

ALFALAH GHP ALPHA FUND

QUARTERLY REPORT SEPTEMBER 30, 2016



Alfalah Investments



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FUND'S INFORMATION

Management Company:	Alfalsh 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">- Mr. Abid Naqvi- Syed Ali Sultan- 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:	- Mr. Noman Ahmed Soomro
Chief Financial Officer:	- 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:	- Mrs. Sabina Ahmed
Bankers to the Fund:	Bank Alfalsh 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.
Registrar:	Alfalsh GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Distributor:	Bank Alfalsh Limited
Rating:	5-Star (short term) and 3-Star (long 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 Alpha Fund (AGAF) 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\$23 billion as on Sep 02, 2016, resulting in a stable rupee, which posted an appreciation of 0.30% against USD for the 1st quarter FY17.

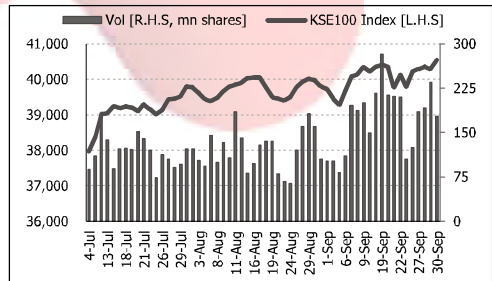
Evolution from IMF:

The IMF approved and transferred the last tranche of USD 102 million 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.

Capital Markets Review

EQUITIES REVIEW

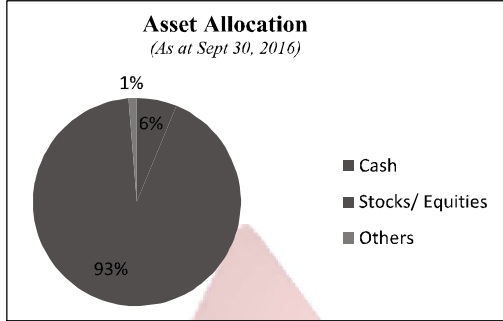
KSE 100 Index closed on 30th Sept'16 at 40,541 points, up about 7.00% higher as compared to 37,783 points on 30th Jun' 16. Total traded value clocked in at PKR 529 billion for the quarter. Participation in the market was heavily concentrated in second and third tier stocks. In this regard, average daily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





Fund Operations and Performance

During 1QFY17, AGAF earned a return of 6.23% versus the benchmark (KSE-100) return of 7.30% during the same period.



Key Financial Data

Rs. In million

Description	Three month period ended 30 September 2016	Three month period ended 30 September 2015
Net Assets at end of the period	1,539	720.308
Gross income earned	91.159	-14.205
Net comprehensive income	90.292	-15.185
Net Assets Value per Unit (Rs.)	72.01	64.87
Issuance of units during the period	560.103	121.386
Redemption of units during the period	-125.479	-179.844

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 98,273,352	208,429,027
Investments	6 1,451,630,858	830,707,963
Dividend and profit receivable	12,969,444	4,093,845
Deposits, prepayments and other receivables	2,741,137	2,700,000
Advance against of investment of shares	4,050,000	-
Total assets	1,569,664,791	1,045,930,835
Liabilities		
Payable to Alfalah GHP Investment Management Limited	10,069,932	8,546,745
Payable to Central Depository Company of Pakistan Limited - Trustee	234,624	188,560
Payable to Securities and Exchange Commission of Pakistan - Annual fee	352,888	868,121
Provision for Workers' Welfare Fund	7,288,665	7,288,665
Payable Against Purchase of Investments	8,524,652	-
Accrued expenses and other liabilities	4,193,328	3,552,009
Total liabilities	30,664,088	20,444,100
Net assets	<u>1,539,000,703</u>	<u>1,025,486,735</u>
Unit holders' funds (as per statement attached)	<u>1,539,000,703</u>	<u>1,025,486,735</u>
Number of units in issue	<u>21,371,063</u>	<u>15,127,068</u>
Net asset value per unit	<u>72.01</u>	<u>67.79</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 INCOME STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2016 (UN-AUDITED)

