

**ALFALAH GHP
ISLAMIC STOCK FUND**
QUARTERLY REPORT SEPTEMBER 30, 2016



Alfalah Investments



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FUND'S INFORMATION

Management Company:	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Board of Directors of the Management Company:	<ul style="list-style-type: none">- Ms. Maheen Rahman- Syed Ali Sultan- Mr. Hanspeter Beier- Mr. Amin Dawood Saleh- Mr. Abid Naqvi- Mr. Tufail Jawed Ahmed
Audit Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Abid Naqvi- Mr. Amin Dawood Saleh
HR Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Tufail Jawed Ahmed- Ms. Maheen Rahman
Chief Operating Officer and Company Secretary:	<ul style="list-style-type: none">- Mr. Noman Ahmed Soomro
Chief Financial Officer:	<ul style="list-style-type: none">- Mr. Muhammad Shehzad Dhedhi
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Fund Manager:	<ul style="list-style-type: none">- Mr. Suleman Rafiq Maniqa
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi.
Legal Advisor:	Bawaney & Partners Room No.404,4th Floor Beaumont Plaza,6-cl-10 Beaumont Road, Civil Lines Karachi.
Shariah Advisor:	BankIslami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi.
Registrar:	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	4 Star (long term) and 5 Star (short term) by PACRA



MISSION STATEMENT

"To be the best money management company in Pakistan. We will hold our clients money in sacred trust that has to be actively protected and sustainably nurtured so as to achieve client objectives".

VISION STATEMENT

"To be the leading wealth management firm by offering global investment advice trust services, family estate planning etc for all Pakistani clients whether based in Pakistan or abroad".



DIRECTORS' REPORT FOR THE QUARTER ENDED 30 SEPTEMBER, 2016

On behalf of the Board of Directors, I am pleased to present the Financial Statements of Alfalsh GHP Islamic Stock Fund (AGISTF) for the first quarter ended September 30, 2016.

Economy Overview

GDP, Inflation and Interest rates:

Pakistan's economic performance continued to remain stable during the quarter, helped by a low inflationary environment and overall improvement in economic activity. Inflation averaged 3.94% for the quarter, within the revised SBP target of 3 to 4 percent, while interest rates and the exchange rates remained stable.

Recent shortfall in tax collection suggests government may need to impose new measures during the year to meet fiscal deficit target of 3.80% of GDP. In addition, the government has committed to reduce current expenditure and non-critical development expenditure further, to compensate for shortfalls as projected. The SBP has maintained its policy rate at 5.75% given overall stability in inflation.

Trade balance and Foreign Exchange:

Trade and current account headwinds appear to have increased due to persistently weakening exports. The trade deficit for Jul-Aug FY17 increased by 27.28% YoY, despite the relief provided by low oil prices. Similarly, worker remittances witnessed a decline of 3.19% YoY while FDI and FPI numbers were also reduced.

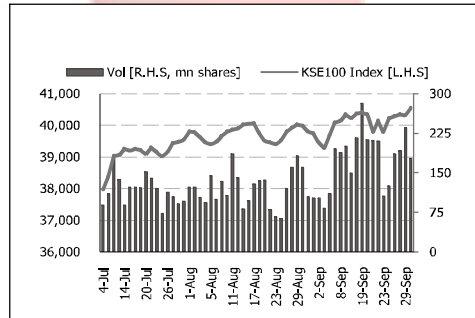
At present, the balance of payment has not impacted the exchange rates as foreign exchange reserves strengthened to historic levels of US\$23billion as on Sep 02, 2016, resulting in a stable rupee, which posted an appreciation of 0.30% against USD for the 1st quarter FY17.

Evolution from IMF:

The IMF approved and transferred the last tranche of USD 102million under the Extended Fund Facility (EFF). This will represent a significant milestone in terms of economic stability. Pakistan has indicated that it will now enter a monitoring phase.

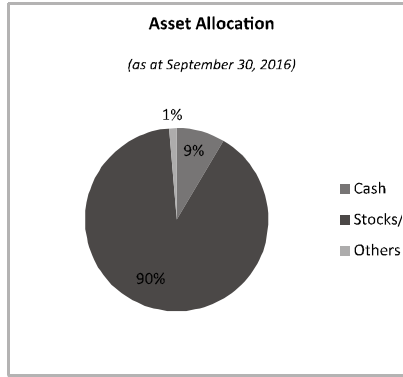
Equity Market Review

KSE 100 Index closed on 30th Sept'16 at 40,541 points, up about 7.00% higher as compared to 37,783 points on 30th Jun'16. Total traded value clocked in at PKR 529billion for the quarter. Participation in the market was heavily concentrated in second and third tier stocks. In this regard, average daily volume in the KSE All Share Index clocked in at 407m, up 28.00% from 318m recorded in the preceding quarter. KSE 100 index's daily volume, on the other hand, averaged at 136million in Sep'16 quarter as compared to 131million in the preceding quarter. Top performers during the quarter were banks and automobile manufacturers.



