

ALFALAH GHP MONEY MARKET 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: | <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. Kashif Kasim (Jr. Fund Manager) |
| 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: | AA(f) 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 Money Market Fund (AGMMF) 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.

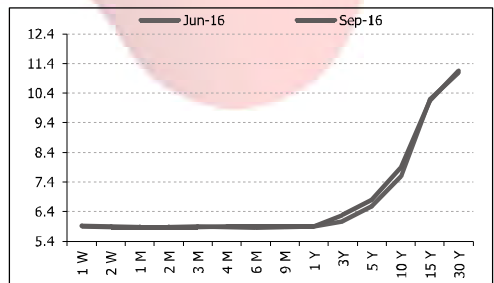
At present, the balance of payment has not impacted the exchange rates as foreign exchange reserves strengthened to historic levels of US\$23 billion as on Sep 02, 2016, resulting in a stable rupee, which posted an appreciation of 0.30% against USD for the 1st quarter FY17.

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.

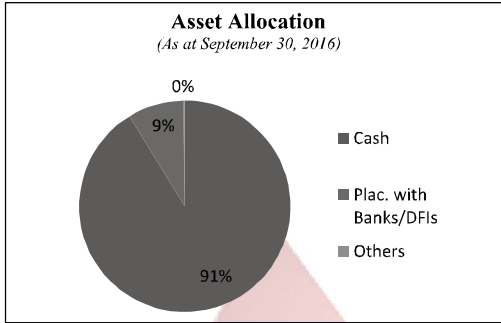
Money Market Review

The SBP maintained its discount rate at 6.25% and policy rate at 5.75% during the quarter. During the first quarter, yield curve shifted slightly upwards due to interbank market's expectations of interest rates bottoming out. Overall CPI trend is expected to hover around 4.00% for the 1st half. Any upward shift in international oil prices coupled with currency devaluation could exert upward pressure on the interest rates in the 2nd half of FY17.



**Fund Operations and Performance**

During 1QFY17, Alfalsh GHP Money Market Fund (AGMF) generated a return of 5.74% while the benchmark of the fund generated 4.48% during the same period.

**Key Financial Data**

(Rupees in millions)

| Description | Quarter ended 30 September 2016 | Quarter ended 30 September 2015 |
|---------------------------------------|------------------------------------|------------------------------------|
| Net Assets at end of the period | 1,442.34 | 2,013.04 |
| Gross income | 27.96 | 40.99 |
| Net Comprehensive income | 20.59 | 29.71 |
| Net Assets Value per Unit (Rs.) | 99.6407 | 102.3286 |
| Issuance of units during the period | 1,144.76 | 1,152.69 |
| Redemption of units during the period | -3,575.58 | -1,959.03 |

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
FOR THE QUARTER ENDED 30 SEPTEMBER, 2016

| | | September 30, 2016 (Unaudited) | June 30, 2016 (Audited) |
|--|----------------|--------------------------------------|-------------------------------|
| | Note | -----(Rupees)---- | |
| ASSETS | | | |
| Bank balances | 4 | 1,336,025,504 | 2,720,499,730 |
| Investments | 5 | 125,779,294 | 1,155,163,976 |
| Prepayments | | 40,957 | 83,295 |
| Accrued interest on bank deposits | | 2,760,794 | 2,123,085 |
| Total assets | | 1,464,606,549 | 3,877,870,086 |
| LIABILITIES | | | |
| Payable to the Management Company | | 12,676,752 | 14,016,149 |
| Remuneration payable to the Trustee | | 159,667 | 379,156 |
| Annual fee payable to Securities and Exchange Commission of Pakistan | | 309,201 | 1,375,684 |
| Provision for Workers' Welfare Fund | | 5,612,930 | 5,612,930 |
| Payable on redemption of unit holders | | - | - |
| Accrued and other liabilities | | 3,510,364 | 6,445,994 |
| Total liabilities | | 22,268,914 | 27,829,913 |
| Net assets attributable to unit holders | | 1,442,337,635 | 3,850,040,173 |
| Contingency | | | |
| Unit holders' funds (as per statement attached) | | 1,442,337,635 | 3,850,040,173 |
| Number of units in issue | Numbers | 14,475,391 | 39,198,212 |
| Net assets value per unit | | 99.6407 | 98.2198 |