	Quarter Ended	
	September 30, 2016	September 30, 2015
	----- (Rupees) -----	
Income		
Capital gain on sale of investments	11,577,029	(5,190,489)
Dividend income	12,306,870	7,059,725
Profit on deposit accounts with banks	1,752,771	1,563,063
Unrealised appreciation / (diminution) in the value of investment -at fair value through profit or loss'	65,522,330	(17,637,252)
Total income / (loss)	91,159,001	(14,204,952)
Expenses		
Remuneration of Alfalah GHP Investment Management Limited	7,185,536	4,294,944
Sales tax on Management fee	934,124	697,499
Federal Excise Duty on Management Fee	-	687,191
Remuneration of Central Depository Company of Pakistan Limited - Trustee	698,343	479,571
Annual fee - Securities and Exchange Commission of Pakistan	352,912	206,603
Bank and settlement charges	217,317	144,634
Auditors' remuneration	225,551	168,572
Brokerage	2,189,273	1,475,657
Fees and subscriptions	62,519	56,200
Printing and related charges	37,812	37,812
Expenses allocated by the Management Company	365,771	-
Total expenses	12,269,158	8,248,681
Net income from operating activities	78,889,843	(22,453,634)
Net element of income / (loss) and capital gains/(losses) included in prices of units issued less those in units redeemed	11,402,761	7,268,556
Net income for the period	90,292,605	(15,185,078)

Note

7

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

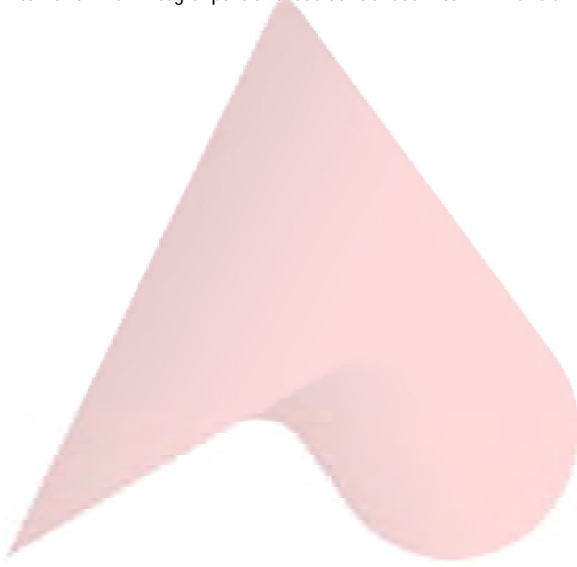
 Director



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

	<u>Quarter Ended</u>	
	<u>September 30, 2016</u>	<u>September 30, 2015</u>
	----(Rupees)----	
Net income for the period	90,292,605	(15,185,078)
Other comprehensive gain for the period	-	-
Total comprehensive income for the period	<u>90,292,605</u>	<u>(15,185,078)</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)**

	<u>Quarter Ended</u>	
	<u>September 30, 2016</u>	<u>September 30, 2015</u>
	----(Rupees)----	
Undistributed income / (loss) brought forward:		
Realised	96,773,860	4,876,421
Unrealised	75,107,268	10,928,388
	171,881,128	15,804,809
Element of Income and Capital Gains Included in prices of units sold less those in units redeemed - net	70,947,321	-
Net income for the period	90,292,605	(15,185,078)
	333,121,053	619,731
Undistributed income / (loss) carried forward:		
Realised	267,598,723	18,256,983
Unrealised	65,522,330	(17,637,252)
	333,121,053	619,731

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)**

	Quarter Ended	
	September 30, 2016	September 30, 2015
	----(Rupees)----	
Net assets at the beginning of the period	1,025,486,735	801,220,136
Issue of 8,005,009 units (2015: 1,744,168 units)	560,103,592	121,386,318
Redemption of 1,761,014 units (2015: 2,736,418 units)	(125,479,467)	(179,844,427)
	434,624,125	(58,458,109)
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units repurchased:		
- amount representing accrued (income) / loss and realised capital (gains) / losses - transferred to the Income Statement	(11,402,761)	(7,268,556)
Capital gain on sale of investments	11,577,029	(5,190,489)
Unrealised appreciation / (diminution) in the value of investment - 'at fair value through profit or loss'	65,522,330	(17,637,252)
Other net income for the period	13,193,245	7,642,663
Net income for the period less distribution	90,292,605	(15,185,078)
Net assets at the end of the period	1,539,000,703	720,308,394
	(Rupees)	
Net asset value per unit at the beginning of the period	67.79	66.24
Net asset value per unit at the end of the period	72.01	64.87

