

LAKSON TACTICAL FUND

Quarterly Report (September 30, 2017)



LAKSON INVESTMENTS

WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN



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Fund's Information

Management Company

Lakson Investments Limited
Head Office
Lakson Square, Building No.2,
Sarwar Shaheed Road,
Karachi-74200, Pakistan.
Phone: (9221) 3569.8000
Fax: (9221) 3568.1653
Web site: www.li.com.pk
E-mail: info@li.com.pk

Lakson Investments Limited
(Regulated by the DFSA as a Representative Office)
Level 15, Gate Building
DIFC, P.O. Box 507054
Dubai, U.A.E.
Phone: +971.4 401.9284
Fax: +971.4 401.9578

Board of Directors of the Management Company

Mr. Iqbal Ali Lakhani - Chairman
Mr. Babar Ali Lakhani - Chief Executive Officer
Mr. A. Aziz H. Ebrahim
Mr. Mahomed J. Jaffer
Mr. Amin Mohammed Lakhani
Mr. Jacques John Visser
Mr. Daniel Scott Smaller
Mr. Zahid Zakiuddin

Chief Financial Officer & Company Secretary of the Management Company

Ms. Maimoona Raffat

Audit Committee

Mr. Zahid Zakiuddin - Chairman
Mr. A. Aziz H. Ebrahim
Mr. Iqbal Ali Lakhani

Human Resource and Remuneration Committee

Mr. Iqbal Ali Lakhani - Chairman
Mr. Babar Ali Lakhani
Mr. Daniel Scott Smaller

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block-B, S.M.C.H.S,
Main Shakra-e-Faisal,
Karachi, Pakistan.

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.2,
Beaumont Road,
Karachi - 75530, Pakistan



Bankers to the Fund

Allied Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Habib Bank AG Zurich
JS Bank Limited
Tameer Microfinance Bank Limited
United Bank Limited
NRSP Microfinance Bank Limited
National Bank of Pakistan
Mobilink Microfinance Bank Limited
Silk Bank Limited
Sindh Bank Limited
Finca Microfinance Bank Limited

Legal Adviser

Fazleghani Advocates
F-72/I, Block 8, KDA-5, Kehkashan, Clifton,
Karachi, Pakistan.

Registrar

Lakson Investments Limited
Lakson Square Building No.2, Sarwar Shaheed
Road, Karachi-74200, Pakistan

Rating

1 Year : 4-Star
3 Year : 3-Star
5 Year : 3-Star
AM2+ : Asset Manager Rating by PACRA



Review Report of the Directors of the Management Company For the quarter ended September 30, 2017

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Tactical Fund ("LTF") is pleased to submit its review report together with Condensed Interim Financial Information for the period ended September 30, 2017

Fund Objective

The investment objective of the Lakson Tactical Fund is to provide long-term capital appreciation by investing in a mix of securities comprising debt, equity and commodities future contracts.

Fund Profile

Lakson Tactical Fund is an asset allocation fund which is allowed to switch exposure between debt, equity based instruments and commodities based on the return expectations of the respective asset classes and the discretion of the management company. This discretion will be exercised after an analysis of the economic environment including but not limited to inflation, currency depreciation, interest rates, GDP growth, government policies, global economic data, commodities prices and supply/demand dynamics. Exposure of the Scheme in the fixed income securities shall be managed through duration and yield curve management by shifting between different maturities of the Government Securities. Exposure in equity securities will be managed by carrying out a bottom up analysis to ascertain fundamental values which would enable the Fund to generate attractive returns. Exposure in commodities may overweight or underweight commodities relative to its benchmark for commodities investments, the DBIQ Optimum Yield Commodity Index Excess Return.

Fund performance

The LTF provided a return of -6.9% in 1QFY18 vs 3.5% YoY. During the same period the benchmark recorded a return of -5.1%, clocking an under performance of 1.9% against the fund. The underperformance was due to the slowdown in the equity market which generated a return of -10% (KSE 30 total return).

Earning per Unit (EPU)

EPU has not been disclosed as we feel the determination of weighted average units for calculating EPU is not practicable for open end funds.

Economic Review

CPI Inflation averaged only 3.39% in 1QFY18, much lower than 4.58% for 4QFY17, and 3.85% for 1QFY17. Subdued inflation was partly attributable to a decline in average local petrol prices for the period, down 3.7% QoQ, in tandem with international crude oil prices, as Arab Light was down 3.0% QoQ. Further, adequate food supplies kept inflation low, according to SBP's monetary policy statement.

Moreover, Government's borrowing for budgetary support from SBP, which is inflationary in nature, was kept under control during the quarter, at PKR 350b compared to PKR 384b in the corresponding period last year. While exchange rate was slightly higher during the quarter, at PKR 105.35/USD, compared to PKR 104.75/USD in 4QFY18, imported inflation had no significant impact on CPI.

Current account deficit surged to USD 2.6b in the first two months of the quarter, compared to USD 1.3b in the corresponding period last year due mostly to a substantial jump in imports of goods, by USD 1.9b. Rise in imports was mostly driven by machineries, petroleum group, and iron and steel. Furthermore, imports were also rushed and preempted because of expectations that PKR will depreciate soon. While both exports and remittances rose too during the period, they could not cover the rise in imports.

Due to the rise in current account deficit, foreign exchange reserves continued to deplete during the quarter. From USD 21.4b as at end June 2017, reserves dipped to USD 19.8b at September 2017 end.



Despite the worsening external position, the exchange rate remained stable through most of the quarter, with the exception of the first week of July, which witnessed a blip. USD averaged PKR 105.35 during the quarter, as opposed to PKR 104.75 in 4QFY17.

Meanwhile, the Government demonstrated better fiscal discipline in 1QFY18, to record a fiscal deficit of only 0.9%, the lowest in ten years. The biggest driver for the low fiscal deficit was greater tax collection, which rose by 20% YoY, followed by a decrease in Federal Government's expenditures by 2.2% YoY 1. Fiscal deficit improved despite slippage in non-tax revenue on the back of a blockade in Coalition Support Fund.