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

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)

| | For the quarter ended 30 September 2016 | For the quarter ended 30 September 2015 |
|---|---|---|
| | ----(Rupees)---- | |
| Income | | |
| Finance income | 28,203,055 | 40,888,045 |
| Net gain / (loss) on investments classified as 'at fair value through Profit or loss' - held-for-trading | | |
| - Net capital gain / (loss) on sale of investments | (245,111) | 179,541 |
| - Net unrealised gain on revaluation of investments | - | (70,583) |
| | (245,111) | 108,958 |
| Total income | 27,957,944 | 40,997,003 |
| Expenses | | |
| Remuneration of the Management Company | 3,298,235 | 4,553,475 |
| Sales tax on management fee | 428,768 | 739,484 |
| Federal Excise Duty on management fee | - | 728,556 |
| Remuneration of the Trustee | 498,064 | 615,596 |
| Sindh Sales Tax on Trustee Fee | 64,749 | 86,106 |
| Annual fee of the Securities and Exchange Commission of Pakistan | 309,201 | 426,523 |
| Brokerage expense | 28,245 | 36,528 |
| Bank and settlement charges | 20,412 | 16,182 |
| Auditors' remuneration | 120,921 | 168,831 |
| Annual listing fee | 10,082 | 10,082 |
| Rating fee | 42,338 | 70,196 |
| Printing charges | 24,370 | 27,018 |
| Total expenses | 4,845,385 | 7,478,577 |
| Net income from operating activities | 23,112,559 | 33,518,426 |
| Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net | (2,519,072) | (3,811,539) |
| Net income for the year before taxation | 20,593,487 | 29,706,887 |
| Taxation | | |
| Net income for the period | 20,593,487 | 29,706,887 |

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

For Alfalsh 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)**

| | For the quarter ended 30 September 2016 | For the quarter ended 30 September 2015 |
|--|--|---|
| | ----(Rupees)---- | |
| Net income for the period | 20,593,487 | 29,706,887 |
| Other comprehensive income during the period | - | - |
| Total comprehensive income for the period | <u>20,593,487</u> | <u>29,706,887</u> |

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

**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 carried forward | | |
| - Realised income | 4,729,166 | 20,552,630 |
| - Unrealised income / (loss) | <u>(3,654,935)</u> | 869,584 |
| | <u>1,074,231</u> | <u>21,422,214</u> |
| Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed - net | (677,531) | - |
| Total comprehensive income for the period | <u>20,593,487</u> | 29,706,887 |
| Undistributed income carried forward | <u>20,990,187</u> | <u>51,129,101</u> |
| Undistributed income carried forward at end of the period | | |
| - Realized income | 20,990,187 | 51,199,684 |
| - Unrealized income / (loss) | - | (70,583) |
| | <u>20,990,187</u> | <u>51,129,101</u> |

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

For Alfalsh 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 beginning of the period | 3,850,040,173 | 2,785,864,555 |
| Amount realized / unrealized on issuance of 11,574,413 units (30 September 2015 : 11,343,011 units) | 1,144,761,962 | 1,152,690,919 |
| Amount paid / payable on redemption of 36,297,234 units (30 September 2015 : 19,303,133 units) | <u>(3,575,577,059)</u> | <u>(1,959,030,035)</u> |
| | 1,419,225,076 | 1,979,525,439 |
| Element of loss / (income) and capital losses / (gains) included in prices of units sold less those in units redeemed - net | 2,519,072 | 3,811,539 |
| Net capital gain / (loss) on sale of investments classified as 'at fair value through profit or loss' - held-for-trading | (245,111) | 179,541 |
| Net unrealised gain on investments classified as 'at fair value through profit or loss' - held-for-trading | - | (70,583) |
| Total comprehensive income for the year before capital gains - realised and unrealised | 20,838,598 | 29,597,929 |
| Total comprehensive income for the period | 20,593,487 | 29,706,887 |
| Net total comprehensive income less distributions for the period | 20,593,487 | 29,706,887 |
| Net assets at end of the period | <u>1,442,337,635</u> | <u>2,013,043,865</u> |
| Net asset value per unit at the beginning of the period | <u>98.2198</u> | <u>100.8185</u> |
| Net asset value per unit at the end of the period | <u>99.6407</u> | <u>102.3286</u> |