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 CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2016 (UN-AUDITED)**

	Quarter Ended	
	September 30, 2016	September 30, 2015
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	90,292,605	(15,185,078)
Adjustments for:		
Unrealised appreciation / (diminution) in the value of investment - 'at fair value through profit or loss'	(65,522,330)	17,637,252
Net Gain on sale of investment classified as - 'at fair value through profit or loss'	(11,577,029)	-
Dividend income	(12,306,870)	(7,059,725)
Profit on deposit accounts with banks	(1,752,771)	(1,563,063)
Provision for workers' welfare fund	-	-
Net element of income / (loss) and capital gains/(losses) included in prices of units issued less those in units redeemed	(11,402,761)	(7,268,556)
	(102,561,762)	1,745,907
	(12,269,158)	(13,439,170)
(Increase) / decrease in assets		
Investments	(543,823,535)	51,450,101
Advance against of investment of shares	(4,050,000)	2,755,518
Deposits, prepayments and other receivables	(41,137)	(6,072,446)
	(547,914,672)	48,133,173
Increase / (decrease) in liabilities		
Payable to Alfalah GHP Investment Management Limited	1,523,187	1,579,016
Payable to Central Depository Company of Pakistan Limited - Trustee	46,064	10,691
Payable to Securities and Exchange Commission of Pakistan - Annual fee	(515,233)	(304,947)
Payable Against Purchase of Investments	8,524,652	-
Accrued expenses and other liabilities	641,319	(9,842,714)
	10,219,988	(8,557,954)
Dividend and profit received	5,184,042	2,714,692
Net cash flows from operating activities	(544,779,799)	28,850,741
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	560,103,592	121,386,318
Payment against redemption of units	(125,479,467)	(179,844,427)
Net cash flows from / (used in) financing activities	434,624,125	(58,458,109)
Net increase in cash and cash equivalents during the period	(110,155,674)	(29,607,367)
Cash and cash equivalents at beginning of the period	208,429,027	105,407,962
Cash and cash equivalents at end of the period	98,273,352	75,800,595

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 STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

1. LEGAL STATUS AND NATURE OF BUSINESS

Alfalsh GHP Alpha Fund (the Fund) is an open-end collective investment scheme established through a Trust Deed under the Trust Act, 1882, executed between Alfalsh GHP Investment Management Limited, (the Management Company) and Central Depository Company of Pakistan Limited, (the Trustee). The Trust Deed was executed on December 27, 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 (the NBFC Rules), on February 29, 2008.

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

The Fund is listed on the Pakistan Stock Exchange Limited (Formerly: Karachi Stock Exchange Limited). The Units of the Fund are offered to public on a continuous basis. The units of the fund are transferable and can be redeemed by surrendering them to the Fund. The Fund offers two types of Units Growth and Income. Growth Unit Holders are entitled to bonus units and Income Unit Holders are entitled to cash dividend at the time of distribution by Fund.

The Fund (AGAF) is open-end Equity Fund. The primary investment objective of the Fund is long term capital gain from a portfolio that is substantially constituted of equity and equity related securities.

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 sales load.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM2' to the Management Company in its rating report dated June 08, 2016 and 5-Star (short term) and 3-Star (long term) to the Fund in its rating report dated June 29, 2016.

'Title' to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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.

**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 September 30, 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.

		30 September 2016 (Unaudited)	30 June 2016 (Audited)
5. BANK BALANCES	<i>Note</i>	----(Rupees)----	
Deposit accounts	5.1	<u>98,273,352</u>	<u>208,429,027</u>
5.1	The deposit accounts with the banks carry profit at rates ranging from 5.00% to 5.50% per annum (June 30, 2016: 6.25% to 7% per annum).		
6. INVESTMENTS			
At fair value through profit or loss - held for trading			
Quoted equity securities	6.1	<u>1,451,630,858</u>	<u>830,707,963</u>