Fixed Income Market Review

In its Sep'17 MPS, the SBP maintained its policy/discount rate at 5.75%/6.25%, where it highlighted the strong growth momentum (LSM up 5.6% in FY17), optimistic about its GDP growth target for FY18 at 6.0%, but also remarked on the weak external position (CAD in 2MFY17 0.9% of GDP). Despite these factors, inflationary pressures have not been concerning, as average CPI for the 3MFY18 clocked in at 3.4%, well below the FY18 target of 6.0% Taking cue for the Jul'17 MPS, the Monetary Policy committee almost unanimously (8 out of 9 members) voted in favor of the status quo, compared to 4 in Nov'17 voting in favor of 25bps cut.

MPC Committee Voting Pattern

MPS Date	25bps cut	No change	Total
Jul'16	2	8	10
Sep'16	2	8	10
Nov'16	4	6	10
Jan'17	3	6	9
Mar'17	2	6	8
May'17	-	10	10
Jul'17	1	8	9

M2 growth clocked in at 13.1%YoY for 1QFY18, at the same pace of growth witnessed during FY17. Following IMF push towards PIBs, ever since end of EFF program GoP preference is again tilting towards shorter-term T Bills, because they are much cheaper. As a result, from a 36% share in Jun'16, PIBs constituted less than 30% of GoP's total domestic debt by Jun'17.

The government was a heavy borrower from the SBP in FY17 while not tapping commercial banks for financing. During 1QFY18, the government raised about PKR 4,330.42bn from the T-Bills Auction, while PKR 52.4bn were raised from the PIB auction (bids in 2 of 3 PIB auctions were rejected). Also, there was an acceleration in government borrowing because they raised more than 2x more money through T-Bills than in the previous quarter. That said, with Pakistan entering an election year, it is possible that GoP borrowing requirements lift especially if populist decision making takes over.

Weighted average yields

Date	T-Bills			PIB		
	6M	3M	12M	3YR	5YR	10 YR
30-Sep-16	5.86%	5.90%	5.91%	6.19%	6.69%	7.80%
31-Dec-16	5.96%	5.98%	5.95%	6.19%	6.69%	7.80%
31-Mar-17	5.97%	5.99%	5.99%	6.40%	6.89%	7.94%
30-Jun-17	5.99%	6.01%	6.04%	6.40%	6.90%	7.94%
30-Sep-17	5.99%	6.01%	6.03%	6.40%	6.90%	7.94%

**Equity Market Review**

The KSE30 total return index posted a negative return of 5.75% in 1QFY18 amidst political uncertainty, deteriorating fiscal indicators and foreign selling of USD90m. In terms of average volumes traded the index saw a decrease of 21% QoQ as the volumes averaged 54.16m shares in 1QFY18 against average volumes of 68.39m in 4QFY17. Value traded clocked in at PKR5.86b in 1QFY18 as against value traded of 8.88b in 4QFY17 registering a QoQ decline of 34%. PPL, POL and PSO were the top performers for the period under review with returns of 21%, 20% and 20% respectively whereas HCAR, HBL and LUCK were the major losers with negative returns of 35%, 29% and 29% respectively.

Participant wise, insurance companies were the net buyers with a net buy of USD 49.4m followed by banks with a net buy of USD 33.6m. Mutual funds offloaded their holdings and were the net sellers of USD 37.6m. Sector wise, Food was the best performing sector followed by Beverages with returns of 10% and 7% respectively. Household Goods and Construction & Materials were the worst performing sectors with negative returns of 29% and 27% respectively due to unimpressive results and fear of breakdown in the pricing arrangement in the cement sector.

Commodities Review

Major commodities prices witnessed a positive trend as their prices strengthened during the quarter ended on September 2017. Among energy commodities prices of crude oil and coal, while in non-energy, prices of fertilizers, and petrochemicals rose.

Global crude oil prices continued its upward trajectory despite significant demand disruptions erupting from Hurricane thereby marring the downstream demand of crude oil owing to offline going offline in two US states i.e. Texas, and Louisiana taking 20% of US total refining capacity as against 30% hit by Hurricane Katrina in 2005. However, WTI, and Arab Light prices soared by 12%/16% during this quarter, mainly due to fall in US stockpiles by 7.2mn bbls in July'17, and Turkey threatening Iraq to cut down its oil supplies (552k bpd; 85% of total Kurdistan region). In the near term, crude oil prices movement would hinge largely on global crude inventories, resumption of refinery and oil platforms in US and the compliance of OPEC to production cut agreement.

Similarly, coal prices sparked off during the quarter as its prices rose by 17% primarily led by the falling Chinese coal production amid the government regulations to curb domestic coal production, which in-turn caused Chinese import to surge thermal coal demand ahead of winter season for electricity generation and slow development on shift towards renewable energy. Both thermal and coking coal prices inched up as a result of supply disruptions from Australia and Indonesia due to weather conditions resulting in drop down in coal supply by 22mn MTs in 8MCY17. In the short to mid-term, coal prices are likely to stay on higher side due to additional demand from China, Taiwan, and Japan, and supply disruptions.

Steel prices remained no exception to price hikes witnessed across energy commodities with prices surging by 15% mainly on account of increase in input cost of raw material (coal: + 17%), low inventory, Chinese capacity cuts (150mn MTs, 6% of global capacity) and strong Chinese demand. In short term, prices of steel could slid down as peak season ends and winter approaches, however in longer term Chinese demand (45% of global demand) outlook and global construction activities (50% of steel demand) in emerging (Russia, Brazil, India), and developed economies (US, EU region) remains key determinant of steel prices.

Future Outlook

Supported by impressive real sector growth and stable agriculture growth, GDP of Pakistan is expected to grow by approximately 5.7% in FY18. The government is trying to curtail worsening current account deficit by restricting imports of luxury items and extending the magnitude and scope of export incentives, this endeavor is expected to reduce deficit by around USD 3bn to 4bn. Inflation averaged 3.4% during 1QFY18 compared to 3.9% during 1QFY17. Going forward, we do anticipate pressure on inflation in the coming months on the back of increase in oil prices. On the fiscal front, things look far more disciplined during 1QFY18 as the fiscal deficit was only 0.9% primarily due to increase in tax collection and marginal reduction in federal government expenditure.



