

HBL

ASSET MANAGEMENT LTD.
ایسیٹ مینجمنٹ لمیٹڈ



HBL Pension Fund & HBL Islamic Pension Fund

Quarterly
REPORT **2019**

For the period ended September 30, 2019

MOVING TOWARDS
EXCELLENCE

TABLE OF CONTENTS

<i>Corporate Information</i>	02
<i>Report of the Directors of the Management Company</i>	03 - 05
HBL Pension Fund	
<i>Fund Information</i>	07
<i>Condensed Interim Statement of Assets and Liabilities</i>	08
<i>Condensed Interim Statement of Comprehensive Income</i>	09 - 10
<i>Condensed Interim Statement of Movement in Unit Holders' Fund</i>	11
<i>Condensed Interim Cash Flow Statement</i>	12
<i>Notes to the Condensed Interim Financial Information</i>	13 - 28
HBL Islamic Pension Fund	
<i>Fund Information</i>	30
<i>Condensed Interim Statement of Assets and Liabilities</i>	31
<i>Condensed Interim Statement of Comprehensive Income</i>	32 - 33
<i>Condensed Interim Statement of Movement in Unit Holders' Fund</i>	34
<i>Condensed Interim Cash Flow Statement</i>	35
<i>Notes to the Condensed Interim Financial Information</i>	36- 50

CORPORATE INFORMATION

Management Company

HBL Asset Management Limited

Board of Directors (Composition as of October 29, 2019)

Chairman	Mr. Atif Aslam Bajwa	(Independent Director)
Directors	Mr. Mir Adil Rashid	(Chief Executive Officer)
	Mr. Shabbir Hussain Hashmi	(Independent Director)
	Ms. Ava Ardeshir Cowasjee	(Independent Director)
	Mr. Shahid Ghaffar	(Independent Director)
	Mr. Rizwan Haider	(Non-Executive Director)
	Mr. Rayomond H. Kotwal	(Non-Executive Director)
	Mr. Aamir Hasan Irshad	(Non-Executive Director)

Audit Committee

Chairman	Mr. Shabbir Hussain Hashmi	(Independent Director)
Members	Ms. Ava Ardeshir Cowasjee	(Independent Director)
	Mr. Shahid Ghaffar	(Independent Director)
	Mr. Rayomond H. Kotwal	(Non-Executive Director)

Human Resource Committee

Chairman	Mr. Atif Aslam Bajwa	(Independent Director)
Members	Mr. Shabbir Hussain Hashmi	(Independent Director)
	Mr. Rayomond H. Kotwal	(Non-Executive Director)

Risk Management Committee

Chairman	Mr. Shahid Ghaffar	(Independent Director)
Members	Mr. Rizwan Haider	(Non-Executive Director)
	Mr. Aamir Hasan Irshad	(Non-Executive Director)

Company Secretary & Chief Financial Officer

Mr. Noman Qurban

AMC Rating

AM2+ (Positive Outlook)

Legal Advisors

Mandviwalla & Zafar, Advocates and Legal Consultants,
Mandviwalla Chambers, C-15, Block-2, Clifton, Karachi.

Website

www.hblasset.com

Head Office & Registered Office

7th Floor, Emerald Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of HBL Asset Management Limited is pleased to present its report along with Financial Statements Report of HBL Pension Fund and HBL Islamic Pension Fund (the Funds) for the three months ended September 30, 2019.

ECONOMIC REVIEW:

Pakistan's macroeconomic landscape witnessed a huge shift over the past year as policymakers adopted multiple measures aimed at stabilization of the economy. During the quarter under review, most of the policy measures have started to bear fruits in the form of reduced Current Account deficit, stable FX reserves and stable currency. These results have come in at the cost of slowdown in GDP growth and higher inflation. However, there was a disappointment on the fiscal front as revised fiscal deficit figures for FY19 clocked in at whopping 8.9% of GDP compared to 6.6% in FY18.

In line with the recent trend, economic slowdown continued during the quarter as reflected in a 3.3% decline in LSM during Jul-19 compared to growth of 0.8% YoY during the same period last year. The currency remained stable during the quarter after signing of IMF agreement and the release of staff report. PKR appreciated by 2% during the quarter, taking REER to 92.7 in Aug-19. Trade balance data released by PBS sustained improvement as exports grew by 2.8% YoY while imports declined steeply by 20.6% 1QFY20 dragging trade deficit by 34.9% to USD 5.7bn. The current account deficit (CAD) for 2MFY20 clocked in at USD 1.3bn (2.8% of GDP) compared to USD 2.8bn (5.5% of GDP) during the same period last year. These changes in trade balance and CAD trend reflected lag impact on aggregate demand due to 49% PKR depreciation and steep monetary tightening (750bps increase in policy rate) during the past 18 months. Due to sustained CAD, foreign exchange reserves remained flat at USD 15.0bn while SBP reserves also remained flat at USD 7.3bn (less than 2 months of import cover). PKR depreciation and above-mentioned policy changes have also contributed to overall inflationary pressures. During the quarter under review, Pakistan Bureau of Statistics published CPI with a revised base year of FY16 where average CPI for 1QFY20 came down by ~100bps from 11.2% to 10.1%. Higher CPI was mainly due to transport prices (+18%YoY) and food price (+16% YoY) during Sep-19. Core inflation (urban) remained muted during the quarter increased by 8.4% YoY compared to 7.1% YoY during the same period last year. Given these factors and maintaining considerably higher real interest rates, the central bank increased the policy rate by 100bps in July MPS while maintained the status quo in September MPS.

Moving ahead, we foresee a tough economic environment to continue with sluggish business activities and inflationary pressures. The focus would remain on meeting FATF requirements, fiscal management and government compliance with the IMF quarterly targets.

STOCK MARKET REVIEW:

Pakistan equities continued to decline in the outgoing quarter as the benchmark KSE-100 and KMI-30 indices declined by 5.4% and 5.5% respectively due to volatility on account of (1) heightened tension with neighbor country after it revoked the special status of Kashmir, (2) expectation of weak results by cyclical sectors and (3) concerns on FATF front with harsh actions in FATF review due in the next quarter. However, there were some positives during the quarter with the signing of Extended Fund Facility program (EFF) with the IMF and status quo on policy rate in Sep-19 monetary policy along with inverted yield curve in the secondary market indicating expected rate cut in the short term.

The benchmark KSE100 Index fell 1,823 points to close at 32,079 points (↓5.4%) and KMI-30 Index fell 2,965 points to close at 51,151 points (↓5.5%). Weak performance during the quarter was driven by the banking sector (eroding 550 points) as expectations of monetary easing dragged performance of mid-size banks (BAHL and MEBL). Consequently, the Cement and Power sector cause a combined attrition of 522 points. The Cement sector demand concerns persisted as the Government halted majority of public sector spending to curb fiscal deficit while overall economic slowdown also weighed on the sector's performance. The weak performance of the power sector was driven by the announcement of Right shares by leading IPP i.e. Hub Power Company. Oil & Gas Marketing Companies were also laggards with uncertainty around the issuance of Energy Sukuk II, with 11% and 6% decline in SNGP and PSO respectively. Foreigners turned buyers in the market, buying equities worth USD23mn during the quarter ended Sep-19.

Looking ahead, Pakistan equities are expected to gain further traction due to cheaper valuation and expected monetary easing in the near term. Moreover, market would closely watch any development on FATF, macroeconomic indicators and corporate earnings. We believe Pakistan equities offer a good entry opportunity for long term investors.

MONEY MARKET REVIEW:

SBP continued its policy of monetary tightening in 1QFY20 to anchor the rising current account deficit and increasing inflationary pressures. However, longer tenor yields dropped by 86-154 bps with yields of shorter tenor government securities increased by 62-136 bps (in line with a policy rate hike of Jul-19) leading to the inverted yield curve as market participants are eyeing peak of interest rates in the medium term. Secondary market yields of 3, 5 and 10-year PIBs dropped by 121, 158 and 154 bps respectively while yields of 3, 6 and 12-month T-Bills adjusted upwards by 100, 91 and 62 bps respectively. During the quarter under review, SBP conducted six T-bill auctions with a cumulative target of PKR 5,500bn against the maturity of PKR 4,577bn. The total accepted amount was PKR 5,092bn. SBP conducted Fixed Rate PIBs auction towards quarter end on September 18, 2019 with a target of PKR125bn against the maturity of PKR 63.2bn. Cumulative participation of PKR 698.1bn was received in 3, 5Y, 10 & 20 years tenor. The government accepted PKR 62.6bn, PKR 61.1bn and PKR 40.2bn in the 3, 5 and 10-year tenors, respectively while rejected all bids in 20 years tenor. The cut off yields were 12.9500%, 12.5000% and 12.2483% in the same order leading to an inverted yield curve. In the Floating Rate PIBs auction, the government accepted PKR 91.2bn and set spread at a cut-off of 65bps over the benchmark.

As per the latest data available, Islamic Banking industry assets posted 20.6% growth and stood at PKR 2,992 billion by Jun-19. Similarly, deposits of Islamic banks also witnessed a sharp growth of 18.8% YoY and reached PKR 2,415 billion by Jun-19. Despite the massive growth in assets and deposits, SBP has not issue any fixed or floating rate GOP Ijarah Sukuk in the last one year. The government issued Islamic Sukuk of PKR 200bn in a previous fiscal year to partially retire the circular debt. This is a long term instrument and will be an SLR Eligible resulting in increased investment avenues for the Islamic banks. Moreover, we expect an additional PKR 200bn of Islamic Sukuk would be issued in 2QFY20 to settle a circular debt and the issue is also expected to be a long term instrument with an SLR eligibility.