**Fund Operations and Performance**

In 1QFY17, AGISTF earned a return of 2.93% while its benchmark earned a return of 4.23% during the same period.

**Key Financial Data**

Rs. In million

Description	Quarter ended 30 September 2016	Quarter ended 30 September 2015
Net Assets at end of the period	4,363.41	620.95
Gross income earned	129.28	-7.28
Net comprehensive income	124.81	-10.36
Net Assets Value per Unit (Rs.)	65.7225	58.9769
Issuance of units during the period	2,522.54	66.11
Redemption of units during the period	-241.99	-11.94

Acknowledgement

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

For and behalf of the Board

Chief Executive Officer
Date: October 31, 2016



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2016 (UN-AUDITED)

		September 30, 2016 (Unaudited)	June, 30 2016 (Audited)
	Note	-----(Rupees)----	
Assets			
Bank balances	5	379,337,172	427,720,588
Investments	6	3,994,914,982	1,597,055,017
Security Deposit		2,600,000	2,600,000
Dividend and Profit receivables		32,405,181	6,557,288
Advances and other receivables		11,512,118	-
Total assets		4,420,769,453	2,033,932,893
Liabilities			
Payable to Alfalah GHP Investment Management Limited - Management Company		19,226,612	16,370,167
Payable to Central Depository Company of Pakistan Limited - Trustee		624,177	401,956
Payable to Securities and Exchange Commission of Pakistan - Annual fee		987,966	817,826
Provision for Workers' Welfare Fund		10,801,934	10,801,934
Payable against purchase of Investment		12,935,489	-
Accrued and other liabilities		12,787,849	18,815,070
Total liabilities		57,364,027	47,206,953
Contingencies and Commitments	9	-	-
Net assets		4,363,405,426	1,986,725,940
Unit holders' funds (as per statement attached)		4,363,405,426	1,986,725,940
		(Number of units)	
Number of units in issue		66,391,394	31,119,772
		(Rupees)	
Net asset value per unit		65.7225	63.8413

The annexed notes 1 to 15 form an integral part of these condensed interim financial information.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director



CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER, 2016 (UN-AUDITED)

	September 30, 2016	September 30, 2015
	Note	----(Rupees)----
Income		
Capital (loss)/Gain on sale of investments - HFT	(27,040,232)	3,995,978
Dividend income	27,602,894	5,239,260
Profit on deposit accounts with banks	4,165,498	658,264
Unrealised appreciation / (diminution) in the value of investments - 'at fair value through profit or loss'	124,549,644	(17,178,453)
Other Income	-	7,737
Total income	129,277,804	(7,277,214)
Expenses		
Remuneration of Alfalah GHP Investment Management Limited - Management Company	20,801,257	3,205,355
Sindh sales tax on Management fee	2,704,163	520,655
Federal excise duty on management fee	-	512,858
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,291,925	320,576
Sindh Sales tax on Trustee fee	167,950	44,873
Annual fee - Securities and Exchange Commission of Pakistan	987,966	152,390
Bank and settlement charges	217,623	107,756
Auditors' remuneration	213,847	119,064
Brokerage	5,824,010	750,645
Fees and subscriptions	47,982	42,289
Expenses Allocated by Management Company	748,506	-
Shariah advisory fee	108,446	-
Printing and related cost	37,812	37,812
Total expenses	33,151,487	5,814,274
Net loss from operating activities	96,126,317	(13,091,488)
Net element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed	28,680,450	2,726,751
Net income/ (loss) for the period	124,806,767	(10,364,737)

The annexed notes 1 to 15 form an integral part of these condensed interim financial information.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER, 2016 (UN-AUDITED)**

	September 30, 2016	September 30, 2015
	----(Rupees)----	
Net income/ (loss) for the period	124,806,767	(10,364,737)
Other comprehensive income for the period	-	-
Total comprehensive income/loss for the period	<u>124,806,767</u>	<u>(10,364,737)</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial information.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director



**CONDENSED INTERIM DISTRIBUTION STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER, 2016 (UN-AUDITED)**

	For the quarter ended 30 September 2016	For the quarter ended 30 September 2015
	----(Rupees)----	
Undistributed income/ (loss) brought forward		
Realised gain / (loss)	236,581,978	(935,291)
Unrealised gain	121,667,286	79,924,680
	358,249,264	78,989,389
Element of income and capital gains included in prices of units sold less those in units redeemed - net	406,045,164	-
 Net income/ (loss) for the period	124,806,767	(10,364,737)
	124,806,767	(10,364,737)
 Undistributed income carried forward	889,101,195	68,624,652
 Undistributed income / (loss) carried forward		
Realised gain / (loss)	764,551,551	85,803,106
Unrealised gain / (loss)	124,549,644	(17,178,453)
	889,101,195	68,624,652

The annexed notes 1 to 15 form an integral part of these condensed interim financial information.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director



**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDER'S FUND
FOR THE QUARTER ENDED 30 SEPTEMBER, 2016 (UN-AUDITED)**