Visualizing 5 years earnings CAGR of more than 10% and an attractive trading multiple, Pakistan stock market should deliver decent return in the near term, in our view. Key triggers include China Pakistan Economic Corridor (CPEC) related activity and growth in consumer spending. Moreover, liquidity is expected to remain high due to low interest rates, possible amnesty schemes and expected foreign inflows after Pakistan's upgrade to Emerging Market. LEF will maintain a cautious stance in the upcoming quarter, looking for short term downturn to cherry pick in sectors that are trading at a discount to their fundamental valuations. The fund will allocate its portfolio prudently in line with the themes that will be dominant in FY18.

Acknowledgement

The Board would like to thank all its valued investors, the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan, the Trustee of the Fund - Central Depository Company of Pakistan Limited and the Pakistan Stock Exchange Limited for their cooperation and support. We also take this opportunity to acknowledge the hard work and efforts of our team.

For and on Behalf of the Board

Director

Chief Executive Officer

Dated: October 16, 2017



لیکسن ٹیکٹیکل فنڈ

30 ستمبر 2017ء کو ختم ہونے والی مدت کے لیے

بینجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ

لیکسن انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، لیکسن ٹیکٹیکل فنڈ ("LTF") کی بینجمنٹ کمپنی مختصر عبوری مالیاتی قوشواروں کے ساتھ 30 ستمبر 2017 کو ختم ہونے والی مدت کے لیے اپنی جائزہ رپورٹ جمع کراتے ہوئے خوشی محسوس کرتے ہیں۔

فنڈ کا مقصد

لیکسن ٹیکٹیکل فنڈ کی سرمایہ کاری کا مقصد، ڈیٹ (Debt)، ایکویٹی اور کوڈیٹیز فیوچر کنٹریکٹس پر مشتمل مختلف طرح کی سیکیورٹیز میں سرمایہ کاری کرتے ہوئے سرمائے کی قدر میں طویل مدتی اضافہ کرنا ہے۔

فنڈ پروفائل

LTF ایک لیبلیٹ ایلیمنٹیشن اسکیم ہے جسے متعلقہ اثاثوں کی کلاسز کے متوقع منافع جات اور منجمنٹ کمپنی کی صوابدیدی کی بنیاد پر ڈیٹ (Debt)، ایکویٹی پر مبنی انٹرمینٹس اور کوڈیٹیز کے درمیان سرمایہ کاری کے رد و بدل کی اجازت ہے اس صوابدیدی کا اطلاق اقتصادی ماحول کے تجربے کے بعد کیا جائے گا جس میں افراط زر، کرنسی کی قدر میں کمی، شرح سود، GDP، نمو، حکومتی پالیسیز، عالمی اقتصادی ڈیٹا، کوڈیٹیز کی قیمتیں اور رسد طلب کا متحرک شامل ہے۔ گلوبل انویسٹمنٹس میں اسکیم کی سرمایہ کاری کا انتظام انصرام حکومتی سیکیورٹیز کی مختلف میچورٹیز کے درمیان منتقلی کے ذریعے دورانے اور yield curve منجمنٹ کے ذریعے کیا جائے گا۔ ایکویٹی سرمایہ کاری کا انتظام انصرام ان بنیادی اقدار کے تعین کے لیے نیچے سے اوپر کی طرف تجربے کے ذریعے کیا جائے گا جو فنڈ کو پرکشش منافع کمانے کے قابل بنا سکیں۔ حکومتی سیکیورٹیز کی مختلف میچورٹیز کے درمیان منتقلی کے ذریعے دورانے اور yield curve منجمنٹ کے ذریعے کیا جائے گا۔ کوڈیٹیز میں سرمایہ کاری کوڈیٹیز انویسٹمنٹس، DBIQ Optimum Yield Commodity index excess return کے لیے شیئنگ مارک سے تعلق کی بنیاد پر اوور ویت یا انڈرو ویت ہو سکتی ہے۔

فنڈ کی کارکردگی

LTF نے مالی سال 2018ء کی پہلی سہ ماہی کے دوران سال بہ سال منافع 3.5% کے مقابلے میں 6.9% منافع فراہم کیا۔ اسی مدت کے لیے شیئنگ مارک منافع 5.1% رہا۔ کارڈ کریا گیا لہذا فنڈ کے مقابلے میں 1.9% کی کم تر کارکردگی درج کرائی گئی۔ یہ ناقص کارکردگی ایکویٹی مارکیٹ میں مندی کا نتیجہ تھی جس نے 10% منافع پیدا کیا (KSE 30 مجموعی منافع)۔

فی شیئر آمدنی (EPU)

فی شیئر آمدنی (EPU) ظاہر نہیں کی گئی ہے کیوں کہ ہم محسوس کرتے ہیں کہ EPU شمار کرنے کے لیے موزوں اوسط پینٹس کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

معاشی جائزہ

CPI افراط زر مالی سال 2018 کی پہلی سہ ماہی میں صرف 3.39% رہا جو مالی سال 2017 کی آخری سہ ماہی کے لیے 4.58% اور مالی سال 2017 کی پہلی سہ ماہی کے لیے 3.85% کے مقابلے میں کافی کم ہے۔ کم افراط زر جزوی طور پر مدت کے لیے پیٹرول کی اوسط مقامی قیمتوں میں گراؤت کا نتیجہ تھا جو سہ ماہی کے دوران کوڈ آئل کی بین الاقوامی قیمتوں کے ساتھ 3.7% کم ہوئیں، جیسا کہ عرب لائٹ میں سرمایہ ہدائی بنیاد پر 3.0%



گراؤٹ آئی۔ مزید برآں، SBP کے مالیاتی پالیسی بیان کے مطابق غذائی ایشیا کی وافر سپلائی نے افراط زر کم رکھی۔