During the quarter, the Government shifted its borrowing from scheduled banks to SBP. The government raised PKR 1,717bn from scheduled banks against the retirement of PKR 1,433bn during the same period last year due to the borrowing limit from SBP under the IMF program. Meanwhile, Government borrowing from SBP reduced by PKR 1,394bn during the period against the borrowing of PKR 1,518bn during the same period last year. Towards the end of the quarter there was a net injection of PKR 1,970.8bn at 13.33% through Open Market Operations (OMO).

In the monetary policy held in July-19, SBP increased the policy rate by a further 100bps to 13.25%, bringing a calculative increase in the policy rate to 750bps. However, in monetary policy held in Sep-19 SBP maintained the status quo. Going forward, we expect that interest rates have peaked out and lower inflation under new methodology can lead to some cut in interest rates within this fiscal year.

Fund's Performance

HBL Pension Fund

The Fund comprises of three sub funds namely Equity sub-fund, Debt sub-fund and Money Market sub-fund.

The Fund as a whole earned total and net income of Rs. 5.99 million and Rs. 3.33 million respectively during the period under review. The fund size increased from Rs. 462 million as on June 30, 2019 to Rs. 466 million as at September 30, 2019 thereby showing an increase of 1% during the period under review. Performance review for each sub Fund is given below:

Equity Sub-Fund

During the period under review, the Equity sub-fund incurred a total and net loss of Rs. 7.53 million and Rs. 8.62 million respectively. The net assets of the Equity sub-fund was Rs. 198 million representing Net Asset Value (NAV) of Rs. 300.0562 per unit as at September 30, 2019. The Sub Fund earned a negative return of 4.82% for the period under review.

Debt Sub-Fund

During the period under review, the Debt sub-fund earned total and net income of Rs. 9.51 million and Rs. 8.58 million respectively. The net assets of the Debt sub-fund was Rs. 152 million representing Net Asset Value (NAV) of Rs. 182.1059 per unit as at September 30, 2019. The Fund yielded annualized return of 23.38% for the period under review.

Money Market Sub-Fund

During the period under review, the Money Market sub-fund earned total and net income of Rs. 4.01 million and Rs. 3.35 million respectively. The net assets of the Money Market sub-fund was Rs. 116 million representing Net Asset Value (NAV) of Rs. 163.3348 per unit as at September 30, 2019. An annualized return of 11.52% was earned by the Fund for the period under review.

HBL Islamic Pension Fund

The Fund comprises of three sub funds namely Equity sub-fund, Debt sub-fund and Money Market sub-fund. The Fund as a whole incurred a total and net loss of Rs. 2.08 million and Rs. 3.41 million respectively during the period under review. The fund size decreased from Rs. 248 million as at June 30, 2019 to Rs. 246 million as at September 30, 2019 showing a decline of 1%. Performance review for each sub Fund is given below:

Equity Sub-Fund

During the period under review, the Equity sub-fund incurred a total and net loss of Rs. 4.98 million and Rs. 5.65 million respectively. The net assets of the Equity sub-fund was Rs. 121 million representing Net Asset Value (NAV) of Rs. 307.0049 per unit as at September 30, 2019. The Fund yielded a negative return of 5.19% for the period under review.

Debt Sub-Fund

During the period under review, the Debt sub-fund earned total and net income of Rs. 2.26 million and Rs. 1.84 million respectively. The net assets of the Debt sub-fund was Rs. 72 million representing Net Asset Value (NAV) of Rs. 156.0589 per unit as at September 30, 2019. The Fund yielded annualized return of 9.91% for the period under review.

Money Market Sub-Fund

During the period under review, the Money Market sub-fund earned total and net income of Rs. 1.49 million Rs. 1.19 million respectively. The net assets of the Money Market sub-fund was Rs. 53 million representing Net Asset Value (NAV) of Rs. 152.0549 per unit as at September 30, 2019. An annualized return of 8.83% was earned by the Fund for the period under review.

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and patronage. It would like to place on record its appreciation for the help and guidance provided by Securities & Exchange Commission of Pakistan, Central Depository Company of Pakistan as Trustee, the Lahore Stock Exchange and State Bank of Pakistan.

The Board also wishes to place on record its appreciation for the hard work and dedication shown by the staff.

On behalf of the Board of
HBL Asset Management Limited

Chief Executive Officer

HBL

Pension Fund

FUND INFORMATION

Name of Fund	HBL Pension Fund
Name of Auditor	KPMG Taseer Hadi & Co.
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Habib Bank Limited Faysal Bank Limited Allied Bank Limited JS Bank Limited NIB Bank Limited Sindh Bank Limited Soneri Bank Limited Zarai Taraqati Bank Limited Dubai Islamic Bank Limited Askari Bank Limited Meezan Bank Limited

HBL Pension Fund
Condensed Interim Statement of Assets and Liabilities (Un-Audited)
As at September 30, 2019

	Note	September 30, 2019 (Un-audited)				June 30, 2019 (Audited)			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)									
ASSETS									
Bank balances	4	13,424	57,473	65,705	136,602	16,045	59,315	110,412	185,772
Investments - net	5	185,017	95,031	50,830	330,878	178,275	85,773	14,834	278,882
Dividend receivable and accrued mark-up		2,393	1,577	759	4,729	209	1,675	990	2,874
Advances, deposits, prepayments and other receivables		100	100	100	300	1,131	206	178	1,515
Total assets		200,934	154,181	117,394	472,509	195,660	146,969	126,414	469,043
LIABILITIES									
Payable to HBL Asset Management Limited - Pension Fund Manager		266	229	196	691	276	212	202	690
Payable to the Central Depository Company of Pakistan Limited - Trustee		27	21	16	64	27	19	17	63
Payable to the Securities and Exchange Commission of Pakistan		15	12	10	37	80	53	48	181
Accrued expenses and other liabilities	6	2,564	1,847	1,444	5,855	2,573	1,965	1,937	6,475
Total liabilities		2,872	2,109	1,666	6,647	2,956	2,249	2,204	7,409
NET ASSETS		198,062	152,072	115,728	465,862	192,704	144,720	124,210	461,634
PARTICIPANTS' SUB-FUNDS (as per statement attached)		198,062	152,072	115,728	465,862	192,704	144,720	124,210	461,634
Contingencies and commitments									
Number of units in issue	7	660,082	835,075	708,534	2,203,691	611,256	841,542	782,539	2,235,337
----- Rupees -----									
Net asset value per unit		300.0562	182.1059	163.3348		315.2585	171.9703	158.7278	

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund
Condensed Interim Income Statement (Un-audited)
For The Three Months Ended September 30, 2019

	Three months ended ended September 30, 2019				Three months ended ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----							
Income								
Dividend income	2,961	-	-	2,961	2,788	-	-	2,788
Profit on bank deposits	436	595	1,711	2,742	405	579	1,023	2,007
Mark-up / return on investments	-	3,994	2,282	6,276	-	2,812	1,789	4,601
Capital (loss) / gain on sale of investments - net	(5,673)	4,355	(24)	(1,342)	(615)	(305)	6	(914)
Unrealized (loss) / gain on revaluation of investments at fair value through profit or loss	(5,254)	564	39	(4,651)	(650)	(243)	34	(859)
	(7,530)	9,508	4,008	5,986	1,928	2,843	2,852	7,623
Expenses								
Remuneration to HBL Asset Management Limited - Pension Fund Manager	788	636	499	1,923	1,106	753	614	2,473
Remuneration of Central Depository Company of Pakistan Limited - Trustee	79	64	50	193	111	76	62	249
Annual fee to the Securities and Exchange Commission of Pakistan	15	12	10	37	22	15	12	49
Auditors' remuneration	38	29	23	90	78	75	75	228
Other expenses	164	4	2	170	9	17	6	32
Settlement and bank charges	5	13	3	21	86	31	10	127
	1,089	758	587	2,434	1,412	967	779	3,158
Net (loss) / income from operating activities	(8,619)	8,750	3,421	3,552	516	1,876	2,073	4,465
Provision for Workers' Welfare Fund	6.2	(172)	(67)	(239)	-	(43)	(41)	(84)
Net (loss) / income for the period before taxation	(8,619)	8,578	3,354	3,313	516	1,833	2,032	4,381
Taxation	8.	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(8,619)	8,578	3,354	3,313	516	1,833	2,032	4,381
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(8,619)	8,578	3,354	3,313	516	1,833	2,032	4,381

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund
Condensed Interim Statement Of Movement In Participants Sub Funds (Un-audited)
For The Three Months Ended September 30, 2019

	Three months ended ended September 30, 2019				Three months ended ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees in '000) -----							
Net assets at beginning of the period	192,704	144,720	124,210	461,634	252,448	180,305	144,682	577,435
Amount received on issuance of units	13,851	15,395	5,125	34,371	12,323	10,544	15,562	38,429
Amount paid on redemption of units	(11,250)	(8,618)	(13,588)	(33,456)	(21,532)	(10,881)	(13,051)	(45,464)
Reallocation among Sub-Funds	11,376	(8,003)	(3,373)	-	7,023	(5,051)	(1,972)	-
Net income for the period	(8,619)	8,578	3,354	3,313	516	1,833	2,032	4,381
Total comprehensive (loss) / income for the period	(8,619)	8,578	3,354	3,313	516	1,833	2,032	4,381
Net assets at end of the period	<u>198,062</u>	<u>152,072</u>	<u>115,728</u>	<u>465,862</u>	<u>250,778</u>	<u>176,750</u>	<u>147,253</u>	<u>574,781</u>

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Three Months Ended September 30, 2019