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

For Alfalsh 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 |
|---|---|---|
| Note | ----(Rupees)---- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 20,593,487 | 29,706,887 |
| Adjustments for: | | |
| Net capital (gain) / loss on sale of investments classified as 'at fair value through profit or loss' - held-for-trading | 245,111 | (179,541) |
| Net unrealised (gain) / loss on investments classified as 'at fair value through profit or loss' - held-for-trading | - | 70,583 |
| Element of loss / (income) and capital losses / (gains) included in prices of units sold less those in units redeemed - net | <u>2,519,072</u> | <u>3,811,539</u> |
| | 23,357,670 | 33,409,468 |
| Decrease / (increase) in assets | | |
| Investments - net | 384,438,609 | 1,796,065,361 |
| Interest receivable on bank deposits | (637,709) | 2,042,507 |
| Prepayments | 42,338 | - |
| | 383,843,238 | 1,798,107,868 |
| Increase / (decrease) in liabilities | | |
| Payable to the Management Company | (1,339,397) | 933,133 |
| Remuneration payable to the Trustee | (219,489) | 222,532 |
| Annual fee to the Securities & Exchange Commission of Pakistan | (1,066,483) | 426,523 |
| Payable on redemption of unit holders | - | (173,189,674) |
| Accrued and other liabilities | (2,935,630) | (5,228,312) |
| | (5,560,999) | (176,835,798) |
| Net cash generated from / (used in) operating activities | 401,639,909 | 1,654,681,538 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amounts received on issue of units | 1,144,761,962 | 1,152,690,919 |
| Payment against redemption of units | (3,575,577,059) | (1,959,030,035) |
| Net cash generated from / (used in) financing activities | (2,430,815,097) | (806,339,116) |
| Net (decrease) / increase in cash and cash equivalents during the period | (2,029,175,188) | 848,342,422 |
| Cash and cash equivalents at beginning of the period | 3,490,979,986 | 1,189,449,152 |
| Cash and cash equivalents at end of the period | 8 <u>1,461,804,798</u> | <u>2,037,791,574</u> |

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

For Alfalsh GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director



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

1. LEGAL STATUS AND NATURE OF BUSINESS

Alfalch GHP Money Market Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation), Rules 2003 (the NBFC Rules) and has been authorised as a unit trust scheme by the Securities and Exchange Commission of Pakistan (SECP). It was constituted under Trust Deed dated March 04, 2010, between IGI Funds Limited (Former Management Company), incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust deed was registered with Sub-Registrar on March 04, 2010.

On October 15, 2013, the management rights of the Fund were transferred from IGI Funds Limited (Former Management Company) to Alfalch GHP Investment Management Limited (the Management Company) by means of Securities and Exchange Commission of Pakistan sanctioned order No. SCD/NBFC-II/IGIFL & AFGHP/742/2013. The registered address of the Management Company is situated at 8th Floor, Executive Tower, Dolmen Mall, Block-4, Clifton, Karachi.

The Fund was registered by the Securities and Exchange Commission of Pakistan (SECP) as a notified entity under Regulation 44 of the Non Banking finance Companies and Notified Entities Regulations, 2008 "NBFC Regulations" vide its letter No. NBFC-II/AD/IGI/MMF/218 dated March 18, 2010 and Offering Document was approved by SECP under Regulation 54 of the NBFC Regulations, vide its letter No. NBFC-II/JE/IGI/MMF/354 dated May 03, 2010. The Fund was initially offered for public subscription from May 25, 2010 to May 27, 2010.

The Fund is an open end mutual fund and is listed on Pakistan Stock Exchange Limited (Formerly: Lahore Stock Exchange Limited). Units are offered for public subscription 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, vide its letter No. SCD/AMCW/AGMMF/238/2015 dated February 03, 2015 to modify and restate the previous Trust Deed to effectuate renaming of the Fund to Alfalch GHP Money Market Fund.