	For the quarter ended 30 September 2016	For the quarter ended 30 September 2015
	----- (Rupees) -----	
Net assets at the beginning of the period	1,986,725,940	579,873,272
Issue of 38,974,688 units (2015: 1,049,337 units)	2,522,539,107	66,113,203
Redemption of 3,703,066 units (2015: 191,336 units)	(241,985,938)	(11,940,768)
	2,280,553,169	54,172,435
Net element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed	(28,680,450)	(2,726,751)
Capital gain on sale of investments	(27,040,232)	3,995,978
Unrealised appreciation / (diminution) in the value of investments - 'at fair value through profit or loss'	124,549,644	(17,178,453)
Other net income for the period	27,297,355	2,817,738
Net income/(loss) for the period less distribution	124,806,767	(10,364,737)
Net assets at the end of the period	4,363,405,426	620,954,220
	----- (Rupees) -----	
Net asset value per unit at the beginning of the period	63.8413	59.9615
Net asset value per unit at the end of the period	65.7225	58.9769

The annexed notes 1 to 15 form an integral part of these condensed interim financial information.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer



**CONDENSED INTERIM DISTRIBUTION STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER, 2016 (UN-AUDITED)**

	For the quarter ended 30 September 2016	For the quarter ended 30 September 2015
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income/ (loss) for the period	124,806,767	(10,364,737)
Adjustments for:		
Unrealised appreciation / (diminution) in the value of investments - 'at fair value through profit or loss'	(124,549,644)	17,178,453
Dividend income	(27,602,894)	(5,239,260)
Profit on deposit accounts with banks	(4,165,498)	(658,264)
Net element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed	(28,680,450)	(2,726,751)
	(60,191,719)	(1,810,558)
(Increase) / decrease in assets		
Investments	(2,273,310,321)	(28,173,716)
Receivable against sale of Investments	-	31,433,535
Advances and other receivables	(10,829,956)	8,350,000
	(2,284,140,277)	11,609,819
Increase / (decrease) in liabilities		
Payable against Purchase of Investment	12,935,489	-
Payable to Alfalah GHP Investment Management Limited - Management Company	2,856,445	(60,278)
Payable to Central Depository Company of Pakistan Limited - Trustee	222,221	18,542
Payable to Securities and Exchange Commission of Pakistan - Annual fee	170,140	(260,160)
Accrued and other liabilities	(6,027,221)	(2,432,723)
	10,157,074	(2,734,618)
Dividend and profit received	5,238,337	1,357,155
Net cash flow from / (used in) operating activities	(2,328,936,585)	8,421,798
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	2,522,539,107	66,113,203
Payment against redemption of units	(241,985,938)	(11,940,768)
Cash dividend paid	-	(40,867,871)
Net cash flow from / (used in) financing activities	2,280,553,169	13,304,564
Net increase / (decrease) in cash and cash equivalents during the period	(48,383,416)	21,726,362
Cash and cash equivalents at beginning of the period	427,720,588	77,305,388
Cash and cash equivalents at end of the period	379,337,172	99,031,750

The annexed notes 1 to 15 form an integral part of these condensed interim financial information.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive Officer

Director



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED 30 SEPTEMBER, 2016 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alfalah GHP Islamic Fund is an open-end collective investment scheme (the Fund) established through a Trust Deed under the Trust Act, 1882, executed between Alfalah GHP Investment Management Limited, (the Management Company) and Central Depository Company of Pakistan Limited, (the Trustee). The Trust Deed was executed on April 11, 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the NBFC (Establishment and Regulation) Rules 2003 (NBFC Rules), on March 29, 2007.

The Management Company of the Fund has been licensed by SECP to act as an Asset Management Company under NBFC Rules. The registered office of the Management Company is situated at 8th Floor, Executive Tower, Dolmen Mall, Block-4, Clifton, Karachi.

Alfalah GHP Islamic Fund is listed on the Karachi Stock Exchange. The Units of the Fund are offered to public on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The SECP has approved Second Supplemental Trust Deed, under the NBFC Regulations, restate the previous Trust Deed to effectuate renaming of the Fund to Alfalah GHP Islamic Stock Fund.

The Fund is categorized as an open ended shariah compliant asset allocation scheme. The primary objective of the Fund is to seek long term capital appreciation and income from a diversified portfolio developed in accordance with the principles of Shariah. The investments of the Fund are diversified both in terms of securities within an asset class as well as across asset classes. All activities of the Fund are undertaken in accordance with the Islamic Shariah as per the guidelines given by the Shariah Advisory Board of the Fund.

The Fund has three classes of units. Class A (restricted / core) units were issued to core investors with no sales load. These units cannot be redeemed for a period of two years from the date of initial public offer and shall be charged no sales load. Class B units were offered and issued during the private placement and initial period of offer and shall be charged no sales load. Class C units were offered and issued after the initial period of offer and shall be issued with or without sales load.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM2' (Outlook: Stable) to the Management Company in its rating report dated June 08, 2016 and 5-Star (short-term) and 4-Star (long-term) to the Fund in its rating report dated June 29, 2016.