مزید برآں حکومت کی طرف سے بجٹ سے متعلق معاونت کے لیے SBP سے قرض لینا، جو اپنی نوعیت سے اعتبار سے افراط زر کے زمرے میں آتا ہے، سماہی کے دوران 350 ارب روپے کے ساتھ گزشتہ سال اسی مدت میں 384 ارب روپے کے مقابلے میں کنٹرول میں رکھا گیا تھا، جب کہ شرح مبادلہ مالی سال 2018 کی چوتھی سماہی میں فی امریکی ڈالر 104.75 روپے کے مقابلے میں اس سماہی میں فی امریکی ڈالر 105.35 روپے رہی، جب کہ درآمداتی افراط زر کا CPI پر کوئی نمایاں اثر نہیں ہوا۔

کرنٹ اکاؤنٹ کا خسارہ اس سماہی میں گزشتہ سال کی اسی مدت میں 1.3 ارب امریکی ڈالر کے مقابلے میں تیز رفتار اضافے کے ساتھ 2.6 ارب امریکی ڈالر تک پہنچ گیا جس کی بڑی وجہ مال کی درآمدات میں 1.9 ارب امریکی ڈالر کا نمایاں چھپ ہے۔ درآمدات کے بڑے محرکات مشینریز، پیٹرولیم گروپ اور لوہا اور آئرنل ہیں۔ مزید برآں پاکستانی روپے کی قدر میں جلد کمی کی توقعات سے بھی درآمدات میں تیزی آئی۔ جب کہ اس مدت کے دوران برآمدات اور ترسیلات زر میں بھی اضافہ ہوا تاہم وہ درآمدات میں اضافہ کو کم کرنے سے قاصر رہے۔

کرنٹ اکاؤنٹ کے خسارے میں اضافے کے نتیجے میں سماہی کے دوران زرمبادلہ کے ذخائر مسلسل کم ہوتے رہے۔ ذخائر جون 2017 کے اختتام پر 21.4 ارب امریکی ڈالر سے ستمبر 2017 کے اختتام پر 19.8 ارب امریکی ڈالر تک گر گئے۔

بیرونی صورت حال خراب تر ہونے کے باوجود سماہی کے زیادہ تر حصے میں شرح مبادلہ مستحکم رہی، ماسوائے جولائی کے پہلے ہفتے کے، جب ہنگامی جھٹک دیکھنے میں آئی۔ مالی سال 2017 کی چوتھی سماہی میں 104.75 روپے کے مقابلے میں اس سماہی میں امریکی ڈالر اور وسطاً 105.35 روپے پر رہا۔ اسی دوران حکومت نے مالی سال 2018 کی پہلی سماہی میں بہتر مالیاتی نظم و ضبط کا مظاہرہ کیا اور صرف 0.9% مالیاتی خسارہ دکھایا جو دس سال میں سب سے کم ہے۔ کم مالیاتی خسارے کا سب سے بڑا محرک ٹیکس کی زیادہ وصولی ہے جس میں وفاقی حکومت کی طرف سے اخراجات میں سال بہ سال بنیاد پر 2.2% کمی کے بعد سال بہ سال بنیاد پر 20% اضافہ ہوا۔ مالیاتی خسارے میں کوئیشن سپورٹ کی بندش کی وجہ سے بلا ٹیکس آمدنی میں کمی کے باوجود بہتری آئی۔

فیکسڈ انکم مارکیٹ کا جائزہ

SBP نے ستمبر 2017 میں اپنے MPS میں اپنا پالیسی / ڈسکونٹ ریٹ 6.25%/5.75% پر برقرار رکھا، جس میں جہاں ترقی کی مستحکم رفتار (مالی سال 2017 میں LSM میں 5.6% اضافہ ہوا) اور مالی سال 2018 کے لیے اپنے GDP میں 6.0% کی شرح سے اضافے کے ہدف کے حوالے سے خوش امید کی نشان دہی کی گئی، وہیں کمزور بیرونی صورت حال پر (مالی سال 2017 کی دوسری سماہی میں GDP کا CAD 0.9%)۔ ان عوامل کے باوجود افراط زر کے دباؤ تشویش کا باعث نہیں بنے ہیں، جیسا کہ مالی سال 2018 کے لیے CPI کی اوسط شرح 3.4% رہی جو مالی سال 2018 کے ہدف 6.0% سے بہت کم ہے۔ جولائی 2017 کی MPS سے اشارہ پاتے ہوئے مائٹری پالیسی کمیٹی نے نومبر 2017 میں 25 بنیادی پوائنٹس کوٹوئی کے حق میں 4 ووٹوں کے مقابلے میں لگ بھگ متفقہ طور پر (9 میں 8 ارکان نے) صورت حال جوں کی توں برقرار رکھنے کے حق میں ووٹ دیا۔



MPC کمیٹی کی ووٹنگ کی ترتیب

نوش	کوئی تبدیلی نہیں	25bps کوئی	MPS تاریخ
10	8	2	جولائی 2016
10	8	2	ستمبر 2016
10	6	4	نومبر 2016
9	6	3	جنوری 2017
8	6	2	مارچ 2017
10	10	-	مئی 2017
9	8	1	جولائی 2017

مالی سال 2018 کے لیے دوسرے مہینے کی سال بہ سال نمو کی شرح 13.1% رہی جیسا کہ مالی سال 2017 میں نمو کی رفتار تھی۔ IMF کی جانب سے PIBs کی طرف دباؤ کی بیرونی میں EFF پروگرام کے خاتمے کے بعد سے حکومت پاکستان کا جو کا دوبارہ مختصر مدتی ٹی بلز کی طرف ہورہا ہے کیوں کہ وہ بہت سستے ہیں۔ جس کے نتیجے میں جون 2016 میں 36% کے مقابلے میں جون 2017 تک حکومت پاکستان کے مجموعی ملکی قرضوں کا 30% سے کم PIBs پر مشتمل تھا۔