The Fund primarily invests in Government Securities, Certificates of Investment, Certificates of Deposit, Certificates of Musharika, Term Deposit Receipts, Commercial Papers, reverse repurchase transactions, etc. The Fund primarily is categorised as Money Market Scheme and is subject to guidelines prescribed by SECP.

Title to the assets of the Fund is held in the name of CDC as Trustee of the Fund.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM2 (Outlook:Stable) rating to the Management Company as of June 08, 2016.

PACRA has assigned a rating of AA(f) to the scheme as of December 31, 2015.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These condensed interim financial information have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The disclosures in the condensed interim financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended 30 June 2016.

These condensed interim financial information comprise of condensed interim statement of assets and liabilities as at 30 September 2015 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund, and notes thereto, for the quarter ended 30 September 2016.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June 2016.

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.

| | | | |
|--------------------------------|-------------|--|--|
| 4 BANK BALANCES | | For the quarter ended 30 September 2016 | For the quarter ended 30 September 2015 |
| | <i>Note</i> | ----(Rupees)--- | |
| Bank balances - local currency | | <u>1,336,025,504</u> | <u>363,084,315</u> |

4.1 The deposit accounts with the banks carry profit at the rate ranging from 5.5% to 6.45% per annum (June 30, 2016: 5.5% to 6.7% per annum).um.)

5 INVESTMENTS

Financial assets classified as 'at fair value through profit or loss' - held-for-trading

| | | | |
|-----------------------------|-----|---------------------------|-----------------------------|
| Treasury Bills | 5.1 | - | 829,849,765 |
| Held to maturity | | | |
| Certificates of Investments | 5.2 | 125,779,294 | - |
| Term deposit receipts | | - | 125,242,979 |
| Letters of placement | | - | 200,071,232 |
| | | <u>125,779,294</u> | <u>1,155,163,976</u> |

5.1 Treasury Bills

| | Note | As at 01 July 2016 | Purchased during the period | Sold / matured during the period | As at 30 September 2016 | Carrying value as at 30 September 2016 | Market value as at 30 September 2016 | Unrealised gain / (loss) on revaluation | % of net assets on the basis of market value | % of total investment on the basis of market value |
|---|-------|--------------------------------------|-----------------------------|----------------------------------|-------------------------|--|--------------------------------------|---|--|--|
| | | ----- (Number of certificates) ----- | | | | ----- (Rupees) ----- | | | ----- (%) ----- | |
| Treasury bills - face of Rs. 100 each issued on | | | | | | | | | | |
| Maturity upto 3 months | 5.1.1 | 6,500,000 | 8,500,000 | 15,000,000 | - | - | - | - | 0.00% | 0.00% |
| Maturity upto 6 months | 5.1.1 | 1,860,000 | 5,000,000 | 6,860,000 | - | - | - | - | 0.00% | 0.00% |
| Maturity upto 12 months | | - | - | - | - | - | - | - | - | - |
| | | <u>8,360,000</u> | <u>13,500,000</u> | <u>21,860,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | | |



- 5.1.1 These represents Market Treasury Bills having face value of Rs. Nil (30 June 2016: 836 million) and carrying purchase yield ranging between NIL per annum (30 June 2016: 5.82% to 6.25%) These Treasury Bills have maturity upto NIL (30 June 2016: September 01, 2016).

5.2 Certificates of investment - held to maturity

| Name of the investee company | Rate of Return per annum | Face value | | | | Carrying value as at September 30, 2016 | Maturity | Rating | Face value as percentage of total investments | Face value as percentage of net assets |
|-------------------------------------|--------------------------|---------------------|-----------------------------|---------------------------|--------------------------|---|-----------|--------|---|--|
| | | As at July 01, 2016 | Purchased during the period | Matured during the period | As at September 30, 2016 | | | | | |
| (Rupees) | | | | | | | | | | |
| Pak Oman Investment Company Limited | 6.15% | - | 125,000,000 | - | 125,000,000 | 125,779,294 | 25-Oct-16 | AA+ | 99.38% | 8.67% |
| | | | | | 125,000,000 | 125,779,294 | | | | |

6. CONTINGENCY - CONTRIBUTION TO 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.

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 from July 01, 2013 to June 30, 2015 has not been reversed as the above lawsuit is pending in the SHC.