The 'Title' to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisory Board of the Fund.

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the requirement of approved accounting standards as applicable in Pakistan, the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP shall prevail.



The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34, 'Interim Financial Reporting' and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2016. These condensed interim financial statements are unaudited. The Directors of the Asset Management Company declare that these condensed interim financial statements give a true and fair view of the Fund.

2.2 Basis of measurement

These condensed interim financial information have been prepared under the historical cost convention, except that investments held at 'fair value through profit or loss' category are measured at fair value.

2.3 Functional and presentation currency

These condensed interim financial information are presented in Pak Rupees which is the functional and presentation currency of the Fund and have been rounded off to the nearest of Rupees.

2.4 Use of estimates and judgment

The preparation of condensed interim financial information requires the Management Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the Management in applying accounting policies and the key sources of estimating uncertainty are the same as those that applied to financial statements as at and for the year ended 30 June 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the financial statements of the Fund for the year ended 30 June 2016.

3.1 Earnings per unit

Earnings per unit (EPU) for the quarter ended 30 September 2016 has not been disclosed in these condensed interim financial statements as in the opinion of the management determination of weighted average units for calculating EPU is not practicable.

4. FINANCIAL RISK MANAGEMENT

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 30 June 2016.

		(Unaudited) September 30, 2016	(Audited) June 30, 2016
5. BANK BALANCES	<i>Note</i>	----- (Rupees) ----	
Deposit accounts	5.1	206,262,988	61,677,602
Current account		173,074,184	366,042,986
		<u>379,337,172</u>	<u>427,720,588</u>

5.1 This represents saving deposit accounts maintained with various Islamic banks or Islamic banking division of conventional banks carrying profit rate of 5.00% to 6.1% (June 30, 2016: 5% to 6.45%) per annum.

(Unaudited)
September 30,
2016

(Audited)
June 30,
2016

6. INVESTMENTS
Note

----(Rupees)----

- At fair value through profit or loss-held for trading

Equity securities - quoted	6.1	3,991,745,212	1,591,628,460
Real Estate Investment Trust units - quoted	6.2	3,169,770	5,426,557
		3,994,914,982	1,597,055,017

6.1 Investment in quoted equity securities - 'at fair value through profit or loss' - held-for-trading

Name of the investee company	As at July 01, 2016	Purchased during the year	Bonus / rights Issue during the year	Sold during the year	As at September 30, 2016	Cost as at September 30, 2016	Market value as at September 30, 2016	Market value as a percentage of Net assets	Total investment
	(No. of shares)				----(Rupees)----				
Fertilizer									
Fauji Fertilizer Company Limited	449,700	645,000	-	782,400	312,300	36,212,649	32,472,954	0.74%	0.81%
Fatima Fertilizer Company Limited	-	-	-	-	-	-	-	0.00%	0.00%
Engro Fertilizer Limited	802,900	1,535,000	-	1,032,000	1,305,900	85,471,312	80,521,794	1.85%	2.02%
Engro Corporation	348,000	585,700	-	356,800	576,900	193,534,327	168,022,125	3.85%	4.21%
						315,218,288	281,016,873		
Cement									
D.G Khan Cement Company Limited	184,500	502,000	-	66,000	620,500	121,834,478	115,338,540	2.64%	2.89%
Fauji Cement Company Limited	55,000	3,595,500	-	-	3,650,500	138,257,169	128,753,135	2.95%	3.22%
Kohat Cement Limited	210,900	186,700	-	397,600	-	-	-	0.00%	0.00%
Maple Leaf Cement Company Limited	-	317,000	-	-	317,000	30,581,295	30,368,600	0.70%	0.76%
Pioneer Cement Limited	603,500	871,500	-	1,475,000	-	-	-	0.00%	0.00%
Cherat Cement Company Limited	18,000	-	-	-	18,000	2,152,260	2,315,880	0.05%	0.06%
Lucky Cement Limited	133,700	238,000	-	61,700	310,000	209,725,585	209,950,600	4.81%	5.26%
Fecto Cement Limited	275,000	-	-	275,000	-	-	-	0.00%	0.00%
						502,550,787	486,726,755		
Power Generation & Distribution									
Hub Power Company Limited	1,182,500	1,575,400	-	902,900	1,855,000	229,703,559	221,060,350	5.07%	5.53%
Kot Addu Power Company Limited	883,000	1,090,000	-	50,000	1,923,000	174,951,994	160,935,870	3.69%	4.03%
						404,655,553	381,996,220		
Oil and Gas Marketing Companies									
Hasco Petroleum Limited	112,408	-	-	-	112,408	21,961,151	24,757,862	0.57%	0.62%
Pakistan State Oil Company Limited	144,400	380,400	-	-	524,800	206,933,429	217,340,672	4.98%	5.44%
Hi-Tech Lubricants Limited	-	1,930,000	-	-	1,930,000	146,109,815	161,927,000	3.71%	4.05%
Sui Northern Gas Pipelines Limited	-	2,680,000	-	-	2,680,000	131,660,574	134,321,600	3.08%	3.36%
						506,664,969	538,347,134		
Oil and Gas Exploration Companies									
Oil & Gas Development Company Limited	1,106,000	1,991,500	-	1,443,000	1,654,500	234,819,802	233,665,035	5.36%	5.85%
Attock Refinery Limited	127,500	257,800	-	-	385,300	122,315,653	125,561,564	2.88%	3.14%
Pakistan Oilfields Limited	235,900	329,700	-	87,600	478,000	172,481,144	191,826,180	4.40%	4.80%
Pakistan Petroleum Limited	456,700	862,600	-	134,000	1,185,300	190,739,317	193,998,051	4.45%	4.86%
National Refinery Limited	145,300	155,800	-	99,000	202,100	101,739,453	114,305,739	2.62%	2.86%
Mari Gas Company Limited	89,150	203,000	-	73,250	218,900	206,002,175	208,946,617	4.79%	5.23%
						1,028,097,544	1,068,303,186		
Automobile Assembler									
Pak Suzuki Motor Company Limited	-	136,700	-	-	136,700	63,040,832	79,141,098	1.81%	1.98%
						63,040,832	79,141,098		