مالی سال 2017 کے دوران حکومت نے SBP سے بھاری قرضہ جات لیے، جبکہ فنانسنگ کے لیے کمرشل بینکس سے استفادہ نہیں کیا۔ مالی سال 2018 کی پہلی سہ ماہی کے دوران حکومت پاکستان نے ٹی بلز کی نیلامی کے ذریعے 4,330.42 ارب پاکستانی روپے اور PIBs کی نیلامی کے ذریعے 52.4 ارب پاکستانی روپے حاصل کیے (PIB کی تین نیلامیوں میں سے دو میں پیشکشیں مسترد کر دی گئیں)۔ حکومت کے قرض لینے میں بھی تیزی آئی کیوں کہ انہوں نے ٹی بلز کے ذریعے گزشتہ سہ ماہی کے مقابلے میں دو گنا سے زائد رقم اکٹھی کی۔ اس کے علاوہ پاکستان ایکشن کے سال میں داخل ہورہا ہے، اس لیے ممکن ہے کہ حکومت پاکستان کی قرضوں کے حصول کی ضروریات بڑھے، خاص طور پر اگر عوام کا دل جیتنے کے لیے فیصلے کیے جائیں۔

موزوں اوسط باقیات (آمدنی)

PIB			ٹی بلز			تاریخ
10 سال	5 سال	3 سال	12 ماہ	3 ماہ	6 ماہ	
7.80%	6.69%	6.19%	5.91%	5.90%	5.86%	30 ستمبر 2016
7.80%	6.69%	6.19%	5.95%	5.98%	5.96%	31 دسمبر 2016
7.94%	6.89%	6.40%	5.99%	5.99%	5.97%	31 مارچ 2017
7.94%	6.90%	6.40%	6.04%	6.01%	5.99%	30 جون 2017
7.94%	6.90%	6.40%	6.03%	6.01%	5.99%	30 ستمبر 2017



ایکویٹی مارکیٹ کا جائزہ

KSE30 کے مجموعی ریٹرن انڈیکس نے مالی سال 2018 کی پہلی سہ ماہی میں سیاسی غیر یقینی، غیر متوازن اور خراب مالیاتی اشاروں اور 90 ملین امریکی ڈالرز کی بیرون ملک فروخت کی وجہ سے 5.75% کا منفی منافع جمع کر لیا۔ لیکن دین کے اوسط حجم کے حوالے سے انڈیکس میں سہ ماہی بہ سہ ماہی 21% کمی دیکھی گئی جیسے کہ مالی سال 2017 کی چوتھی سہ ماہی میں 68.39 ملین کے مقابلے میں مالی سال 2018 کی پہلی سہ ماہی میں 54.16 ملین کے اوسط حجم شہر کیے۔ مالی سال 2018 کی پہلی سہ ماہی میں لیکن دن کا حجم 5.86 ملین روپے رہا جو کہ مالی سال 2017 کی چوتھی سہ ماہی میں 8.88 ملین روپے تھا، یعنی سہ ماہی بہ سہ ماہی 34% کمی رجسٹر ہوئی۔ POL، PPL اور PSO کی کارکردگی زیر جائزہ مدت کے دوران بالترتیب 21%، 20% اور 20% منافع کے ساتھ سب سے نمایاں رہی جبکہ HBL، HCAR اور LUCK نے بالترتیب 35%، 29% اور 29% منفی منافع کے ساتھ سب سے زیادہ نقصان ظاہر کیا۔

شرکت کے اعتبار سے انشورنس کمپنیز 49 ملین امریکی ڈالر کی مجموعی خریداری کے ساتھ خالص خریداری میں، اس کے بعد بینکس 33.6 ملین امریکی ڈالر کے خالص خرید اٹھارے۔ مہیلا فنڈز اپنی ہولڈنگز میں کمی کے ذریعے 37.6 ملین امریکی ڈالر کے خالص فروخت کنندہ رہے۔ سیکٹر کے لحاظ سے فوڈ نے سب سے اچھی کارکردگی کا مظاہرہ کیا اور اس کے بعد بیورو سیکٹر رہا جس نے بالترتیب 10% اور 7% منافع ظاہر کیا۔ گھریلو مصنوعات اور تعمیرات و میٹریلز کی کارکردگی انتہائی مایوس کن رہی، جس نے غیر متاثر کن نتائج اور سینٹ سیکٹر میں قیمتیں متعین کرنے کے نظام میں خرابی کی وجہ سے بالترتیب 29% اور 27% کا منفی منافع ظاہر کیا۔

کموڈٹیز کا جائزہ

ستمبر 2017 کو ختم ہونے والی سہ ماہی کے دوران قیمتوں میں استحکام پیدا ہونے سے بڑی کموڈٹیز کی قیمتوں میں مثبت رجحان دیکھا گیا۔ امریکی کموڈٹیز کے درمیان کروڈ آئل اور کولے کی قیمتیں جبکہ غیر امریکی سیکٹر میں فریڈا نازرز اور فارماسیوٹیکلز کی قیمتوں میں کمی ہوئی۔ گلوبل کروڈ آئل کی قیمتیں سمندری طوفان کی وجہ سے طلب میں نمایاں رکاوٹوں اور اس کے نتیجے میں امریکی ریاستوں یعنی ٹیکساس اور لوویزیانا کے آف لائن ہو جانے کے باوجود اوپر کی جانب گامزن رہیں، جو کہ امریکہ کی مجموعی ریفاٹنگ کی 20% گنجائش رکھتی ہیں جبکہ اس کے مقابلے میں 2005 میں آنے والے قطرینہ نامی طوفان سے 30% گنجائش متاثر ہوئی تھی۔

جبکہ WTI اور عرب لائٹ کی قیمتوں میں اس سہ ماہی میں 12% اور 16% تک اضافہ ہوا، جس کی اہم وجہ امریکی ذخائر میں جولائی 2017 تک 7.2 ملین bbls تک نیچے آنا اور ترکی کی جانب سے عراق کی آئل سپلائی (552k bpd) مجموعی طور پر کردستان کے علاقے کا (85%) منقطع کرنے کی دھمکیاں ہیں۔ مختصر مدت میں کروڈ آئل کی قیمتوں میں حرکت گلوبل کروڈ انوینٹریز، ریفاٹری کی بحالی اور امریکہ میں آئل پلینٹ فارمز اور OPEC کی قیمتوں میں پیداوار میں کمی کے معاملے پر بڑے پیمانے پر اثرات مرتب کرے گی۔