	Three months ended ended September 30, 2019				Three months ended ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES								
Net (loss) / income for the period before taxation	(8,619)	8,578	3,354	3,313	516	1,833	2,032	4,381
Adjustments:								
Unrealized (loss) / gain on revaluation of investments at fair value through profit or loss	5,254	(564)	(39)	4,651	(650)	(243)	34	(859)
	(3,365)	8,014	3,315	3,313	1,166	2,076	1,998	3,522
(Increase) / decrease in assets								
Investments - net	(11,996)	(8,694)	(35,957)	(56,647)	1,490	(8,626)	(7,305)	(14,441)
Dividend & profit receivable	(2,184)	98	231	(1,855)	(1,817)	436	22	(1,359)
Advances, deposits, prepayments and other receivables	1,031	106	78	1,215	5	-	2	7
	(13,149)	(8,490)	(35,648)	(57,287)	(322)	(8,190)	(7,281)	(15,793)
Increase / (decrease) in liabilities								
Payable to HBL Asset Management Limited - Pension Fund Manager	(10)	17	(6)	1	(4)	(4)	1	(7)
Payable to Central Depository Company of Pakistan Limited - Trustee	-	2	(1)	1	41	26	22	89
Payable to the Securities and Exchange Commission of Pakistan	(65)	(41)	(38)	(144)	(56)	(46)	(39)	(141)
Accrued expenses and other liabilities	(9)	(118)	(493)	(620)	(5,613)	204	196	(5,213)
	(84)	(140)	(538)	(762)	(5,632)	180	180	(5,272)
	(16,598)	(616)	(32,871)	(54,736)	(4,788)	(5,934)	(5,103)	(17,543)
Net cash (used in) from operating activities	(16,598)	(616)	(32,871)	(54,736)	(4,788)	(5,934)	(5,103)	(17,543)
CASH FLOWS FROM FINANCING ACTIVITIES								
Amount received on issue of units	13,851	15,395	5,125	34,371	12,323	10,544	15,562	38,429
Amount paid on redemption of units	(11,250)	(8,618)	(13,588)	(33,456)	(21,532)	(10,881)	(13,051)	(45,464)
Reallocation among Sub-Funds	11,376	(8,003)	(3,373)	-	7,023	(5,051)	(1,972)	-
Net cash generated / (used in) from financing activities	13,977	(1,226)	(11,836)	915	(2,186)	(5,388)	539	(7,035)
Net (decrease) in cash and cash equivalents	(2,621)	(1,842)	(44,707)	(49,170)	(6,974)	(11,322)	(4,564)	(22,860)
Cash and cash equivalents at beginning of the period	16,045	59,315	110,412	185,772	30,584	80,285	89,795	200,664
Cash and cash equivalents at end of the period	13,424	57,473	65,705	136,602	23,610	68,963	85,231	177,804

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

Notes to the Condensed Interim Financial Information (Un-audited)

For The Three Months Ended September 30, 2019

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Pension Fund ("the Fund") was established under a Trust Deed, dated August 17, 2011, between HBL Asset Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on October 05, 2011.

HBL Asset Management Limited is the Pension Fund Manager of the fund which is a wholly owned subsidiary of Habib Bank Limited. The Aga Khan Fund for Economic Development (AKFED), S.A. is the parent company of Habib Bank Limited. The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi Pakistan.

The Fund is an unlisted pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.

The objective of the Fund is to provide individuals with a portable, individualised, funded and flexible pension scheme, assisting and facilitating them to plan and provide for their retirement.

The Fund consists of three sub-funds namely, HBL Pension Fund Equity Sub-Fund ("Equity Sub-Fund"), HBL Pension Fund Debt Sub-Fund ("Debt Sub-Fund") and HBL Pension Fund Money Market Sub-Fund ("Money Market Sub-Fund") (collectively the "Sub-Funds"). The investment policy for each of the sub-funds are as follows:

- The Equity Sub-Fund consists of a minimum 90% of net assets invested in listed equity securities. Investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV or index weight, subject to a maximum of 35% of NAV. Remaining assets of the Equity Sub-Fund may be invested in any government security having less than one year time to maturity, or be deposited with scheduled commercial banks having at least 'A' rating.
- The Debt Sub-Fund consist of tradable debt securities with weighted average duration of the investment portfolio of the Sub-Fund not exceeding five years. At least twenty five percent (25%) of the assets in the Sub-Fund shall be invested in debt securities issued by the Federal Government. Up to twenty five percent (25%) may be deposited with banks having not less than 'AA+' rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Money Market sub-fund consists of short term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and the commercial banks having 'A+' rating provided that deposit with any one bank shall not exceed twenty (20%) of net assets. Investment in securities issued by provincial government, city government, government entity with 'A' or higher rating or a corporate entity with 'A+' or higher rating shall be made upto 10%, 5% and 5% and 5% of net assets of the Sub-Fund respectively.

The Fund offers five types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The allocation to the sub-funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

The Pension Fund Manager also offers a HBL Monthly Pension Plan ("the Income Plan") to the participants of the Fund or any other approved pension fund, at the retirement date of participants. The Income Plan intends to provide investors a monthly income stream based on investment according to the investor's desired risk exposure, within the prescribed allocation limits.

JCR-VIS Credit Rating Agency has assigned management quality rating of 'AM2' + (Positive outlook) to the Pension Fund Manager.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting (IAS - 34) and provision of and directives issued under the Companies Ordinance, 1984, the provisions of the Voluntary Pension System Rules, 2005 (the VPS Rules) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the VPS Rules or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the VPS Rules or the directives issued by the SECP shall prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2019.

This condensed interim financial information is being submitted to the participants as required under Regulation 7(f) of the VPS Rules.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.3 Functional and presentation currency

"This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3 Significant Accounting and Risk Management policies, Accounting Estimates Judgement and Changes Therein

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2019.

3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, 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.

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2019.

3.4 Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2019. None of these amendments are expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in this financial information for the year ended June 30, 2019.

4. BANK BALANCES

	Sep 30, 2019 (Unaudited)				June 30, 2019 (Audited)			
	Equity	Debt	Money	Total	Equity	Debt	Money	Total
	Sub-Fund	Sub-Fund	Market Sub-Fund		Sub-Fund	Sub-Fund	Market Sub-Fund	
Savings accounts	13,424	57,473	65,705	136,602	16,045	59,315	110,412	185,772
	13,424	57,473	65,705	136,602	16,045	59,315	110,412	185,772

4.1 This represents bank accounts held with various banks. Profit rates on these accounts range between 8.75% to 14.40% per annum (2019: 8.75% - 13.5% per annum).

5. INVESTMENTS - NET

	September 30, 2019 (Un-audited)				June 30, 2019 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees in '000) -----								
Investments by category								
At Fair value through Profit or Loss-Held for Trading								
Listed equity securities	185,017	-	-	185,017	178,275	-	-	178,275
Treasury Bills	-	39,867	50,830	90,697	-	37,477	-	37,477
Pakistan Investment Bonds	-	11,445	-	11,445	-	50	-	50
Term Finance Certificates and Sukuks	-	43,719	-	43,719	-	44,264	-	44,264
	185,017	95,031	50,830	330,878	178,275	81,791	-	260,066
At Ammortized Cost								
Commercial papers	-	-	-	-	-	3,982	14,834	18,816
	185,017	95,031	50,830	330,878	178,275	85,773	14,834	278,882

5.1.1

Listed equity securities - at fair value through profit or loss - Held for trading