Name of the investee company	As at	Purchased	Bonus / rights	Sold during	As at	Cost as at	Market value	Market value as a percentage of:		
	July	during	Issue during	the year	September	September	as at	Net assets	Total	
	01, 2016	the year	the year	the year	30, 2016	30, 2016	as at	30, 2016	investment	
	(No. of shares)				(Rupees)					
Textile Composite										
Nishat Mills Limited	610,500	1,404,700	-	480,000	1,535,200	176,267,297	216,309,680	4.96%	5.41%	
Kohinoor Textile Mills Limited	775,725	250,000	-	119,500	906,225	72,920,723	77,029,125	1.77%	1.93%	
						249,188,020	293,338,805			
Sugar and Allied Industries										
Faran Sugar Mills Limited	32,500	-	-	32,500	-	-	-	0.00%	0.00%	
Chemical										
Ghani Gases Limited	-	1,782,000	-	-	1,782,000	46,557,480	43,944,120	1.01%	1.10%	
Engineering										
Crescent Steel and Allied products Limited	224,350	-	-	-	224,350	25,712,754	28,270,344	0.65%	0.71%	
International Industries Limited	-	671,500	-	-	671,500	85,097,955	90,504,770	2.07%	2.27%	
Amreli Steel Limited	6,500	2,100,500	-	-	2,107,000	124,307,595	150,208,030	3.44%	3.76%	
						235,118,304	268,983,144			
Pharmaceuticals										
The Searle Company Limited	86,080	220,400	-	92,000	214,480	119,689,058	123,004,300	2.82%	3.08%	
Ferrosans Laboratories Limited	15,250	5,050	-	20,300	-	-	-	0.00%	0.00%	
Highnoon Laboratories Limited	1,000	73,600	-	-	74,600	43,934,665	40,926,306	0.94%	1.02%	
						163,623,723	163,930,606			
Cable & Electrical Goods										
Pak Electron Limited	11,250	-	-	-	11,250	727,313	796,163	0.02%	0.02%	
Food & Personal Care Products										
Al Shaheer Corporation Limited	36,500	-	-	-	36,500	1,905,665	2,328,335	0.05%	0.06%	
						1,905,665	2,328,335			
Commercial Banks										
Meezan Bank Limited	-	1,515,000	-	-	1,515,000	85,311,145	83,340,150	1.91%	2.09%	
Paper and Board										
Packages Limited	67,200	92,800	-	24,250	135,750	92,405,701	90,853,403	2.08%	2.27%	
Automobile Parts and Accessories										
Thal Limited	-	289,000	-	-	289,000	112,514,138	117,232,850	2.69%	2.93%	
The General Tyre and Rubber Company of Pakistan Limited	230,800	67,700	-	-	298,500	59,519,319	91,466,370	2.10%	2.29%	
						172,033,457	208,699,220			
Total	9,661,713	28,541,550	-	8,004,800	30,198,463	3,867,098,781	3,991,745,212			

6.2 Real estate investment trust units - quoted - 'at fair value through profit or loss' - held-for-trading

Name of the investee company	As at	Purchased	Bonus / rights	Sold during	As at	Cost as at	Market value	Market value as a percentage of:		
	July	during	Issue during	the year	September	September	as at	Net assets	Total	
	01, 2016	the year	the year	the year	30, 2016	30, 2016	September	30, 2016	investment	
	(No. of shares)				(Rupees)					
Real estate investment and services										
Dolmen City REIT (face value of Rs.10 each)	502,459	-	-	200,000	302,459	3,266,557	3,169,770	0.07%	0.08%	
As at September 30, 2016	502,459	-	-	200,000	302,459	3,266,557	3,169,770			



- 6.2.1** The investment in equity securities include bonus shares having market value of Rs. 1.472 million withheld by the investee companies during the period as issuance of bonus shares has been made taxable through Finance Act, 2014. Consequently, bonus shares equivalent to 5 percent (representing tax impact of the bonus announcement) have been withheld by the investee companies.
- 6.2.2** The management of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in the Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case.
- 6.3** Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:

	30 September 2016	30 September 2015
	----- (Number of shares) -----	
D.G. KHAN CEMENT COMPANY LIMITED	60,000	60,000
THE HUB POWER COMPANY LIMITED	1,000,000	300,000
KOT ADDU POWER COMPANY LIMITED	400,000	-
	<u>1,460,000</u>	<u>360,000</u>

7. SALES TAX ON MANAGEMENT FEE

During the current period, an amount of Rs. 2.70 million (30 September 2015: Rs. 0.521 million) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011.