اسی طرح اس سہ ماہی میں کولے کی قیمتوں میں 17% تک اضافہ دیکھنے میں آیا جس کی بنیادی وجہ کولے کی قیمتوں میں 80% کے مطابق گھریلو سطح پر کولے کی پیداوار میں کمی کی وجہ سے چین کی کولے کی پیداوار میں کمی ہونا ہے، جس سے سردیوں سے قبل ہی بجلی پیدا کرنے کے لیے چین کی کولے کی مانگ میں اضافہ ہونے اور قابل تجدید توانائی کی طرف منتقل ہونے کی رفتار سست رہنے کا امکان ہے۔ آسٹریلیا اور انڈونیشیا سے موسم کی اہم صورت حال کے باعث سپلائی میں رکاوٹیں پیدا ہونے سے کولے کی پیداوار موجودہ سال 2017 کے 48 میں 22 ملین میٹرک ٹن تک کم ہوگی، جس کے نتیجے میں تقریباً دو ٹونگ دونوں طرح کے کولوں کی قیمتوں میں معمولی اضافہ دیکھنے میں آیا۔ مختصر سے درمیانی مدت تک کولے کی قیمتیں زیادہ رہنے کا امکان ہے جس کی وجہ چین، تائیوان اور جاپان



کی جانب سے طلب میں اضافہ اور سپلائی میں خلل واقع ہونا ہے۔

اگرچہ کموڈٹیوں میں اسٹیل کی قیمتوں میں اضافے کے خواہے سے کوئی استثنا مشاہدے میں نہیں آیا، قیمتوں میں اضافہ صرف خام مال (کوئلہ: 17%) کے اخراجات، کم انونٹری، چین کی مقداری کمی (150 ملین میٹرک ٹن، گلوبل گنٹائش کا 6%) اور چین کی مستحکم طلب کی وجہ سے ہوا۔ مختصر مدت میں اسٹیل کی قیمتیں بیزن کا عروج گزر جانے اور سردیوں کے آغاز کے ساتھ ہی کم ہو سکتی ہیں، البتہ طویل مدت میں چین کی طلب (45% گلوبل ڈیمانڈ) کا اندازہ اور ابھرتے ہوئے ملکوں (روس، برازیل اور انڈیا) میں گلوبل تعمیراتی سرگرمیاں (اسٹیل کی طلب کا 50%) اور ترقی یافتہ معیشتوں (امریکہ اور یورپی یونین ریجن) میں اسٹیل کی قیمتیں فیصلہ کن حیثیت میں برقرار رہیں گی۔

مستقبل کا منظر نامہ

ریٹیل سیکٹر میں مٹاؤ اثر کن ترقی اور زرعی شعبے میں مستحکم اضافے سے پاکستان کا GDP مالی سال 2018 میں اندازہ 5.7% تک پہنچنے کی امید ہے۔ حکومت کرنٹ اکاؤنٹ کے بدترین خسارے کو کم کرنے کے لیے کوششیں کر رہی ہے، جس کے لیے گلوبل ڈیمانڈ کو محدود اور برآمدات سے جڑی مراعات کے حجم اور اس کوپ میں اضافہ کیا جا رہا ہے۔ اس اقدام سے خسارے میں 3 بلین سے 4 بلین امریکی ڈالر تک کمی متوقع ہے۔ افراط زر کی شرح مالی سال 2017 کی پہلی سہ ماہی میں 3.9% کے مقابلے میں مالی سال 2018 کی پہلی سہ ماہی میں 3.4% کی اوسط پر رہی۔ آگے بڑھتے ہوئے آنے والے مہینوں میں ہم تیل کی قیمتوں میں اضافے کی بنیاد پر افراط زر کی شرح پر دوبارہ برقرار رکھیں گے۔ مالیاتی ہدف کو پیش نظر رکھتے ہوئے مالی سال 2018 کی پہلی سہ ماہی میں چیزیں خاصی منظم دکھائی دے رہی ہیں، جیسے کہ مالی خسارہ صرف 0.9% رہا، جس کی بنیادی وجہ ٹیکس وصولی میں اضافہ اور وفاقی حکومت کے اخراجات میں معمولی کمی ہے۔

اظہار تشکر

یہ بورڈ اپنے قابل قدر انوٹیشنرز، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، فنڈ کے ٹرسٹی، سینٹرل ڈیپازٹری کمیٹی آف پاکستان لیبڈ اور پاکستان اسٹاک ایکسچینج کا، ان کے تعاون اور مدد پر شکر گزار ہے۔ ہم اس موقع کا فائدہ اٹھاتے ہوئے اپنی ٹیم کی محنت اور کادشوں کا بھی اعتراف کرتے ہیں۔

برائے اور از طرف بورڈ

چیف ایگزیکٹو آفیسر

ڈائریکٹر

بتاریخ: 116 اکتوبر 2017



**Condensed Interim Statement of Assets and Liabilities
As at September 30, 2017**

		September 30, 2017 (Unaudited)	June 30, 2017 (Audited)
	Note	(Rupees)	
ASSETS			
Bank balances	5	319,667,427	137,797,289
Investments	6	862,303,258	1,113,495,682
Dividend receivable		4,893,972	2,200,979
Receivable against settlement of investments		503,066	-
Markup accrued		4,721,820	3,506,530
Advances, deposits, prepayments and other receivables		8,957,528	2,758,366
TOTAL ASSETS		1,201,047,071	1,259,758,846
LIABILITIES			
Remuneration payable to the Management Company	7	3,434,000	3,510,455
Remuneration payable to the Trustee		409,946	219,129
Annual fee payable to the Securities and Exchange Commission of Pakistan		282,563	1,341,116
Payable against redemption of units		6,000,000	-
Accrued expenses and other liabilities	8	5,288,485	28,324,532
TOTAL LIABILITIES		15,414,994	33,395,232
NET ASSETS		1,185,632,077	1,226,363,614
UNITHOLDERS' FUND (as per statement of movement in unit holders' fund)		1,185,632,077	1,226,363,614