6.1 Equity securities - 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	Carrying Cost	Market value	Market value as a percentage of:	
	July	during	Issue during	during	September	September	as at September	Net assets	Total
	01, 2016	the year	the year	the year	30, 2016	30, 2016	30, 2016		investment
	(No. of certificates)				(Rupees)				
Shares of listed companies - fully paid ordinary shares of Rs. 10 each unless stated otherwise									
Chemicals									
Ghani Gases Limited	-	632,000	-	-	632,000	16,472,395	15,585,120	1.0%	1.1%
						<u>16,472,395</u>	<u>15,585,120</u>	<u>1.0%</u>	<u>1.1%</u>
Fertilizer									
Engro Corporation Limited	143,600	30,000	-	71,000	102,600	34,221,742	29,882,250	1.9%	2.1%
Engro Fertilizer Limited	447,000	311,500	-	297,000	461,500	29,971,212	28,456,090	1.8%	2.0%
						64,192,954	58,338,340	3.8%	4.1%
Commercial banks									
Bank Al-Falah Limited (a related party)	176,000	843,500	-	-	1,019,500	28,729,450	29,290,235	1.9%	2.0%
Habib Bank Limited	88,200	263,500	-	15,000	336,700	71,127,126	74,346,727	4.8%	5.1%
MCB Bank Limited	40,500	355,500	-	500	395,500	86,524,241	87,326,400	5.7%	6.0%
United Bank Limited	102,500	199,100	-	7,400	294,200	54,959,520	58,481,076	3.8%	4.0%
National Bank of Pakistan Limited	-	600,500	-	-	600,500	44,926,690	43,962,605	2.9%	3.0%
						<u>286,267,026</u>	<u>293,407,043</u>	<u>19.1%</u>	<u>20.2%</u>
Non Life Insurance									
Adamjee Insurance	33,000	33,000	-	66,000	-	-	-	0.0%	0.0%
IGI Insurance Limited	48,500	-	-	48,500	-	-	-	0.0%	0.0%
						-	-	0.0%	0.0%
Cement									
D.G. Khan Cement Company Limited	52,100	150,000	-	75,100	127,000	25,397,193	23,606,760	1.5%	1.6%
Kohat Cement Limited	178,800	95,200	-	271,600	2,400	635,187	617,208	0.0%	0.0%
Lucky Cement Limited	53,700	58,000	-	43,000	68,700	45,443,973	46,527,762	3.0%	3.2%
Fauji Cement Company Limited	112,000	660,000	-	-	772,000	29,336,135	27,228,440	1.8%	1.9%
Fecto Cement Limited	37,500	-	-	37,500	-	-	-	0.0%	0.0%
Pioneer Cement Limited	417,500	103,200	-	520,700	-	-	-	0.0%	0.0%
						<u>100,812,488</u>	<u>97,980,170</u>	<u>6.4%</u>	<u>6.7%</u>
Power generation and distribution									
Hub Power Company Limited	693,700	454,000	-	636,500	511,200	62,483,313	60,919,704	4.0%	4.2%
Kot Addu Power Company Limited	343,500	541,500	-	360,500	524,500	47,538,446	43,895,405	2.9%	3.0%
						<u>110,021,759</u>	<u>104,815,109</u>	<u>6.8%</u>	<u>7.2%</u>
Oil and gas marketing companies									
Pakistan State Oil Company Limited	85,500	57,000	-	-	142,500	55,097,996	59,014,950	3.8%	4.1%
Hascol Petroleum Limited	25,880	2,900	-	25,880	2,900	600,822	638,725	0.0%	0.0%
Sui Northern Gas Pipelines Limited	-	953,000	-	-	953,000	46,510,585	47,764,360	3.1%	3.3%
Hi-Tech Lubricants	-	605,500	-	-	605,500	44,074,930	50,801,450	3.3%	3.5%
						<u>146,284,333</u>	<u>158,219,485</u>	<u>10.3%</u>	<u>10.9%</u>
Oil and gas exploration companies									
Oil and Gas Development Company Limited	483,500	412,000	-	343,000	552,500	77,444,850	78,029,575	5.1%	5.4%
Pakistan Petroleum Limited	244,900	320,600	-	107,000	458,500	72,644,004	75,042,695	4.9%	5.2%
Pakistan Oilfields Limited	105,000	142,000	-	50,200	196,800	71,823,643	78,977,808	5.1%	5.4%
Mari Gas Company Limited	34,000	78,800	-	47,600	65,200	62,153,391	62,235,356	4.0%	4.3%
						<u>284,065,888</u>	<u>294,285,434</u>	<u>19.1%</u>	<u>20.3%</u>
Refinery									
Attock Refinery Limited	60,000	139,500	-	63,000	136,500	42,061,164	44,482,620	2.9%	3.1%
National Refinery Limited	78,000	52,700	-	69,600	61,100	30,116,174	34,557,549	2.2%	2.4%
						<u>72,177,337</u>	<u>79,040,169</u>	<u>5.1%</u>	<u>5.4%</u>
Engineering									
Crescent Steel & Allied Products Limited	219,250	32,000	-	23,500	227,750	26,402,070	28,698,778	1.9%	2.0%
Amreli Steels Limited	29,500	785,500	-	59,000	756,000	44,300,320	53,895,240	3.5%	3.7%
International Industries Limited	-	247,500	-	-	247,500	28,485,395	33,358,050	2.2%	2.3%
						<u>99,187,785</u>	<u>115,952,068</u>	<u>7.5%</u>	<u>8.0%</u>