Held by Equity Sub-Fund

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	As at July 1, 2019	Purchases during the year	Bonus / Rights issue	Sales during the year	As at Sep 30, 2019	Market value as at Sep 30, 2019	Market value as a percentage of total investments	Market value as a percentage of net assets of sub-fund
	-----Number of shares-----				(Rupees in '000)		-----%-----	
Automobile Parts and Accessories								
Thal Limited	13,100	8,500	-	-	21,600	5,153	2.79	0.03
	13,100	8,500	-	-	21,600	5,153	2.79	0.03
Cement								
Kohat Cement Company Limited	14,000	-	-	-	14,000	644	0.35	-
Lucky Cement Limited	12,850	1,000	-	2,500	11,350	3,883	2.10	0.02
Maple Leaf Cement	-	90,000	-	90,000	-	-	-	-
	26,850	91,000	-	92,500	25,350	4,527	2.45	0.02
Chemical								
Engro Polymer & Chemicals Limited	148,314	98,000	-	-	246,314	6,047	3.27	0.03
Sitara Chemical Industries	7,700	-	-	-	7,700	1,977	1.07	0.01
	156,014	98,000	-	-	254,014	8,024	4.34	0.04
Commercial Banks								
United Bank Limited	62,800	6,500	-	-	69,300	9,579	5.18	0.048
MCB Bank Limited	38,700	2,500	-	4,500	36,700	6,223	3.36	0.031
Bank Alfalah Limited	280,185	10,000	-	-	290,185	11,880	6.42	0.060
Bank Al Habib Limited	85,000	51,000	-	-	136,000	9,086	4.91	0.046
Allied Bank Limited	68,400	-	-	-	68,400	5,935	3.21	0.030
Faysal Bank Limited	840	118,000	-	-	118,840	1,905	1.03	0.010
Meezan Bank Limited	22,270	21,000	-	-	43,270	3,117	1.68	0.016
Askari Bank Limited	-	106,000	-	-	106,000	1,865	1.01	0.009
Bank of Punjab	397,000	78,000	-	11,000	464,000	4,046	2.19	0.020
	955,195	393,000	-	15,500	1,332,695	53,636	28.99	0.27
Engineering								
Mughal Iron and Steel Industries Limited	675	-	-	-	675	19	0.01	-
	675	-	-	-	675	19	0.01	-
Fertilizer								
Engro Corporation Limited	43,360	2,000	-	8,900	36,460	9,731	5.26	0.05
Engro Fertilizers Limited	151,000	-	-	37,000	114,000	7,778	4.20	0.04
Fauji Fertilizer Bin Qasim Limited	-	114,000	-	114,000	-	-	-	-
Fauji Fertilizer Company Limited	43,490	-	-	43,490	-	-	-	-
	237,850	116,000	-	203,390	150,460	17,509	9.46	0.09
Oil and Gas Exploration Companies								
Oil and Gas Development Company Limited	108,100	22,200	-	8,400	121,900	14,997	8.11	0.08
Pakistan Petroleum Limited	73,715	37,400	-	21,700	89,415	12,163	6.57	0.06
Mari Petroleum Company Limited	6,300	7,628	-	-	13,928	12,524	6.77	0.06
Pakistan Oilfields Limited	19,360	1,300	-	600	20,060	7,621	4.12	0.04
	207,475	68,528	-	30,700	245,303	47,305	25.57	0.24
Oil and Gas Marketing Companies								
Sui Northern Gas Pipelines Limited	55,700	-	-	-	55,700	3,431	1.85	0.02
Pakistan State Oil Company Limited	43,148	68,000	-	66,700	44,448	7,000	3.78	0.04
	98,848	68,000	-	66,700	100,148	10,431	5.63	0.06
Power Generation and Distribution								
Hub Power Company Limited	99,140	65,100	-	-	164,240	11,620	6.28	0.06
PAKGEN Power Limited	68,000	-	-	-	68,000	795	0.43	-
K-Electric Limited	442,000	50,000	-	-	492,000	1,747	0.94	0.01
Searle Pakistan Limited **	10,500	2,079	-	-	12,579	1,739	0.94	0.01
	619,640	117,179	-	-	736,819	15,901	8.59	0.08
Pharmaceuticals								
AGP Limited	16,375	17,000	-	-	33,375	2,156	1.17	0.01
Highnoon Laboratories Limited	8,316	-	-	1,500	6,816	2,180	1.18	0.01
	24,691	17,000	-	1,500	40,191	4,336	2.35	0.02
Transport								
Pakistan National Shipping Corporation	40,000	-	-	3,500	36,500	2,305	1.25	0.01
	40,000	-	-	3,500	36,500	2,305	1.25	0.01
Insurance								
Adamjee Insurance Co. Ltd	50,000	70,000	-	50,000	70,000	1,964	1.06	0.01
	50,000	70,000	-	50,000	70,000	1,964	1.06	0.01
Sugar and Allied								
Shahmurad Sugar Mills	1,900	-	-	1,900	-	-	-	-
	1,900	-	-	1,900	-	-	-	-
Paper and Board								
Century Paper & Board Mills	39,000	-	-	-	39,000	1,073	0.58	0.01
Security Paper Limited	24,000	-	-	24,000	-	-	-	-
	63,000	-	-	24,000	39,000	1,073	0.58	0.01
LEATHER AND TANNERIES								
Bata (Pakistan) Ltd	240	1,500	-	240	1,500	1,800	0.97	0.01
	240	1,500	-	240	1,500	1,800	0.97	0.01
Technology and Communication								
Systems Limited	-	12,500	-	-	12,500	1,041	0.56	0.01
	-	12,500	-	-	12,500	1,041	0.56	0.01
Textile Composite								
Nishat Mills Limited	41,500	60,000	-	31,000	70,500	5,922	3.20	0.03
Interloop Limited	67,988	7,000	-	25,500	49,488	2,174	1.18	0.01
Gul Ahmed Textile Mills Limited	-	40,000	-	-	40,000	1,897	1.03	0.01
	109,488	107,000	-	56,500	159,988	9,993	5.41	0.05
	2,604,966	1,168,207	-	546,430	3,226,743	185,017	99	0.94

These include gross bonus shares as per Fund's entitlement declared by the investee company. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Pension Fund Manager of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, have filed a petition in Honourable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 57(3)(viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Honourable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement amounting Rs. 0.1294 million (2019: Rs. 0.1180 million) and not yet deposited with Government Treasury. Pension Fund Manager is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis.

5.2 Government securities - Treasury bills- At fair value through Profit or loss-Held for Trading

5.2.1 Held by Debt Sub-Fund

Treasury bills - having face value of Rs. 100 each	Issue date	Face value				Amortised cost as at Sep 30, 2019	Market value as at Sep 30, 2019	Market value as a percentage of	
		As at July 1, 2019	Purchases during the period	Sales / matured during the period	As at September 30, 2019			Total investments of the sub-fund	Net assets of the sub-fund
		(Rupees in '000)						%	
Treasury Bill - 3 months	May 9, 2019	12,500	-	12,500	-	-	-	-	-
Treasury Bill - 3 months	May 23, 2019	25,500	3,000	28,500	-	-	-	-	-
Treasury Bill - 3 months	August 1, 2019	-	37,500	37,500	-	-	-	-	-
Treasury Bill - 3 months	July 18, 2019	-	210,000	170,000	40,000	39,864	39,867	41.95	26.22
Treasury Bill - 3 months	Sep, 23, 2019	-	100,000	100,000	-	-	-	-	-
		38,000	350,500	348,500	40,000	39,864	39,867	42	26

Pakistan investment bonds	Issue date	Face value				Amortized Cost end of the year	Market value as at September 30, 2019 end of the year	Market value as a percentage of	
		As at July 1, 2019	Purchases during the period	Sales / matured during the period	As at September 30, 2019			Total investments of the sub-fund	Net assets of the sub-fund
		(Rupees in '000)						%	
Pakistan Investment Bonds 5 years	July 12, 2018	-	131,800	131,800	-	-	-	-	-
Pakistan Investment Bonds 5 years	Sep, 19, 2019	-	100,000	100,000	-	-	-	-	-
Pakistan Investment Bonds 10 years	July 12, 2018	-	50,000	36,000	14,000	10,852	11,445	12.04	7.53
Pakistan Investment Bonds 5 years	August 9, 2018	50	-	50	-	-	-	-	-
		50	281,800	267,850	14,000	10,852	11,445	12.04	7.53

5.2.2 Held by Money Market Sub-Fund

Treasury bills - having face value of Rs. 100 each	Issue date	Face value				Amortised cost as at Sep 30, 2019	Market value as at Sep 30, 2019	Market value as a percentage of	
		As at July 1, 2019	Purchases during the period	Sales / matured during the period	As at Sep 30, 2019			Total investments of the sub-fund	Net assets of the sub-fund
		(Rupees in '000)						%	
Treasury Bill - 3 months	August 16, 2019	-	88,000	88,000	-	-	-	-	-
Treasury Bill - 3 months	July 18, 2019	-	323,000	272,000	51,000	50,856	50,830	100.00	43.92
		-	411,000	360,000	51,000	50,856	50,830	100.00	43.92

5.4 Term Finance Certificates and Sukuk bonds - At fair value through Profit or loss-Held For Trading

5.4.1 Held by Debt Sub-Fund

Name of the investee company	Number of certificates				Amortized cost as at September 30, 2019	Market value / Carrying value as at September 30, 2019	Market value as a percentage of	
	As at July 1, 2019	Purchases during the year	Sales / Matured during the year	As at September 30, 2019			Total investments of the sub-fund	Net assets of the sub-fund
	----- (Rupees in '000) -----					----- % -----		
Commercial Banks								
Bank Alfalah Limited	1,000	-	-	1,000	5,058	4,987	5.25	3.28
JS Bank Limited	-	-	-	-	-	-	-	-
Bank of Punjab	60	-	-	60	5,936	5,900	6.21	3.88
				-				-
Fertilizers								
Dawood Hercules Corporation Limited Sukuk *	60	-	-	60	5,394	5,367	5.65	3.53
Multiutilities								
K-Electric Limited	1,200	-	-	1,200	3,300	3,334	3.51	2.19
Hub Power Company Limited	1,800	-	-	1,800	9,000	9,000	9.47	5.92
Miscellaneous								
International Brands Limited Sukuk	40	-	-	40	4,000	3,721	3.92	2.45
Jahangir Siddiqui and Company Limited	2,000	-	-	2,000	10,000	9,935	10.45	6.53
Multiutilities								
Water and Power Development Authority	798	-	-	798	1,481	1,475	1.55	0.97
	6,958	-	-	6,958	44,169	43,719	46.01	22.83

* Related party due to common directorship

5.4.2 Commercial papers - At Amortized Cost

Held by Debt Sub-Fund								
	Maturity Date	As at July 1, 2019	Placement made during the year	Income Accrued	Matured during the year	As at Sep 30, 2019	Percentage of total value of investments	Percentage of Net Assets
Name of Company								
Hascol Petroleum	January 3, 2019	3,982	-	-	3,982	-	-	-
					3,982			
Held by Money Market Fund								
	Maturity Date	As at July 1, 2019	Placement made during the year	Income Accrued	Matured during the year	As at Sep 30, 2019	Percentage of total value of investments	Percentage of Net Assets
Name of Company								
Hascol Petroleum	January 3, 2019	7,967	-	-	7,967	-	-	-
k-Electric	February 28, 2019	6,867	-	-	6,867	-	-	-
		14,834			14,834			

6. ACCRUED EXPENSES AND OTHER LIABILITIES

	September 30, 2019 (Un-audited)				June 30, 2019 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	(Rupees in '000)				(Rupees in '000)				
Auditors' remuneration	155	93	76	324	117	64	53	234	
Payable against purchase of investments	-	-	-	-	-	-	-	-	
Payable against redemption of units	-	-	-	-	47	322	584	953	
Federal Excise Duty	6.1	763	878	836	2,477	763	878	836	2,477
Provision for Sindh Workers' Welfare Fund	6.2	1,643	866	529	3,038	1,643	694	462	2,799
Other payable	3	10	3	16	3	7	2	12	
	2,564	1,847	1,444	5,855	2,573	1,965	1,937	6,475	

6.1 PROVISION FOR FEDERAL EXCISE DUTY

The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in note 13.1 to the annual audited financial statements of the Fund for the year ended June 30, 2019, and the appeal filed by tax authorities against the order passed by Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 0.763 million. Had the provision not been made, the Net Assets Value per unit of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at Sep 30, 2019 would have been higher by Rs. 1.16, Rs. 1.05 and Rs. 1.17 (2019: Rs. 1.25, Rs. 1.04 and Rs. 1.07) per unit respectively. However after the exclusion of the mutual funds from federal statute on FED from 1 July 2016, the Fund has discontinued making the provision in this regard.