	9	(Number of units)	
CONTINGENCIES AND COMMITMENTS			
Number of units in issue		11,939,948	11,494,659
Net assets value per unit		99.2995	106.6898

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



Condensed Interim Income Statement (Unaudited)
For the quarter ended September 30, 2017

	Note	2017	2016
		(Rupees)	
INCOME			
Income from Government securities		-	1,180,071
Mark-up income		10,640,919	13,494,249
Dividend income		6,116,730	2,943,054
Exchange gain / (loss) on foreign currency bank balance		3,007	(1,114)
		<u>16,760,656</u>	<u>17,616,260</u>
Capital (loss) / gain on sale of investments - net		<u>(9,010,632)</u>	<u>1,365,482</u>
Unrealised (loss) / gain on revaluation of held for trading investments - net		<u>(85,840,604)</u>	<u>22,789,366</u>
		<u>(94,851,236)</u>	<u>24,154,848</u>
Total (loss) / income		<u>(78,090,580)</u>	<u>41,771,108</u>
EXPENSES			
Remuneration of the Management Company	7.1	<u>3,960,675</u>	<u>3,979,310</u>
Sindh Sales tax on remuneration to the Management Company	7.2	<u>514,888</u>	<u>517,310</u>
Remuneration of the Trustee		<u>620,923</u>	<u>606,164</u>
Annual fee to the Securities and Exchange Commission of Pakistan		<u>282,563</u>	<u>279,885</u>
Auditors' remuneration		<u>84,166</u>	<u>88,103</u>
Fees and subscription		<u>98,642</u>	<u>68,211</u>
Printing charges		<u>5,041</u>	<u>5,041</u>
SECP supervisory fee		<u>1,260</u>	<u>1,247</u>
Brokerage, bank and settlement charges		<u>308,927</u>	<u>391,821</u>
Amortisation of deferred formation cost		<u>-</u>	<u>124,575</u>
Total expenses		<u>5,877,085</u>	<u>6,061,667</u>
Net (loss) / income from operating activities		<u>(83,967,665)</u>	<u>35,709,441</u>
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net		<u>-</u>	<u>27,162,105</u>
Sindh Workers' Welfare Fund (SWWF)	8.1	<u>-</u>	<u>-</u>
Net (loss) / income for the period before taxation		<u>(83,967,665)</u>	<u>62,871,546</u>
Taxation	10	<u>-</u>	<u>-</u>
Net (loss) / income for the period after taxation		<u>(83,967,665)</u>	<u>62,871,546</u>
Sep 30, 2017			
Allocation of Net Income for the period:			
Less: Income already paid on units redeemed			754,173
Accounting income available for distribution:			
Relating to capital gains / (loss)		<u>(93,999,310)</u>	
Excluding capital gains		<u>10,785,818</u>	
Accounting income available for distribution			<u>(83,213,492)</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



**Condensed Interim Statement of Comprehensive Income (Unaudited)
For the quarter ended September 30, 2017**

	2017	2016
	(Rupees)	
Net (loss) / income for the period after taxation	(83,967,665)	62,871,546
Other comprehensive income for the period	-	-
Total comprehensive (loss) / income for the period	<u>(83,967,665)</u>	<u>62,871,546</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**Condensed Interim Statement Of Movement In Reserve
Or Unit Holders' Fund (Unaudited)
For the Quarter ended September 30, 2017**

	2017	2016
	(Rupees)	
Net assets at the beginning of the period	1,226,363,614	705,690,153
Issue of 646,276 units (2016: 6,260,216 units)	63,911,071	653,276,560
Redemption of 200,987 units (2016: 19,576 units)	(20,674,943)	(2,050,522)
	43,236,128	651,226,038
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net	-	(27,162,105)
Total comprehensive (loss) / income for the period	(83,967,665)	62,871,546
Net assets at the end of the period	1,185,632,077	1,392,625,632
Net assets value per unit at the beginning of the period	106.6898	102.6247
Net assets value per unit at the end of the period	99.2995	106.1690
Distribution during for the period:		
Undistributed income brought forward comprises of:		
- Realised Gain	53,959,248	14,301,498
- Unrealised Gain	22,938,468	3,747,320
	76,897,716	18,048,818
Accounting income available for distribution:		
-Relating to capital gains	(93,999,310)	-
-Excluding capital gains	10,785,818	-
	(83,213,492)	-
Total comprehensive income for the period	-	62,871,546
Distributions during the period:	-	-
Undistributed (loss) / income carried forward	(6,315,776)	80,920,364
Undistributed income carried forward comprises of:		
- Realised Gain	79,524,828	58,130,998
- Unrealised (loss) / gain	(85,840,604)	22,789,366
	(6,315,776)	80,920,364

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**Condensed Interim Cash Flow Statement (Unaudited)
For the quarter ended September 30, 2017**