As a matter of abundant caution, with effect from July 01, 2013, the Fund has started making provision in respect of contribution to WWF prospectively. Accordingly, the Management Company has made provision for WWF amounting to Rs.5.613 million up till September 30, 2016 (2016: Rs.5.613 million) in these financial statements. Had the provision not been made, the net asset value per unit of the Fund would have been higher by Re.0.39 (0.39%) per unit (2016: Re.0.14 (0.14%) per unit).

7. Total Expense Ratio

Total Expense Ratio for September 30, 2016 is 0.30% which includes 0.049% of government levy, worker's welfare fund and SECP fee.



For the quarter ended 30 September 2016 For the quarter ended 30 September 2015

8 CASH AND CASH EQUIVALENTS

----(Rupees)----

| | | |
|---|----------------------|----------------------|
| Bank balances | 1,336,025,504 | 330,113,767 |
| Treasury bills maturing within 3 months | - | 1,004,380,542 |
| Letters of Placement maturing within 3 months | - | - |
| Term deposit receipts | - | 703,297,265 |
| Certificates of Investment maturing within 3 months | 125,779,294 | - |
| | <u>1,461,804,798</u> | <u>2,037,791,574</u> |

9. TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Alfalsh GHP Investment Management Limited being the Management Company, GHP Arbitrium AG, Bank Alfalsh Limited and MAB Investment Incorporated being associated companies of Management Company, directors and key management personnel of Alfalsh 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.

10. Unit Holders' Fund

For the quarter ended September 30, 2016

| | As at | Issued for | Bonus | Redeemed / | As at | As at | Issued for cash / | Bonus | Redeemed / | Net asset value | |
|---|-----------------|-------------------|-------|----------------|----------------------|-------------|-------------------|-------|----------------|-----------------|--|
| | July | cash / conversion | | conversion out | September | July | conversion in / | | conversion out | as at September | |
| | 01, 2016 | in / transfer in | | / transfer out | 30, 2016 | 01, 2016 | transfer in | | / transfer out | 30, 2016 | |
| | -----Units----- | | | | ----- (Rupees) ----- | | | | | | |
| Associated companies / undertakings | | | | | | | | | | | |
| Bank Alfalsh Limited | 567,660 | - | - | - | 567,660 | 55,755,476 | - | - | - | 56,562,044 | |
| CDC-TRUSTEE ALFALSH GHP CONSERVATIVE ALLOCATION PLAN | 458,156 | 879,366 | - | - | 1,337,522 | 45,000,000 | 87,927,097 | - | - | 133,271,684 | |
| CDC-TRUSTEE ALFALSH GHP MODERATE ALLOCATION PLAN | 356,344 | - | - | 273,094 | 83,250 | 35,000,000 | - | - | 27,000,000 | 8,295,062 | |
| MICRPSU - Trustee Alfalsh GHP Capital Preservation Fund | 6,328,316 | - | - | 1,072,002 | 5,256,314 | 621,565,928 | - | - | 106,000,000 | 523,742,759 | |
| Key Management Personnel - Management Company | | | | | | | | | | | |
| Chief Executive Officer | 15,460 | - | - | 15,460 | - | 1,518,525 | - | - | 1,529,115 | - | |
| Unit holder holding 10% or more units | | | | | | | | | | | |
| Fuji Oil Terminal & Distribution Co. Ltd. | 4,608,755 | - | - | 2,754,504 | 1,854,251 | 452,671,026 | - | - | 270,684,044 | 184,758,861 | |