6.2 PROVISION FOR WORKERS' WELFARE FUND

The legal status of applicability of Workers' Welfare Fund and Sindh Workers' Welfare Fund (SWWF) is same as that disclosed in note 20 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

As there is a loss for the three months ended September 30, 2018, therefore, no provision for SWWF has been made recognised in this condensed interim financial information. Had the provision not been made, net asset value per unit of Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund at September 30, 2019 would have been higher by Rs. 2.49, Rs.1.04 and Rs 0.75 (June 30, 2019 Rs. 2.69, Re.0.82 and Re. 0.59) per unit.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies or commitments outstanding as at September 30, 2019.

8. TAXATION

No provision for taxation for the period ended September 30, 2019, has been made in the view of exemption available under clause 57 (3) (viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001.

9. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Pension Fund Manager, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, collective investment schemes managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager and the concerned persons. Transactions with connected persons are made in the normal course of business, at contracted rates and terms determined in accordance with market rates. Remuneration payable to Pension Fund Manager and Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in this condensed interim financial information are as follows:

9.1 Transactions during the period

	Three months ended ended September 30, 2019				Three months ended ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)				(Rupees in '000)			
HBL Asset Management Limited - Pension Fund Manager								
Management fee	788	636	499	1,923	1,106	753	614	2,473
Habib Bank Limited - Sponsor								
Profit on bank deposits earned	177	228	320	725	76	127	96	299
Profit received on bank deposits	161	201	168	530	128	47	38	213
Central Depository Company of Pakistan Limited - Trustee								
Remuneration	79	64	50	193	111	76	62	249
Directors and their relatives								
	Number				Number			
Reallocation of units	2,680	(3,500)	(854)	(1,674)	1,448	(2,457)	(723)	(1,732)
Amount of units Reallocated	754	(616)	(138)	-	499	(392)	(107)	-
Executives and their relatives								
	Number				Number			
Issuance of units	703	2,252	-	2,955	-	-	-	-
Amount of Issuance	210	390	-	600	-	-	-	-
Reallocation of units	(1,626)	2,716	-	1,090	124	(197)	(39)	(112)
Amount of units Reallocated	(472)	472	-	-	43	(37)	(6)	-
Redemption of units	-	-	-	-	399	366	-	765
Amount of units Redeemed	-	-	-	-	142	34	-	176

9.2 Balances outstanding as at period end

	September 30, 2019 (Un-audited)				June 30, 2019 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)				(Rupees in '000)			
HBL Asset Management Limited - Pension Fund Manager								
Management fee payable	235	184	141	560	243	169	146	558
Sindh Sales Tax payable	30	24	18	72	32	22	19	73
Sales load payable	1	21	37	59	1	21	37	59
Federal Excise Duty payable	763	878	836	2,477	763	878	836	2,477
Habib Bank Limited - Sponsor								
	Number				Number			
Units held	203,077	-	-	203,077	203,077	-	-	203,077
	(Rupees in '000)				(Rupees in '000)			
Amount of units held	60,934	-	-	60,934	64,022	-	-	64,022
Mark-up accrued on deposits with bank	53	38	159	250	39	138	126	303
Balance in savings account	9,408	30,004	20,047	59,459	10,230	30,666	25,889	66,785
Directors and Executives of the Pension Fund Manager and their relatives								
Directors and their relatives								
	Number				Number			
Units held	12,950	49,671	13,539	76,160	10,270	53,170	14,392	77,832
Amount of units held	3,886	9,045	2,211	15,142	3,238	9,144	2,284	28,998
Executives and their relatives								
	Number				Number			
Units held	10,086	16,386	-	26,472	11,009	11,418	-	22,427
Amount of units held	3,026	2,984	-	6,010	3,471	1,963	-	5,434
Directors of Habib Bank Limited Executives and their relatives								
	Number				Number			
Units held	-	-	-	-	-	-	-	-
Amount of units held	-	-	-	-	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee								
	(Rupees in '000)				(Rupees in '000)			
Remuneration payable	27	21	16	64	76	51	42	169
Security deposit receivable	100	100	100	300	100	100	100.00	300

10 FAIR VALUE AND CATEGORIES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

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

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and

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

		Sep 30, 2019						
		Carrying Amount			Fair Value			
		Held for trading	At Amortized Cost	Other Financial asset/Liabilities	Total	Level 1	Level 2	Total
Note		(Rupees in '000)						
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
- Listed equity securities	5.1.1	185,017	-	-	185,017	185,017	-	185,017
Government securities								
- Treasury Bills		90,697	-	-	90,697	-	90,697	90,697
- Pakistan Investment Bonds		11,445	-	-	11,445	-	11,445	11,445
Term Finance Certificates and Sukuk Bonds - Unlisted								
		43,719	-	-	43,719	-	43,719	43,719
		<u>330,878</u>	<u>-</u>	<u>-</u>	<u>330,878</u>	<u>185,017</u>	<u>145,861</u>	<u>330,878</u>
Financial assets not measured at fair value								
	10.1							
Bank balances		-	136,602	-	136,602	-	-	-
Investments								
- Unlisted equity securities		-	-	-	-	-	-	-
- Term Deposit Receipts (TDRs)		-	-	-	-	-	-	-
Dividend receivable and accrued mark-up		-	4,729	-	4,729	-	-	-
Placements		-	-	-	-	-	-	-
Advances, deposits, prepayments and other receivables		-	300	-	300	-	-	-
		<u>-</u>	<u>141,631</u>	<u>-</u>	<u>141,631</u>	<u>-</u>	<u>-</u>	<u>-</u>

Sep 30, 2019						
Carrying Amount			Fair Value			
Held for trade	Loans and receivables	Other Financial asset/Liabilities	Total	Level 1	Level 2	Total

Note----- (Rupees in '000) -----

Financial liabilities not measured at fair value

Payable to the Pension Fund Manager	-	612	612	-	-	-
Payable to the Trustee	-	57	57	-	-	-
Payable to the Securities and Exchange Commission of Pakistan	-	37	37	-	-	-
Accrued expenses and other liabilities	-	340	340	-	-	-
Participants' Sub Funds	-	465,862	465,862	-	-	-
	-	466,908	466,908	-	-	-

June 30, 2019						
Carrying Amount			Fair Value			
Held for trading	At Ammortized Cost	Held to maturity	Total	Level 1	Level 2	Total

Note----- (Rupees in '000) -----

On-balance sheet financial instruments

Financial assets measured at fair value

Investments	5					
- Listed equity securities	178,275	-	-	178,275	178,275	-
Government securities						
- Treasury Bills	37,477	-	-	37,477	-	37,477
- Pakistan Investment Bonds	50	-	-	50	-	50
Term Finance Certificates and Sukuk Bonds - Unlisted	44,264	-	-	44,264	-	44,264
	260,066	-	-	260,066	178,275	81,791
						260,066

Financial assets not measured at fair value

Bank balances	-	185,772	-	185,772	-	-
Investments						
- Unlisted equity securities	-	-	-	-	-	-
- Term Deposit Receipts (TDRs)	-	-	-	-	-	-
- Dividend Receivables and accrued markup	-	2,874	-	2,874	-	-
Advances, deposits, prepayments and other receivables	-	1,515	-	-	-	-
Placements	-	-	-	-	-	-
	-	190,161	-	188,646	-	-

June 30, 2019						
Carrying Amount			Fair Value			
Held for trading	At amortized	Held to maturity	Total	Level 1	Level 2	Total

----- (Rupees in '000) -----

Financial liabilities not measured at fair value

Payable to the Pension Fund Manager	690	-	-	690	-	-
Payable to the Trustee	63	-	-	63	-	-
Payable to the Securities and Exchange Commission of Pakistan	160	-	-	160	-	-
Accrued expenses and other liabilities	1,199	-	-	1,199	-	-
Participants' Sub Funds	-	-	-	-	-	-
	2,112	-	-	2,112	-	-

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

10.2 Valuation techniques

For level 1 investments at fair value through other comprehensive income - available-for-sale investment in respect of equity securities, Fund uses daily quotation shares which are taken from Pakistan Stock Exchange Limited at reporting date.

10.3 Transfers during the year

There were no transfers between various levels of fair value hierarchy during the year.

11. DATE OF AUTHORISATION FOR ISSUE

The condensed interim financial information was authorised for issue by the Board of Directors of the Pension Fund Manager on October 29, 2019.

12. GENERAL

Figures have been rounded off to the nearest thousand rupees.