8. FEDERAL EXCISE DUTY ON MANAGEMENT FEE

As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the services of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED results in double taxation, does not appear to be the spirit of the law. The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies and Central Depository Company of Pakistan Limited on behalf of schemes through a constitutional petition filed in the Honourable Sindh High Court (SHC) during September 2013 which is pending adjudication. However, the SHC has issued a stay order against the recovery of FED. The Fund, as a matter of abundant caution, has charged FED and sales tax thereon in its financial statements with effect from June 13, 2013.

As per the Finance Act, 2016, the management fees charged by the asset management company have been declared exempt from the levy of FED with effect from July 01, 2016. Accordingly, no provision for FED is made from July 01, 2016 onwards.

Subsequent to the year end, the Sindh High Court in its decision dated July 16, 2016 maintained the previous order passed against other constitutional petition whereby levy of FED is declared to be 'Ultra Vires' the Constitution. The management is however of the view that since the Federal government still has the right to appeal against the order, the previous balance of FED cannot be reversed.

The Management Company, in view of the pending decision and as a matter of abundant caution has made a provision for FED in the books of accounts of the Fund with effect from June 13, 2013 to September 30, 2016 aggregating to Rs.5.412 million (2016: Rs.5.412 million).

9. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 30 September 2016.

**10. PROVISION FOR WORKERS' WELFARE FUND**

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In August 2011, the Lahore High Court (LHC) issued a judgment in response to a petition in similar case whereby the amendments introduced in WWF Ordinance through Finance Acts 2006 and 2008 have been declared unconstitutional and therefore struck down. In March 2013, the SHC larger bench issued a judgment in response to various petitions in similar cases whereby the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Acts, 2006 and 2008 respectively (Money Bills) have been declared constitutional and overruled a single-member Lahore High Court (LHC) bench judgment issued in August 2011.

Further, in May 2014, the Honourable Peshawar High Court (PHC) held that the impugned levy of contribution introduced in the Ordinance through Finance Acts, 1996 and 2009 lacks the essential mandate to be introduced and passed through a Money Bill under the constitution and, hence, the amendments made through the Finance Acts are declared as 'Ultra Vires'.

As per the legal counsel handling the case, the constitutional petition filed by the CIS to challenge the WWF contribution has not been affected by SHC judgment.

The Finance Act, 2015 has excluded Mutual Funds and Collective Investment Schemes from the definition of 'industrial establishment' subject to WWF under WWF Ordinance, 1971. Accordingly, no provision for WWF is made from July 01, 2015 onwards. However, provision made till June 30, 2015 has not been reversed as the above lawsuit is pending in the SHC.

The Management Company as a matter of abundant caution, has made provision for WWF amounting to Rs.10.801 million up till September 30, 2016 (2016: Rs.10.801 million) in these financial statements. Had the provision not been made, the NAV per unit would have been higher by Rs.0.163 (0.25%) per unit (2016: Rs.0.347 (0.54%) per unit).

11 Total Expense Ratio

Total Expense Ratio for September 30, 2016 is 0.81% which includes 0.12% of government levy, worker's welfare fund and SECP fee.

12. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% 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 Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains / loss to the unit holders. The Management Company intends to distribute sufficient accounting income of the Fund for the year ended 30 June 2017 in order to comply with the above stated clause to enjoy the tax exemption. Accordingly, no tax provision has been made in these financial statements for the year ended 30 September 2016.

13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah GHP Investment Management Limited being the Management Company, GHP Arbitrium AG, Bank Alfalah Limited and MAB Investment Incorporated being associated companies of Management Company, directors and key management personnel of Alfalah GHP Investment Management Limited and Central Depository Company of Pakistan Limited (CDC) being the trustee of the Fund, and other associated companies and connected persons. The transactions with connected persons are in the normal course of business and at contractual rates.