| | For the quarter ended September 30, 2015 | | | | | | | | | |
|--|--|---|-------|--|--------------------------|---------------------|---|-----------|--|--|
| | As at July 01, 2015 | Issued for cash / conversion in / transfer in | Bonus | Redeemed / conversion out / transfer out | As at September 30, 2015 | As at July 01, 2015 | Issued for cash / conversion in / transfer in | Bonus | Redeemed / conversion out / transfer out | Net asset value as at September 30, 2015 |
| | Units | | | | Rupees | | | | | |
| Associated companies / undertakings | | | | | | | | | | |
| Bank Alfalah Limited | 524,771 | - | - | - | 524,771 | 52,906,605 | - | - | - | 53,699,061 |
| Alfalah Insurance Company Ltd | 699,355 | - | - | 88,696 | 610,659 | 70,507,907 | - | 9,000,000 | - | 62,487,848 |
| CDC-TRUSTEE ALFALAH GHP CONSERVATIVE ALLOCATION PLAN | - | 2,008,153 | - | - | 2,008,153 | - | 205,000,000 | - | - | 205,491,440 |
| CDC-TRUSTEE ALFALAH GHP MODERATE ALLOCATION PLAN | - | 127,208 | - | - | 127,208 | - | 13,000,000 | - | - | 13,016,982 |
| CDC-TRUSTEE ALFALAH GHP ACTIVE ALLOCATION PLAN | - | 225,060 | - | - | 225,060 | - | 23,000,000 | - | - | 23,030,045 |
| MCBSL-Trustee Alfalah GHP Capital Preservation Fund | 3,748,433 | 1,176,083 | - | 445,780 | 4,478,736 | 377,911,396 | 120,000,000 | - | - | 458,302,725 |
| Key Management Personnel - Management Company | | | | | | | | | | |
| Head of Corporate Strategy | 1,431 | - | - | 1,431 | - | 144,239 | - | - | 145,643 | - |
| Fund Manager | - | 1,480 | - | - | 1,480 | - | 150,000 | - | - | 151,466 |
| Unit holder holding 10% or more units | | | | | | | | | | |
| Jubilee General Insurance Company Limited | 2,978,090 | - | - | - | 2,978,090 | 300,246,586 | - | - | - | 304,743,800 |
| Pakistan Petroleum Limited | - | 2,691,575 | - | - | 2,691,575 | - | 273,000,000 | - | - | 275,425,109 |

| | For the quarter ended 30 September 2016 (UN-AUDITED) | For the quarter ended 30 September 2015 (UN-AUDITED) |
|--|--|--|
| | Rupees | |

10.1 Other transactions

Associated Companies / Undertakings

Alfalah GHP Investment Management Limited -Management Company

| | | |
|--|------------------|-----------|
| Remuneration of the Management Company | 3,298,235 | 4,553,475 |
| Sales tax on management fee | 428,768 | 739,484 |
| Federal Excise Duty on management fee | - | 728,556 |
| Sales load | - | - |

Bank Alfalah Limited

| | | |
|--|--------------------|---------------|
| Bank Charges | 19,362 | 14,531 |
| Profit on deposit account at the end of the period | 1,733,453 | 1,164,235 |
| Purchase market treasury bills | 538,880,000 | 655,830,000 |
| Sales market treasury bills | - | 1,138,447,045 |

Alfalah GHP Income Multiplier Fund

| | | |
|-----------------------------|---|------------|
| Sales market treasury bills | - | 68,968,480 |
|-----------------------------|---|------------|

Alfalah GHP Income Fund

| | | |
|--------------------------------|---|---|
| Purchase market treasury bills | - | - |
|--------------------------------|---|---|

Alfalah GHP Sovereign Fund

| | | |
|--------------------------------|--------------------|-------------|
| Sales market treasury bills | 159,845,574 | 148,603,920 |
| Purchase market treasury bills | - | 199,014,900 |

Other Related Parties

Central Depository Company of Pakistan Limited - (Trustee of the Fund)

| | | |
|--------------------------------|----------------|---------|
| Remuneration of the Trustee | 498,064 | 615,596 |
| Sindh Sales Tax on Trustee Fee | 64,749 | 86,106 |

**10.2 Other balances**

| | As at September 30, 2016 (UN-AUDITED) | As at June 30, 2016 (AUDITED) |
|---|--|--|
| | -----Rupees----- | |
| Associated Companies / Undertakings | | |
| Alfalsh GHP Investment Management Limited -Management Company | | |
| Remuneration payable to the Management Company | 873,313 | 1,192,550 |
| Sales tax payable on management fees | 682,765 | 735,902 |
| Federal Excise Duty payable on management fees | 11,119,352 | 11,119,352 |
| Sales load payable | 1,321 | 1,321 |
| Expenses allocated by the Management Company | 967,074 | 967,074 |
| Bank Alfalsh Limited | | |
| Balance in deposit accounts at the end of the period | 19,904,421 | 522,853,963 |
| Mark-up receivable on bank deposit | 107,465 | 263,091 |
| Other Related Parties | | |
| Central Depository Company of Pakistan Limited - (Trustee of the Fund) | | |
| Remuneration payable to the Trustee | 140,422 | 331,657 |
| Sales tax on Trustee fee | 19,245 | 47,499 |