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 September	Net assets	Total
	01, 2015	the year	the year	the year	30, 2016	30, 2016	30, 2016		investment
	(No. of certificates)				(Rupees)				
Automobile assembler									
Pak Suzuki Motor Company Limited	-	51,000	-	-	51,000	23,474,287	29,525,940	1.9%	2.0%
Indus Motor Company Limited	-	23,600	-	-	23,600	28,174,692	35,408,968	2.3%	2.4%
						<u>51,648,979</u>	<u>64,934,908</u>	<u>4.2%</u>	<u>4.5%</u>
Food and personal care products									
Al Shaheer Corporation Limited	34,000	-	-	34,000	-	-	-	0.0%	0.0%
								0.0%	0.0%
Sugar and allied industries									
Faran sugar Mills Limited	11,500	-	-	11,500	-	-	-	0.0%	0.0%
								<u>0.0%</u>	<u>0.0%</u>
Pharmaceuticals									
Hignoon Laboratories Limited	11,700	17,000	-	-	28,700	17,063,653	15,745,107	1.0%	1.1%
Ferozsons Laboratories Limited	10,500	2,200	-	12,700	-	-	-	0.0%	0.0%
The Searle Company Limited	42,937	45,300	-	19,300	68,937	38,567,950	39,535,370	2.6%	2.7%
						<u>55,631,602</u>	<u>55,280,477</u>	<u>3.6%</u>	<u>3.8%</u>
Textile composite									
Gul Ahmed Textile Mills Limited	537	-	-	-	537	19,434	27,876	0.0%	0.0%
Nishat Mills Limited	317,000	61,200	-	-	378,200	41,305,197	53,288,380	3.5%	3.7%
						<u>41,324,631</u>	<u>53,316,256</u>	<u>3.5%</u>	<u>3.7%</u>
Automobile Parts Accessories									
Thal Limited	-	51,000	-	-	51,000	19,807,214	20,688,150	1.3%	1.4%
						<u>19,807,214</u>	<u>20,688,150</u>	<u>1.3%</u>	<u>1.4%</u>
Paper and board									
Packages Limited	74,950	13,500	-	29,000	59,450	38,214,135	39,788,130	2.6%	2.7%
						<u>38,214,135</u>	<u>39,788,130</u>	<u>2.6%</u>	<u>2.7%</u>
Cable and electrical goods									
Pak Elektron Limited	171,250	-	-	171,250	-	-	-	0.0%	0.0%
								0.0%	0.0%
Household goods									
Tariq Glass Industries	125,000	59,000	-	184,000	-	-	-	0.0%	0.0%
								<u>0.0%</u>	<u>0.0%</u>
Total as at September 30, 2016	<u>5,133,004</u>	<u>9,483,300</u>	-	<u>3,700,830</u>	<u>10,915,474</u>	<u>1,386,108,527</u>	<u>1,451,630,858</u>		
Total as at June 30, 2016	<u>7,056,594</u>	<u>16,984,474</u>	<u>66,097</u>	<u>18,974,161</u>	<u>5,133,004</u>	<u>755,600,695</u>	<u>830,707,963</u>		

6.1.1 Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:

	30 September 2016	30 June 2016
	----- (Number of shares) -----	
Hub Power Company Limited	350,000	200,000
D.G Khan Cement Company Limited	-	50,000
	<u>350,000</u>	<u>250,000</u>

6.1.2 The investment in equity securities include bonus shares having market value of Rs.1.620 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.