Remuneration payable to the Management Company and the Trustee are determined in accordance with the provisions of Non-Banking Finance Companies and Notified Entities Regulations, 2008, and the Trust Deed respectively.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

13.1 Other transactions	30 September 2016 (Unaudited)	30 September 2015 (Unaudited)
Associated companies / undertakings	<i>Note</i>	----(Rupees)----
Alfalsh GHP Investment Management Limited - Management Company		
Remuneration of the Management Company	<u>20,801,257</u>	<u>3,205,355</u>
Sales tax on management fee	<u>2,704,163</u>	<u>520,655</u>
Federal excise duty on management fee	<u>-</u>	<u>512,858</u>
Expenses allocated by the Management Company	<u>748,506</u>	<u>-</u>
Bank Alfalah Limited - Islamic Banking Division		
Profit on deposit accounts	<u>114,551</u>	<u>51,878</u>
Bank charges	<u>20,498</u>	<u>3,907</u>
Other related parties		
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	<u>1,291,925</u>	<u>365,448</u>
Sales tax on Trustee fee	<u>167,950</u>	<u>-</u>
CDS charges	<u>38,401</u>	<u>26,255</u>
Other balances		
Associated companies / undertakings	30 September 2016 (Unaudited)	30 June 2016 (Audited)
Alfalsh GHP Investment Management Limited - Management Company	<i>Note</i>	----(Rupees)----
Remuneration payable to the Management Company	<u>7,078,806</u>	<u>3,126,287</u>
Sales tax payable on management fee	<u>1,710,266</u>	<u>1,227,703</u>
Federal excise duty on management fee	<u>5,412,371</u>	<u>5,412,371</u>
Sales load payable	<u>3,784,581</u>	<u>6,149,536</u>
Expenses allocated by the Management Company	<u>1,240,588</u>	<u>454,270</u>
Bank Alfalah Limited - Islamic Banking Division		
Bank balance	<u>179,057,690</u>	<u>391,515,837</u>
Profit receivable	<u>135,189</u>	<u>20,638</u>
Other related parties		
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	<u>529,228</u>	<u>330,464</u>
Sales tax on Trustee fee	<u>94,948</u>	<u>71,492</u>
Security deposit	<u>100,000</u>	<u>100,000</u>



13.2 Unit Holder's Fund

	September 30, 2016									
	As at July 01, 2016	Issued for cash	Bonus	Redeemed	As at September 30, 2016	As at July 01, 2016	Issued for cash	Bonus	Redeemed	Net asset value as at September 30, 2016
	----- Units -----				----- (Rupees) -----					
Associated Companies / Undertakings										
Bank Alfalah Limited - Islamic Banking Division	5,590,077	-	-	-	5,590,077	356,877,660	-	-	-	367,393,850
Other Related Parties										
CDC-Trustee Alfalah GHP Prosperity Planning Fund	328,367	1,345,092	-	159,748	1,513,711	20,963,388	90,255,279	-	11,219,625	99,484,927
CDC-Trustee Alfalah GHP Islamic Prosperity Planning Fund *	2,192,553	21,626,496	-	982,145	22,836,904	139,975,341	1,450,657,043	-	77,409,829	1,500,898,394
Key Management Personnel										
Employees	24,741	10,301	-	1,529	33,513	1,579,495	697,132	-	100,000	2,202,501

* This Unit holder also holds more than 10% units of the fund.

	September 30, 2015									
	As at July 01, 2015	Issued for cash	Bonus	Redeemed	As at September 30, 2015	As at July 01, 2015	Issued for cash	Bonus	Redeemed	Net asset value as at September 30, 2015
	----- Units -----				----- (Rupees) -----					
Associated Companies / Undertakings										
Bank Alfalah Limited - Islamic Banking Division	5,590,077	-	-	-	5,590,077	335,189,415	-	-	-	329,685,425
Key Management Personnel										
Employees	15,705	2,758	-	-	18,463	941,676	885,000	-	-	1,088,895
Unit holder holding 10% or more Units										
Bank Alfalah Limited - Islamic Banking	5,590,077	-	-	-	5,590,077	335,189,415	-	-	-	329,685,425
Siddiq Leather Works (Pvt.) Ltd.	602,230	554,089	-	-	1,156,319	36,110,614	35,000,000	-	-	68,196,103
Syed Henne Babar Ali	2,006,839	-	-	-	2,006,839	120,333,086	-	-	-	118,357,152

14 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 31, 2016 by the Board of Directors of Management company.

15 GENERAL

Figures have been rounded off to the nearest rupees.

For Alfalah GHP Investment Management Limited
(Management Company)

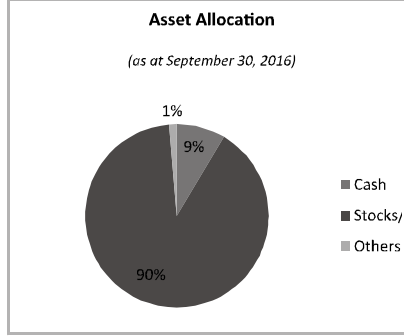
Chief Executive Officer

Director



فنزڈ کی کارکردگی:

الفلاح جی ایچ پی اسلامک اسٹاک فنڈ: فنڈ آپریشن اور اس کی کارکردگی:
سال کے پہلے سہ ماہی کے دوران آپ کے فنڈ کی آمدنی نیٹج مارک کے 4.23% کے مقابلے میں 2.93% حاصل ہوئی۔



(ملین روپے)

مالی اہلیات:

