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

On-balance sheet financial instruments	Note	Carrying amount			Fair value			
		Fair value through income statement	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Total
30 September 2018								
(Rupees in '000)								
Financial assets measured at fair value								
Investments		160,928	-	-	160,928	160,928	-	160,928
Financial assets not measured at fair value								
Bank balances	11.1	-	160,071	-	160,071	-	-	-
Security deposits	11.1	-	5,200	-	5,200	-	-	-
Dividend, advances and other receivables	11.1	-	3,564	-	3,564	-	-	-
		-	168,835	-	168,835	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company	11.1	-	1,502	1,502	-	-	-	-
Remuneration payable to the Trustee	11.1	-	56	56	-	-	-	-
Accrued expenses and other liabilities	11.1	-	264	264	-	-	-	-
		-	1,822	1,822	-	-	-	-
30 June 2018								
(Rupees in '000)								
Financial assets measured at fair value								
Investments		168,149	-	-	168,149	168,149	-	168,149
Financial assets not measured at fair value								
Investments -Advance against Subscription	11.1	-	1,701	-	1,701	-	-	-
Bank balances	11.1	-	168,342	-	168,342	-	-	-
Security deposits	11.1	-	5,229	-	5,229	-	-	-
Dividend, advances and other receivables	11.1	-	1,485	-	1,485	-	-	-
		-	176,757	-	176,757	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company	11.1	-	-	1,522	1,522	-	-	-
Remuneration payable to the Trustee	11.1	-	-	56	56	-	-	-
Accrued expenses and other liabilities	11.1	-	-	234	234	-	-	-
		-	-	1,812	1,812	-	-	-

11.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of their fair value.

PIML ASSET ALLOCATION FUND

12 GENERAL

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

12.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in this condensed interim financial information during the period except for the following for better presentation:

13 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on **October 26, 2018** by the Board of Directors of the Management Company.

**For AWT Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director















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