6.1.3 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.

7. SALES TAX ON MANAGEMENT FEE

During the current period, an amount of Rs. 0.93 million (30 June 2016: Rs. 2.87 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.

9. 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 WWF Ordinance 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. However, as mentioned above, the constitutional petition challenging the applicability of WWF on mutual funds is still pending adjudication and not yet decided. The Management Company has considered the implications of the above judgment of SHC and is of the view that the matter will eventually be settled in its favor and WWF will not be levied on the Fund.

Further, in May 2014, the Honourable Peshawar High Court (PHC) held that the impugned levy of contribution introduced in the WWF 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.

**10. TOTAL EXPENSE RATIO**

Total expense ratio for September 30, 2016 is 0.85% which includes 0.11% of government levy, worker's welfare fund and SECP fee.

11. TAXATION

The income of the Fund is exempt from income tax under Clause (99) of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001 (Clause 99) subject to the condition that not less than 90 percent of the accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed in cash amongst the unit holders. The Management Company has distributed not less than 90 percent of its annual accounting income to avail the tax exemption. Accordingly, no provision for current and deferred tax has been made in these financial statements.

12. 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 NBFC Regulations and the Trust Deed respectively.

12.1 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:

	Quarter Ended	
	30 September 2016	30 September 2015
Other transactions		
Associated companies / undertakings	----(Rupees)----	
Alfalsh GHP Investment Management Limited - Management Company		
Remuneration of the Management Company	<u>6,490,051</u>	<u>3,757,487</u>
Performance fee	<u>695,485</u>	<u>537,456</u>
Sales tax on management fee	<u>843,708</u>	<u>610,215</u>
Sales tax on performance fee	<u>90,416</u>	<u>87,284</u>
Federal excise duty on management fee	<u>-</u>	<u>601,198</u>
Federal excise duty on performance fee	<u>-</u>	<u>85,993</u>
Expenses allocated by the Management Company	<u>365,771</u>	<u>-</u>
Bank Alfalah Limited		
Mark-up on bank deposits	<u>1,752,771</u>	<u>1,556,063</u>
Bank charges	<u>2,563</u>	<u>2,783</u>
Other related parties		
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	<u>618,003</u>	<u>420,198</u>
Sales tax on Trustee fee	<u>80,340</u>	<u>59,372</u>
CDS charges	<u>77,578</u>	<u>38,524</u>



	Quarter Ended	
	30 September 2016 (Unaudited)	30 September 2015 (Unaudited)
Other balances		
		----(Rupees)----
Associated companies / undertakings		
Alfalsh GHP Investment Management Limited - Management Company		
Remuneration payable	2,194,375	1,130,210
Performance fee payable	842,140	1,391,778
Federal excise duty on performance fee payable	297,850	222,684
Sales tax on performance fee payable	211,195	273,981
Sales tax on management fee	952,922	538,887
Federal excise duty on management fee	4,879,884	2,799,400
Sales load payable	482,068	3,041,994
Expenses allocated by the management company	209,498	-
Bank Alfalah Limited		
Bank balance	98,273,352	75,792,850
Mark-up receivable	456,417	333,227
Other related parties		
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	208,188	124,355
Sales tax on Trustee fee	26,436	17,315
Security deposit	200,000	200,000