**For HBL Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Pension Fund

FUND INFORMATION

Name of Fund	Islamic Pension Fund
Name of Auditor	KPMG Taseer Hadi & Co.
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Habib Bank Limited Faysal Bank Limited Allied Bank Limited Dubai Islamic Bank Summit Bank Limited Meezan Bank Limited Bank Al Habib Limited Bank Islami Pakistan Limited Soneri Bank Limited Habib Metropolitan Bank Limited

HBL Islamic Pension Fund

Condensed Interim Balance Sheet

As At September 30, 2019

Note	September 30, 2019 (Un-Audited)				June 30, 2019 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	(Rupees in '000)				(Rupees in '000)				
ASSETS									
Bank balances	4	11,242	49,023	50,951	111,216	12,902	47,175	49,444	109,521
Investments - net	5	111,065	21,945	2,351	135,361	111,997	25,333	3,975	141,305
Dividend receivable and accrued mark-up		1,503	1,108	384	2,995	169	943	653	1,765
Advances, deposits, prepayments and other receivables		648	547	133	1,328	595	160	133	888
Total assets		124,458	72,623	53,819	250,900	125,663	73,611	54,205	253,479
LIABILITIES									
Payable to HBL Asset Management Limited - Pension Fund Manager		196	113	87	396	207	116	90	413
Payable to the Central Depository Company of Pakistan Limited - Trustee		16	10	7	33	17	10	8	35
Payable to the Securities and Exchange Commission of Pakistan		9	6	5	20	60	31	25	116
Accrued expenses and other liabilities	6	3,506	801	611	4,918	3,490	855	838	5,183
Total liabilities		3,727	930	710	5,367	3,774	1,012	961	5,747
NET ASSETS		120,731	71,693	53,109	245,533	121,889	72,599	53,244	247,732
PARTICIPANTS' SUB-FUNDS (as per statement attached)		120,731	71,693	53,109	245,533	121,889	72,599	53,244	247,732
Contingencies and commitments									
Number of units in issue	7	393,254	459,398	349,278	1,201,930	376,403	476,820	357,964	1,211,187
Net asset value per unit		307.0049	156.0589	152.0549		323.8249	152.2556	148.7409	

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund
Condensed Interim Income Statement (Un-audited)
For The Three Months Ended September 30, 2019

	Three months ended September 30, 2019				Three months ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Income								
Dividend income	1,579	-	-	1,579	1,963	-	-	1,963
Profit on bank deposits and Term Deposit	237	1,466	1,441	3,144	327	1,075	1,430	2,832
Mark-up / return on investments	-	801	50	851	-	689	103	792
Capital gain on sale of investments	(3,835)	(24)	-	(3,859)	(7)	-	-	(7)
	(2,019)	2,243	1,491	864	2,283	1,764	1,533	5,580
Unrealized (loss) / gain on investment classified as 'held for trading'	(2,964)	20	-	(2,944)	(1,457)	(170)	-	(1,627)
	(4,983)	2,263	1,491	(2,080)	826	1,594	1,533	3,953
Expenses								
Remuneration of HBL Asset Management Limited - Pension Fund Manager	482	318	229	1,029	763	426	357	1,546
Remuneration of Central Depository Company of Pakistan Limited - Trustee	48	32	23	103	77	43	36	156
Annual fee to the Securities and Exchange Commission of Pakistan	9	6	5	20	15	8	7	30
Auditors' remuneration	44	23	19	86	75	75	75	225
Settlement and bank charges	4	3	3	10	151	5	5	161
Other expenses	79	-	-	79	6	13	6	25
	666	382	279	1,327	1,087	570	486	2,143
Net (loss) / income from operating activities	(5,649)	1,881	1,212	(3,407)	(261)	1,024	1,047	3,437
Provision for Workers' Welfare Fund	-	37	24	-	(9)	(24)	(20)	(53)
Net income for the period before taxation	(5,649)	1,844	1,188	(3,407)	(252)	1,000	1,027	3,384
Taxation	-	-	-	-	-	-	-	-
Net income for the period after taxation	(5,649)	1,844	1,188	(3,407)	(252)	1,000	1,027	3,384
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	(5,649)	1,844	1,188	(3,407)	(252)	1,000	1,027	3,384

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund
Condensed Interim Statement Of Movement In Participants' Sub Funds (Un-audited)
For The Three Months Ended September 30, 2019

	Three months ended September 30, 2019				Three months ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)				(Rupees in '000)			
Net assets at beginning of the period	121,889	72,599	53,244	247,732	171,901	101,731	83,431	357,063
Amount received on issuance of units	1,268	9,494	4,719	15,481	13,362	3,252	10,907	27,521
Amount paid on redemption of units	(5,141)	(5,998)	(3,924)	(15,063)	(7,669)	(4,468)	(12,784)	(24,921)
Reallocation among Sub-Funds	8,364	(6,246)	(2,118)	-	3,187	(2,443)	(744)	-
Net income for the period	(5,649)	1,844	1,188	(2,617)	(252)	1,000	1,027	1,775
Total comprehensive income for the period	-	-	-	-	(252)	1,000	1,027	1,775
Net assets at end of the period	120,731	71,693	53,109	245,533	180,529	99,072	81,838	361,438

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Three Months Ended September 30, 2019

	Three months ended September 30, 2019				Three months ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees in '000) -----								
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the period before taxation	(5,649)	1,844	1,188	(2,617)	(252)	1,000	1,027	1,775
Investments - net	932	3,388	1,624	5,944	(9,903)	(7,647)	(7,197)	(24,747)
Dividend and profit receivable	(1,334)	(165)	269	-	(1,575)	(319)	(171)	-
Advances, deposits, prepayments and other receivables	(53)	(387)	-	(440)	-	30	12	42
	(455)	2,836	1,893	5,504	(11,478)	(7,936)	(7,356)	(24,705)
Increase / (decrease) in liabilities								
Payable to HBL Asset Management Limited - Pension Fund Manager	(11)	(3)	(3)	(17)	16	(1)	5	20
Payable to Central Depository Company of Pakistan Limited - Trustee	(1)	-	(1)	(2)	29	15	13	57
Payable to Securities and Exchange Commission of Pakistan	(51)	(25)	(20)	(96)	(42)	(24)	(18)	(84)
Accrued expenses and other liabilities	16	(54)	(227)	(265)	3,313	106	104	3,523
	(47)	(82)	(251)	(380)	3,316	96	104	3,516
Dividend income received	(6,151)	4,598	2,830	2,507	(8,414)	(6,840)	(6,225)	(19,414)
Mark-up income received	-	-	-	-	-	-	-	-
Mark-up income received	-	-	-	-	-	-	-	-
Net cash (used in) / generated from operating activities	(6,151)	4,598	2,830	2,507	(8,414)	(6,840)	(6,225)	(19,414)
CASH FLOWS FROM FINANCING ACTIVITIES								
Amount received on issue of units	1,268	9,494	4,719	15,481	13,362	3,252	10,907	27,521
Amount paid on redemption of units	(5,141)	(5,998)	(3,924)	(15,063)	(7,669)	(4,468)	(12,784)	(24,921)
Reallocation among Sub-Funds	8,364	(6,246)	(2,118)	-	3,187	(2,443)	(744)	-
Net cash generated from / (used in) financing activities	4,491	(2,750)	(1,323)	418	8,880	(3,659)	(2,621)	2,600
Net (decrease) / increase in cash and cash equivalents	(1,660)	1,848	1,507	1,695	466	(10,499)	(8,846)	(18,819)
Cash and cash equivalents at beginning of the period	12,902	47,175	49,444	109,521	22,106	64,977	83,992	171,075
Cash and cash equivalents at end of the period	11,242	49,023	50,951	111,216	22,572	54,478	75,146	152,196

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For The Three Months Ended September 30, 2019

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Islamic Pension Fund ("the Fund") was established under a Trust Deed, dated August 17, 2011, between HBL Asset Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on October 05, 2011.

HBL Asset Management Limited is the Pension Fund Manager of the fund which is a wholly owned subsidiary of Habib Bank Limited. The Aga Khan Fund for Economic Development (AKFED), S.A. is the parent company of Habib Bank Limited. The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi Pakistan.

The Fund is an unlisted pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.

The Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Pension Fund Manager has appointed Mufti Yahya Asim as Shariah Advisor to the Pension Fund to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The Fund consists of three sub-funds namely, HBL Islamic Pension Fund Equity Sub-Fund ("Equity Sub-Fund"), HBL Islamic Pension Fund Debt Sub-Fund ("Debt Sub-Fund") and HBL Islamic Pension Fund Money Market Sub-Fund ("Money Market Sub-Fund") (collectively the "Sub-Funds"). The investment policy for each of the sub-funds are as follows:

- The Equity sub-fund consists of a minimum 90% of net assets invested in Shariah compliant listed equity securities. Investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV or index weight, subject to a maximum of 35% of NAV. Remaining assets of the Equity Sub-Fund may be invested in any government security having less than one year time to maturity, or be deposited with Islamic Commercial banks or Islamic window of a commercial bank having at least 'A' rating.
- The Debt Sub-Fund consist of tradable debt securities with weighted average duration of the investment portfolio of the sub-fund not exceeding five years. At least twenty five percent (25%) of the assets in the sub-fund shall be invested in debt securities issued by the Federal Government. Up to twenty five percent (25%) may be deposited with banks having not less than 'AA+' rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Money Market Sub-Fund consists of short term debt instruments with weighted average time to maturity not exceeding one year. There is no restriction on the amount of investment in securities issued by the Federal Government and the commercial banks having 'A+' or higher rating provided that deposit with any one bank shall not exceed twenty (20%) of net assets. Investment in securities issued by provincial government, city government, government entity with 'A' or higher rating or a corporate entity with 'A+' or higher rating shall be made up to 10%, 5%, 5% and 5% of net assets of the sub-fund respectively.

The Fund offers five types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The allocation to the sub-funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

The Pension Fund Manager also offers a HBL Monthly Islamic Pension Plan ("the Income Plan") to the participants of the Fund or any other approved pension fund, at the retirement date of participants. The Income Plan intends to provide investors a monthly income stream based on investment according to the investor's desired risk exposure, within the prescribed allocation limits.

The Fund offers five types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The allocation to the sub-funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

JCR-VIS Credit Rating Agency has assigned management quality rating of 'AM2 + (Positive Outlook)' to the Pension Fund Manager.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting (IAS - 34) and provision of and directives issued under the Companies Ordinance, 1984, the provisions of the Voluntary Pension System Rules, 2005 (the VPS Rules) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the VPS Rules or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the VPS Rules or the directives issued by the SECP shall prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2019.