تفصیل	برائے سہ ماہی ۳۰ ستمبر ۲۰۱۶ء	برائے سہ ماہی ۳۰ ستمبر ۲۰۱۵ء
اوسط سہ ماہی اضافہ	4,363.41	620.95
مجموعی آمدنی	129.28	-7.28
کل آمدنی	124.81	-10.36
نیٹ پوزٹ سہ ماہی اضافہ کی دہلیوز (پاکستانی روپے)	65.7225	58.9769
سال کے دوران پوزٹ ۱۶ اجراء	2,522.54	66.11
سال کے دوران پوزٹ کی کمی	-241.99	-11.94

اظہار تشکر:

ڈائریکٹر سیکورٹیز ریگولیشنز اینڈ ایکسچینج کمیشن آف پاکستان کے تعاون پر ان کا شکریہ ادا کرتے ہیں اس کے علاوہ بورڈ نے انتظامی کمپنی کے ملازمین اور سٹریٹجی کا بھی شکریہ ادا کیا ہے جنہوں نے انتظامیہ پر مکمل اعتماد کرتے ہوئے محنت اور لگن سے کام کیا۔

بورڈ کی جانب سے

چیف ایگزیکٹو آفیسر

مورخہ: 31 اکتوبر 2016ء



ڈائریکٹرز رپورٹ

برائے ۳۰ ستمبر ۲۰۱۶ء سے ماہی

بورڈ آف ڈائریکٹرز ۳۰ ستمبر ۲۰۱۶ء کی سہ ماہی رپورٹ پیش کر رہے ہیں۔

اقتصادی جائزہ

GDP، افراط زر اور شرح سود

افراط زر میں کمی اور بیرونی تجارت میں بہتری کی وجہ سے پاکستان کی اقتصادی کارکردگی سہ ماہی کے دوران مستحکم رہی۔ مہنگائی کی شرح اوسط سہ ماہی کے دوران 3.86 فیصد رہی۔

نیکس کی وصولی میں حالیہ شارٹ فال کی وجہ سے حکومت مالیاتی خسارہ 3.8 فیصد پورا کرنے کے لئے نئے اقدامات کر سکتی ہے۔ اس کے علاوہ حکومت متوقع طور پر شارٹ فال پورا کرنے کے لئے مزید اخراجات جاریہ اور غیر اہم تر قیاتی اخراجات کو کم کرنے کے لئے مصروف عمل ہے۔ اسٹیٹ بینک نے اپنا پالیسی ریٹ مجموعی طور پر 5.75 فیصد پر برقرار رکھا ہے۔

تجارت کا توازن اور غیر ملکی کرنسی

برآمدات میں مسلسل ہونے والی کمی کی وجہ سے ٹریڈ اور کرنٹ اکاؤنٹ خسارے میں رہا۔ تیل کی کم قیمتوں کی طرف سے فراہم کردہ امداد کے باوجود تجارتی خسارہ Jul-Aug 2016 کے لئے 27.28 فیصد بڑھا اسی طرح کارکن ترسیلات میں 3.19 فیصد سے کمی دیکھی گئی۔ جبکہ FDI اور FPI نمبر زنجی کم رہے۔

زرمبادلہ کے ذخائر 123 ارب ڈالر کی بلند ترین سطح پر ہے جس کی وجہ سے روپے کی قدر میں 0.30 فیصد کا اضافہ دیکھا گیا اور ادائیگیوں کے توازن سے ڈالر کے مقابلے میں شرح مبادلہ جس میں کوئی فرق نہیں پڑا۔

ایپولیشن فروم آئی ایم ایف

آئی ایم ایف کے منظور شدہ اور توسیعی فنڈ سہولت (EPF) کے تحت 102 ملین USD کے آخری قسط دی گئی جو کہ اہم سنگ میل ہے۔ پاکستان نے اس بات کا اشارہ دیا ہے کہ وہ Monitoring کے مرحلے میں داخل ہوگا۔

اسٹاک مارکیٹ

کے ایس سی 100 انڈیکس ۳۰ ستمبر ۲۰۱۶ء کو ۳۰ جون ۲۰۱۶ء کے مقابلے میں 7 فیصد اضافے کے ساتھ بند ہوا۔ سہ ماہی کے دوران کل تجارت کے جانے قدر 529 ملین رہی مارکیٹ میں شرکت دوسرے اور تیسرے درجے کے اسٹاک میں بھاری مرکز کیا گیا تھا اس سلسلے میں کے ایس سی 100 انڈیکس کا اوسط حجم 407 ملین رہا جو کہ گزشتہ سہ ماہی کے مقابلے میں 28 فیصد زیادہ ریکارڈ رہا۔ دوسری طرف کے ایس سی 100 انڈیکس کا روزانہ حجم گزشتہ سہ ماہی میں 131 ملین کے مقابلے میں اس سہ ماہی 136 ملین رہا۔ سہ ماہی کے دوران سب سے بہتر کارکردگی بینک اور انٹرموبائل سیکٹر کی رہی۔

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






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