12.2 Unit Holder's Fund

	September 30, 2016									
	As at July 01, 2016	Issued for cash	Bonus	Redeemed / conversion out / transfer out	As at September 30, 2016	As at July 01, 2016	Issued for cash	Bonus	Redeemed / conversion out / transfer out	Net asset value as at September 30, 2016
	Units				(Rupees)					
Other related parties										
Bank Alfalah Limited - Employees Provident Fund *	2,635,652	-	-	-	2,635,652	178,670,853	-	-	-	189,793,305
MCBFSL - Trustee Alfalah GHP Capital Preservation Fund *	4,578,866	391,804	-	-	4,970,670	310,401,375	28,919,289	-	-	357,938,003
Alfalsh GHP Prosperity Planning Fund	1,401,116	238,532	-	146,743	1,492,905	94,981,638	17,098,559	-	10,532,853	107,504,098
Key Management Personnel										
Head of Finance	5,042	-	-	-	5,042	341,797	-	-	-	363,122
Unit holder holding 10% or more Units										
Sindh General Provident Investment Fund	3,501,154	-	-	-	3,501,154	237,343,213	-	-	-	252,118,110
The Nishat Mills Limited Employees Provident Fund	-	3,822,788	-	-	3,822,788	-	270,670,174	-	-	275,278,963

* 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 / conversion out / transfer out	As at September 30, 2015	As at July 01, 2015	Issued for cash	Bonus	Redeemed / conversion out / transfer out	Net asset value as at September 30, 2015
	Units					(Rupees)				
Associated Companies / Undertakings										
Nil	-	-	-	-	-	-	-	-	-	-
Other related parties										
Bank Alfalah Limited - Employees Provident Fund	1,388,889	-	-	-	1,388,889	92,000,000	-	-	-	90,097,222
MCBFSL - Trustee Alfalah GHP Capital Preservation Fund	4,589,362	4,545,757	-	5,511,080	3,624,039	303,999,311	308,709,014	-	368,709,014	235,091,390
Alfalsh GHP Investment Management Limited - Staff Provident Fund	57,021	5,922	-	42,942	20,001	3,777,090	400,000	2,908,891	-	1,297,453
Key Management Personnel										
Head of Finance	4,553	-	-	-	4,553	301,594	-	-	-	295,356
Unit holder holding 10% or more Units										
MCBFSL - Trustee Alfalah GHP Capital Preservation Fund	4,589,362	4,545,757	-	5,511,080	3,624,039	303,999,311	308,709,014	-	368,709,014	235,091,390
Bank Alfalah Limited - Employees Provident Fund	1,388,889	-	-	-	1,388,889	92,000,000	-	-	-	90,097,222
Sindh General Provident Investment Fund	3,139,864	-	-	-	3,139,864	207,984,580	-	-	-	203,682,967

13. CONTINGENCIES AND COMMITMENTS

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

14. DATE OF AUTHORIZATION FOR ISSUE

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

15. GENERAL

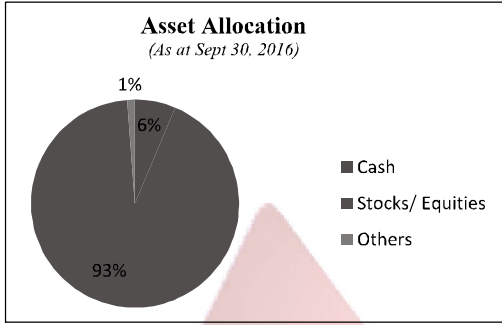
Figures have been rounded off to the nearest rupees.



فنڈ کی کارکردگی:

الفلاح جی ایچ ای الفا فنڈ: فنڈ آپریشنز اور کارکردگی:

سال کے پہلے سہ ماہی کے دوران آپ کے فنڈ کی آمدنی بیچ مارک کے مقابلے میں 6.23% حاصل ہوئی۔



(ملین روپے)

مالی تفصیلات:

تفصیل	برائے سہ ماہی ۳۰ ستمبر ۲۰۱۶ء	برائے سہ ماہی ۳۰ ستمبر ۲۰۱۵ء
اوسط صافی اثاثہ	1,539	720.308
مجموعی آمدنی	91.159	-14.205
کل آمدنی	90.292	-15.185
نیٹ پیٹ صافی اثاثہ کی دلچسپی (پاکستانی روپے)	72.01	64.87
سال کے دوران پیش کا اہرام	560.103	121.386
سال کے دوران پیش کی کمی	-125.479	-179.844

اظہار تشکر:

ڈائریکٹر سیکورٹیز ریٹریڈ اینڈ ایگزیکیوٹو کمیشن آف پاکستان کے تعاون پر ان کا شکریہ ادا کرتے ہیں اس کے علاوہ بورڈ نے انتظامی کمپنی کے ملازمین اور ٹرسٹیوں 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

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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