This condensed interim financial information is being submitted to the participants as required under Regulation 7(f) of the VPS Rules.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3 Significant Accounting and Risk Management policies, Accounting Estimates Judgement and Changes Therein

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2019.

3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, 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.

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2019.

3.4 Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2019. None of these amendments are expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in this financial information for the year ended June 30, 2019.

4. BANK BALANCES

	September 30, 2019 (Un-audited)				June 30, 2019 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Savings accounts	11,242	49,023	40,451	100,716	12,902	47,175	39,344	99,421
Term Deposit Receipts (TDRs)	-	-	10,500	10,500	-	-	10,100	-
	11,242	49,023	50,951	111,216	12,902	47,175	49,444	99,421

4.1 This represents bank accounts held with various banks. Profit rates on these accounts range between 6% to 14.30% per annum (2019: 3% - 13.6% per annum).

5. INVESTMENTS

	September 30, 2019 (Un-audited)				June 30, 2019 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----				
Investments by category:									
At Fair value through Profit or Loss- Held for trading									
Listed equity securities	5.1	111,065	-	-	111,065	111,997	-	-	111,997
Ijarah Sukuks		-	-	-	-	-	-	-	-
Sukuk certificates - Unlisted	5.2	-	21,945	-	21,945	-	23,339	-	23,339
		111,065	21,945	-	133,010	111,997	23,339	-	135,336
At Amortized Cost									
Commercial papers	5.3	-	-	2,351	2,351	-	1,994	3,975	-
		111,065	21,945	2,351	135,361	111,997	25,333	3,975	135,336

5.1 Listed equity securities - at fair value through profit or loss - Held for trading

Held by Equity Sub-Fund

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	As at July 1, 2019	Purchases during the year	Bonus / Rights issue	Sales during the year	As at Sep 30, 2019	Market value as at Sep 30, 2019	Market value as a percentage of total investments of the sub-fund	Market value as a percentage of net assets of sub-fund
	-----Number of shares-----					----- (Rupees in '000) -----	-----%-----	
Automobile Parts & Accessories								
Thal Limited	13,050	-	-	-	13,050	3,113	2.8	2.58
	13,050	-	-	-	13,050	3,113	2.80	2.58
Cement								
Kohat Cement Company Limited	23,600	-	-	1,000	22,600	1,040	0.9	0.86
Lucky Cement Limited	11,300	1,100	-	2,000	10,400	3,558	3.2	2.95
Maple leaf Cement	-	55,000	-	55,000	-	-	-	-
	34,900	56,100	-	58,000	33,000	4,598	4.10	3.81
Chemical								
Engro Polymer & Chemicals Limited	138,885	35,000	-	-	173,885	4,269	3.8	3.54
Sitara Chemical Industries Limited	5,700	-	-	-	5,700	1,463	1.3	1.21
Lotte Chemical Pakistan Limited	-	77,000	-	-	77,000	1,050	0.9	0.87
	144,585	112,000	-	-	256,585	6,782	6.00	5.62
Commercial Banks								
Meezan Bank Limited	57,505	22,000	-	-	79,505	5,728	5.2	4.74
	57,505	22,000	-	-	79,505	5,728	5.20	4.74
Paper and Board								
Security Papers Limited	18,000	-	-	18,000	-	-	-	-
	18,000	-	-	18,000	-	-	-	-
Fertilizer								
Engro Corporation Limited	30,890	11,700	-	2,300	40,290	10,753	9.7	8.91
Engro Fertilizer Limited	95,700	23,500	-	14,500	104,700	7,144	6.4	5.92
Dawood Hercules Corporation	22,300	-	-	22,300	-	-	-	-
Fauji Fertilizers Limited	27,500	-	-	27,500	-	-	-	-
	176,390	35,200	-	66,600	144,990	17,897	16.10	14.83
Oil and Gas Exploration Companies								
Oil and Gas Development Company Limited	81,900	23,500	-	12,300	93,100	11,454	10.3	9.49
Pakistan Petroleum Limited	68,600	30,700	-	16,300	83,000	11,290	10.2	9.35
Pakistan Oilfields Limited	15,400	500	-	500	15,400	5,850	5.3	4.85
Mari Petroleum Company Limited	3,770	6,590	-	500	9,860	8,866	8.0	7.34
	169,670	61,290	-	29,600	201,360	37,460	33.80	31.03
Oil and Gas Marketing Companies								
Pakistan State Oil Company Limited	24,432	81,304	-	74,800	30,936	4,872	4.4	4.04
Sui Northern Gas Company Limited	52,200	-	-	-	52,200	3,216	2.9	2.66
	76,632	81,304	-	74,800	83,136	8,088	7.30	6.70
Transport								
Pakistan National Shipping Corporation	27,000	-	-	-	27,000	1,705	1.5	1.41
	27,000	-	-	-	27,000	1,705	1.50	1.41
Pharmaceuticals								
AGP Limited	19,375	-	-	500	18,875	1,219	1.1	1.01
Highnoon Laboratories Limited ***	5,830	-	-	1,500	4,330	1,385	1.2	1.15
The Searl Company Limited ***	1,500	6,511	-	-	8,011	1,107	1.0	0.92
	26,705	6,511	-	2,000	31,216	3,711	3.30	3.08
Power Generation and Distribution								
Hub Power Company Limited	103,231	46,500	-	-	149,731	10,593	9.5	8.77
K-Electric Limited	548,500	50,000	-	-	598,500	2,125	1.9	1.76
	651,731	96,500	-	-	748,231	12,718	11.40	10.53
Textile Composite								
Nishat Mills Limited	30,600	47,400	-	20,500	57,500	4,831	4.3	4.00
Interloop Limited	71,945	7,000	-	19,000	59,945	2,634	2.4	2.18
	102,545	54,400	-	39,500	117,445	7,465	6.70	6.18
Leather and Tanneries								
Bata (Pakistan) Limited	260	1,500	-	260	1,500	1,800	1.6	1.49
	260	1,500	-	260	1,500	1,800	1.60	1.49
	1,498,973	526,805	-	288,760	1,737,018	111,065	99.80	92.00

*** These represent gross bonus shares as per Fund's entitlement declared by the investee company. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Pension Fund Manager of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, have filed a petition in Honourable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 57(3)(viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Honourable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement amounting Rs.0.0389 million (2019: 0.075 million) and not yet deposited with Government Treasury. Pension Fund Manager is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis.

5.2 Term finance certificates and sukuk bonds - at fair value through profit or loss - Held for trading

Held by Debt Sub-Fund

Name of the Investee company	Face value				Amortized cost as at September 30, 2019	Market value as at September 30, 2019	Market value as a percentage of	
	As at July 1, 2019	Purchases during the period	Sales / matured during the period	As at September 30, 2019			Total investments of the sub-fund	Net assets of the sub-fund
(Rupees in '000)								
----- % -----								
Fertilizers								
Fatima Fertilizers Company Limited	357	-	-	357	1,899	898	4.09	1.25
Multiutilities								
Water and Power Development Authority	474	-	-	474	879	876	3.99	1.22
Hub Power Company Limited	1,600			1,600	8,000	8,000	36.45	11.16
Pharmaceuticals								
AGP Limited	24	-	-	24	1,320	1,320	6.02	1.84
Fertilizers								
Dawood Hercules Corporation Limited Sukuk *	30	-	-	30	2,697	2,683	12.23	3.74
Miscellaneous								
International Brands Limited Sukuk	20	-	-	20	2,000	1,860	8.48	2.59
Multiutilities								
Agha Steel Industries Limited Sukuk	2			2	2,000	2,001		
K-Electric	1,550	-	-	1,550	4,263	4,307	11.75	6.01
Total	2,455	-	-	2,455	23,058	21,945	46.560	16.650

* Related party due to common directorship

5.3 Commercial papers - Loans and Receivables

5.3.1 Held by Debt Sub-Fund

Name of Company	Maturity Date	Placements made during the period	Income Accrued	Matured during the period	As at Sep 30, 2019	Market Value as a	
						Percentage of total value of investments	Percentage of Net Assets
(Rupees in '000)							
----- % -----							
Hascol Petroleum Limited	July 15, 2019	1,885	115	2,000	-	-	-
		1,885	115	2,000	-	-	-

5.3.1.1 This commercial paper has been placed at discount at a rate of 12.26% and is being amortised over a year of 182 days.

5.3.1 Held by Money Market Sub-Fund

Name of Company	Maturity Date	Placements made during the period	Income Accrued	Matured during the period	As at Sep 30, 2019	Market Value as a	
						Percentage of total value of investments	Percentage of Net Assets
(Rupees in '000)							
----- % -----							
k-Electric	August 28, 2019	2,320	-		2,351	100	4.43
Hascol Petroleum Limited	July 15, 2019	3,771	229	4,000	-	-	-
		6,091	229	4,000	2,351	100	4.43

5.3.2 These commercial paper has been placed at discount at a rate of 14.86% and 12.16% and is being amortised over a year of 182 days.

6. ACCRUED EXPENSES AND OTHER LIABILITIES

	September 30, 2019 (Un-audited)				June 30, 2019 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Auditors' remuneration	186	79	56	321	142	56	38	236
Payable against purchase of investments	-	-	-	-	12	-	-	12
Federal Excise Duty	6.1 880	488	383	1,751	879	488	383	1,750
Provision for Sindh Workers' Welfare Fund	6.2 1,952	232	169	2,353	1,952	195	145	2,292
Payable against redemption of units	-	-	-	-	1	113	269	383
Other payable	488	2	3	493	504	3	3	510
	3,506	801	611	4,918	3,490	855	838	5,183

6.1 PROVISION FOR FEDERAL EXCISE DUTY

The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in note 13.2 to the annual audited financial statements of the Fund for the year ended June 30, 2019, and the appeal filed by tax authorities against the order passed by Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 1.75 million. Had the provision not been made, the Net Asset Value per unit of Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund as at September 30, 2019 would have been higher by Rs. 2.24, Re 1.06 and 1.10 (June 30, 2019: Rs. 2.34, Re 1.02 & Re.1.07) per unit.