11. 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 realised or unrealised is distributed amongst the unit holders. Further the management has intention to distribute at least 90% of the accounting income during the year ending 30 June 2016. Accordingly, no tax provision has been made in this condensed interim financial information for the quarter ended 30 September 2016.

12. GENERAL

12.1 Figures have been rounded off to the nearest rupee.

13. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by Board of Directors of the Management Company on October 31, 2016.

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

Chief Executive Officer

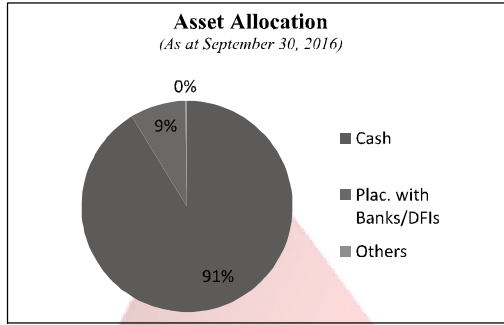
Director



فنڈ کی کارکردگی:

الفلاح جی ایچ پی مانی مارکیٹ فنڈ: فنڈ آپریشن اور اس کی کارکردگی:

سال کے پہلے سہ ماہی کے دوران آپ کے فنڈ کی آمدنی شیئنگ مارک 4.48% کے مقابلے میں 5.74% حاصل ہوئی۔



(ملین روپے)

مالی تفصیلات:

| تفصیل | برائے سہ ماہی ستمبر 2016ء | برائے سہ ماہی ستمبر 2015ء |
|--------------------------------------|---------------------------|---------------------------|
| اوسط صفائی اخراجات | 1,442.34 | 2,013.04 |
| مجموعی آمدنی | 27.96 | 40.99 |
| کل آمدنی | 20.59 | 29.71 |
| نی پیٹ صفائی اخراجات (پاکستانی روپے) | 99.6407 | 102.3286 |
| سال کے دوران پیش کا اجراء | 1,144.76 | 1,152.69 |
| سال کے دوران پیش کی کمی | -3,575.58 | -1,959.03 |

اظہار تشکر:

ڈائریکٹر سیکورٹیز ریٹریڈ ایجنٹس کمیشن آف پاکستان کے تعاون پر ان کا شکریہ ادا کرتے ہیں اس کے علاوہ بورڈ نے انتظامی کمپنی کے ملازمین اور اسٹریٹجک 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 قیامی 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 2016 Jul-Aug کے لئے 27.28 فیصد بڑھا اسی طرح کارکن ترسیلات میں 3.19 فیصد سے کمی دیکھی گئی۔ جبکہ FDI اور FPI نمبر زبھی کم رہے۔

زرمبادلہ کے ذخائر 23 ارب ڈالر کی بلند ترین سطح پر رہے جس کی وجہ سے روپے کی قدر میں 0.30 فیصد اضافہ دیکھا گیا اور ادائیگیوں کے توازن سے ڈالر کے مقابلے میں شرح مبادلہ جس میں کوئی فرق نہیں پڑا۔

آیو بیون فرم 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۔

مٹی مارکیٹ

اسٹیٹ بینک نے سہ ماہی کے دوران ڈسکاؤنٹ ریٹ 6.25 فیصد اور پالیسی ریٹ 5.75 فیصد برقرار رکھا۔ انٹرنیشنل مارکیٹ کی توقعات کے پیش نظر سہ ماہی میں مجموعی طور پر CPI 4 فیصد رہنے کی توقع ہے۔ خام تیل کی بین القوامی قیمتوں میں کمی بھی اضافہ اور کرنسی کی قدر میں کمی بھی کی شرح سود پر اثر انداز ہو سکتے ہیں۔

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





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