6.2 PROVISION FOR WORKERS' WELFARE FUND

The legal status of applicability of Workers' Welfare Fund and Sindh Workers' Welfare Fund (SWWF) is same as that disclosed in note 20 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

As there is a loss for the three months ended September 30, 2019, therefore, no provision for SWWF has been recognised in this condensed interim financial information Had the provision not been made, net asset value per unit of Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund at September 30, 2019 would have been higher by Rs. 4.97, Re.0.50 and Re 0.49 (June 30, 2019 Rs. 5.19, Re.0.41 and Re. 0.41) per unit.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies or commitments outstanding as at September 30, 2019.

8. TAXATION

No provision for taxation for the period ended September 30, 2016, has been made in the view of exemption available under clause 57 (3) (viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001.

9. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Pension Fund Manager, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, collective investment schemes managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager and the concerned persons. Transactions with connected persons are made in the normal course of business, at contracted rates and terms determined in accordance with market rates. Remuneration payable to Pension Fund Manager and Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in this condensed interim financial information are as follows:

9.1 Transactions during the period

	Three months ended September 30, 2019				Three months ended September 30, 2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)				(Rupees in '000)			
HBL Asset Management Limited - Pension Fund Manager								
Management remuneration	482	318	229	1,029	763	426	357	1,546
Habib Bank Limited - Sponsor								
Profit on bank deposits earned	88	225	172	485	85	11	13	109
Profit received on bank deposits	56	115	91	262	112	16	17	145
Directors and Executives of the Pension Fund Manager and their relatives								
Reallocation of units	3,663	(4,631)	(2,208)	(3,176)	2,988	(5,356)	(2,349)	(4,717)
Amount of units Reallocated	1,049	(716)	(333)	-	1,088	(760)	(328)	-
Executives and their relatives								
Reallocation of units	(9,612)	20,205	-	10,593	1,317	(3,619)	-	(2,302)
Amount of units Reallocated	(3,086)	3,086	-	-	514	(514)	-	-
Central Depository Company of Pakistan Limited - Trustee								
	(Rupees in '000)				(Rupees in '000)			
Remuneration	48	32	23	103	77	43	36	156

9.2 Balances outstanding as at period / year end

	September 30, 2019 (Un-audited)				June 30, 2018 (Audited)			
	Equity sub-fund	Debt sub-fund	Money Market sub-fund	Total	Equity sub-fund	Debt sub-fund	Money Market sub-fund	Total
	(Rupees in '000)				(Rupees in '000)			
HBL Asset Management Limited - Pension Fund Manager								
Management fee payable	143	88	65	451	153	90	67	310
Sales load Payable	34	14	14	62	34	14	14	62
Sindh Sales Tax payable	19	11	8	58	27	16	13	56
Federal Excise Duty payable	880	488	383	1,751	879	488	383	1,750
Habib Bank Limited - Sponsor								
	Number				Number			
Units held	128,334	-	-	128,334	128,334	-	-	128,334
	(Rupees in '000)				(Rupees in '000)			
Amount of units held	39,399	-	-	39,399	41,558	-	-	41,558
Profit accrued on deposits with bank	28	106	82	216	370	453	451	1,274
Balance in savings account	4,075	13,596	10,325	27,996	6,660	14,309	20,718	41,687

	September 30, 2019 (Un-audited)				June 30, 2018 (Audited)			
	Equity sub-fund	Debt sub-fund	Money Market sub-fund	Total	Equity sub-fund	Debt sub-fund	Money Market sub-fund	Total
Directors and Executives of the Pension Fund Manager and their relatives								
Directors of the Management Company and their relatives								
	-----Number-----				-----Number-----			
Units held	19,668	36,424	18,677	151,280	45,629	65,886	46,076	157,591
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Amount of units held	6,038	5,684	2,840	14,562	14,776	10,031	6,854	31,661
Executives and their relatives								
	-----Number-----				-----Number-----			
Units held	3	26,372	-	26,375	13,155	8,685	5	21,845
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Amount of units held	1	4,116	-	4,117	4,260.00	1,322.00	1.00	5,583
Directors of the Habib Bank Limited - Sponsor and their relatives								
Units held	-	-	-	-	14,833	36,977	-	51,810
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Amount of units held	-	-	-	-	4,803	5,630	-	10,433
Central Depository Company of Pakistan Limited - Trustee								
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Remuneration payable	16	10	7	33	24	14	11	49
Security deposit receivable	100	100	100	300	100	100	100.00	300

10 FAIR VALUE AND CATEGORIES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

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

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

		Sep 30, 2019							
		Carrying amount			Fair Value				
Note		Held For trade	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----									
On-balance sheet financial instruments									
Financial assets measured at fair value									
	Investments:								
	- Listed equity securities	111,065	-	-	111,065	111,065	-	-	111,065
	- Government of Pakistan - Ijarah Sukuks	21,945	-	-	21,945	-	21,945	-	21,945
		133,010	-	-	133,010	111,065	21,945	-	133,010
	Financial assets not measured at fair value								
	Bank balances	-	111,216	-	111,216	-	-	-	-
	Dividend receivable and accrued mark-up	-	2,995	-	2,995	-	-	-	-
	Advances, deposits and other receivables	-	1,328	-	1,328	-	-	-	-
	Placements	-	2,351	-	-	-	-	-	-
		-	115,539	-	115,539	-	-	-	-
	Financial liabilities not measured at fair value								
	Payable to the Pension Fund Manager	-	-	350	350	-	-	-	-
	Payable to the Trustee	-	-	29	29	-	-	-	-
	Payable to the Securities and Exchange Commission of Pakistan	-	-	20	20	-	-	-	-
	Accrued expenses and other liabilities	-	-	814	814	-	-	-	-
		-	-	1,213	1,213	-	-	-	-
----- (Rupees in '000) -----									
		June 30, 2019							
		Carrying amount			Fair Value				
		Held for Trade	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----									
On-balance sheet financial instruments									
Financial assets measured at fair value									
	Investments:								
	- Listed equity securities	44,796	-	-	44,796	44,796	-	-	44,796
	- Government of Pakistan - Ijarah Sukuks	25,766	-	-	25,766	-	25,766	-	25,766
	- Sukuk certificates - Unlisted	4,803	-	-	4,803	-	4,803	-	4,803
		75,365	-	-	75,365	44,796	30,569	-	75,365
	Financial assets not measured at fair value								
	Bank balances	-	171,075	-	171,075	-	-	-	-
	Investments:								
	- Unlisted Equity Securities	-	-	-	-	-	-	-	-
	Dividend receivable and accrued mark-up	-	1,483	-	1,483	-	-	-	-
	Advances, deposits and other receivables	-	342	-	342	-	-	-	-
		-	172,900	-	172,900	-	-	-	-
	Financial liabilities not measured at fair value								
	Payable to the Pension Fund Manager	-	-	433	433	-	-	-	-
	Payable to the Trustee	-	-	43	54	-	-	-	-
	Payable to the Securities and Exchange Commission of Pakistan	-	-	101	119	-	-	-	-
	Accrued expenses and other liabilities	-	-	1,785	5,566	-	-	-	-
	Participants' sub-funds	-	-	357,063	357,063	-	-	-	-
		-	-	359,425	363,235	-	-	-	-

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

11 NON COMPLIANT INVESTMENTS DISCLOSURE

11.1 Held by Debt Sub-Fund

Instruments / Banker	Type of investment / exposure	Rating of the issuer	Rating of the instrument	Value of investment / exposure	Provision held	Value of investment after provision	Limit	Market value as a percentage of net assets of sub-fund	% of total assets
				----- (Rupees in '000) -----			----- (%) -----		
International Brands Ltd	Sukuk	A	AA	1.86	-	1.86	2.50%	2.59%	2.56%
Agha Steel Limited	Sukuk	A	non rated	2	-	2.00	2.50%	2.79%	2.75%
Hub Power Company Ltd	Sukuk	AA+	non rated	8	-	8.00	7.50%	11.16%	11.02%

11.2 Held by Money Market Sub-Fund

Instruments / Banker	Type of investment / exposure	Rating of the issuer	Rating of the instrument	Value of investment / exposure	Provision held	Value of investment after provision	Limit	Market value as a percentage of net assets of sub-fund	% of total assets
				----- (Rupees in '000) -----			----- (%) -----		
Habib Bank Limited	Bank Balance	AA+	N/A	10.97	-	10.97	20.00%	20.65%	20.38%

12. DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial information was authorised for issue by the Board of Directors of the Pension Fund Manager on October 29, 2019.

13. GENERAL

Figures have been rounded off to the nearest thousand rupees.

**For HBL Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer








Director




**Be aware, Be alert,
Be safe**

**Learn about investing at
www.jamapunji.pk**

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event
notifications, corporate and
regulatory actions)
-  Jamapunji application for
mobile device
-  Online Quizzes



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

 jamapunji.pk

 @jamapunji_pk

*Mobile apps are also available for download for android and ios devices

HBL

ASSET MANAGEMENT LTD.

ایس ایٹ مینجمنٹ لمیٹڈ

Head Office Karachi:

7th Floor, Emerald Tower, Clifton,
Karachi.
UAN:111 HBL AMC (111-425-262)
Fax: 021-35168455
info@hblasasset.com

Lahore:

102-103, Upper Mall, Lahore
Tel: 042-36281600
042-36281640-3
042-36281610
Fax: 042-36281686

Islamabad:

HBL Corporate Center,
HBL building, Jinnah Avenue,
Islamabad
Tel: 051-2821183
Fax: 051-2822206