	2017	2016
	(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(83,967,665)	62,871,546
Adjustments for:		
Amortisation of deferred formation cost	-	124,575
Unrealised (gain) on revaluation of held for trading investments - net	85,840,604	(22,789,366)
Dividend income on held for trading investments	(6,116,730)	(2,943,054)
Markup on bank balances and investments	(10,640,919)	(14,674,320)
Element of (gain) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed - net	-	(27,162,105)
	(14,884,710)	(4,572,724)
Decrease / (increase) in assets		
Investments - net	165,351,820	(162,647,649)
Loans and receivables	-	(290,000,000)
Advances, deposits, prepayments and other receivables	(6,199,162)	(877,299)
Receivable against settlement of investments	(503,066)	-
	158,649,592	(453,524,948)
(Decrease) / increase in liabilities		
Payable to the Management Company	(76,455)	915,461
Remuneration payable to the Trustee	190,817	92,262
Annual fee payable to the Securities and Exchange Commission of Pakistan	(1,058,553)	40,746
Accrued expenses and other liabilities	(23,036,047)	1,809,781
	(23,980,238)	2,858,250
Dividend income received	3,423,737	1,018,345
Markup on bank balances and investments	9,425,629	7,414,331
Net cash used in / (generated from) operating activities	132,634,010	(446,806,746)
CASH FLOW FROM FINANCING ACTIVITIES		
Cash received from issue of units	63,911,071	653,276,560
Cash paid on redemption of units	(14,674,943)	(152,050,522)
Net cash used in from financing activities	49,236,128	501,226,038
Net decrease in cash and cash equivalent	181,870,138	54,419,292
Cash and cash equivalent at the beginning of the period	137,797,289	385,952,227
Cash and cash equivalent at the end of the period	319,667,427	440,371,519

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



Notes to the Condensed Interim Financial Information (Unaudited) For the quarter ended September 30, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

Lakson Tactical Fund ("the Fund") was established under Trust Deed executed on May 30, 2011 between Lakson Investments Limited as its Management Company and Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a notified entity on July 7, 2011 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Management Company of the Fund has been licensed by SECP to undertake Asset Management and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. The registered office of the Management Company is located at 14 - Ali Block, New Garden Town, Lahore.

The Fund is an open end mutual fund and is listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units can also be redeemed by surrendering them to the Fund.

The Fund is categorised as "Asset Allocation Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and is authorised to invest within the prescribed limits as mentioned in the offering documents of the Fund in listed equity securities, Government securities, debt securities, deposits with banks, preference shares, placement of funds with financial institutions, reverse repo, margin trading system, money market placement, commercial paper, unlisted equity securities only if an application for listing of such securities has been accepted by the stock exchange, future contracts of equity and commodity and any other instruments authorized by SECP in Pakistan. Further, as allowed by SECP and the State Bank of Pakistan, the Fund can invest abroad up to 30% of the aggregated funds mobilized (including foreign currency funds) subject to a maximum limit of USD 15 million. The investments authorized outside Pakistan include exchange traded funds based on equities / debt with exposure in the commodities, index tracker funds tracking different commodities indices, actively managed commodities based funds, equities and debt securities of companies with exposure in commodities, future contracts of different commodities and foreign currency deposits etc.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

Pakistan Credit Rating Company Limited (PACRA) has upgraded the rating of the Management Company of the Fund to the new scale 'AM2+' (stable outlook) vide its report dated 15 May 2017 (2016: AM2 as on 08 June 2016).

On 22 August 2017, JCR-VIS assigned following rankings to the Fund based on the performance review for the year ended 30 June 2017:

1 Year ranking: 4-Star
3 Year ranking : 3-Star
5 Year ranking: 3-Star

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial informations have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) and directives issued by



the Securities and Exchange Commission of Pakistan (SECP). In case the requirements differ, the requirements of the Rules, the Regulations and the directives issued by the SECP shall prevail.

These condensed interim financial informations do not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended June 30, 2017. However, selected explanatory notes are included to explain events and transactions that are significant.

This condensed interim financial information is being submitted to the unit holders as required under Regulation 38(g) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

The Directors of the Management Company declare that these condensed interim financial information gives a true and fair view of the state of affairs of the fund.

2.2 Basis of measurement

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

This Condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional And Presentation Currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest rupees.

2.4 SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended June 30, 2017.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial informations are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2017, except the following change in accounting policy during the period ended September 30, 2017.

Pursuant to requirement of SRO 756(I)/2017 issued by Securities and Exchange Commission of Pakistan, the policy for recording "Element of Income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed" has been changed. The impacts of the change in policy have been applied prospectively from July 1, 2017 since prior period impacts cannot be determined.

The "Element of Income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed" represents the difference between the net asset value of units on issuance or redemption date, as the case may be, and the net asset value at the beginning of the relevant accounting period. The "Element of Income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed" is recognized in the unit holders' fund.



To prevent distribution of income/loss already paid out on redemption, the net income/loss will be bifurcated into income/loss already paid on units redeemed and accounting income/loss available for distribution.

To maintain same ex-dividend NAV, element of Income / (loss) and capital gains / (losses) included in the prices of units issued lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4 FINANCIAL RISK MANAGEMENT

The Fund financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2017.

		September 30, 2017 (Unaudited)	June 30, 2017 (Audited)
	Note	(Rupees)	
5 BANK BALANCES			
In local currency			
In profit and loss sharing accounts	5.1	319,099,903	137,232,705
In current account		16,089	16,157
In foreign currency			
In current account	5.2	551,435	548,427
[USD\$ 5,230 (2017: USD\$ 5,230)]		<u>319,667,427</u>	<u>137,797,289</u>

5.1 These carry mark-up rates ranging from 3.75% to 10.00% (2017: from 3.75.00% to 8.00%) per annum.

5.2 This represents USD denominated current account maintained in foreign country.

6 INVESTMENTS

At fair value through income statement - held for trading

Listed equity securities	6.1	712,672,749	679,365,644
Term finance certificates	6.2	54,551,109	25,061,150
Sukuk certificates	6.3	20,079,400	20,140,120
Advance for Investment in Term Finance Certificate		-	40,000,000
		<u>787,303,258</u>	<u>764,566,914</u>
Loans and receivable			
Term deposit receipts	6.4	75,000,000	348,928,768
		<u>862,303,258</u>	<u>1,113,495,682</u>

6.1 At fair value through profit or loss - held for trading
Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	Holding as at July 01, 2017	Purchased during the period	Bonus shares / letter of right received during the period	Disposed during the period	Holding as at September 30, 2017	Carrying value before revaluation as of 30 September 2017	Market value as of 30 September 2017 (after revaluation)	Unrealised gain / (loss) - net	Market value as percentage of total investments	Market value as percentage of net assets	Par value of shares held as percentage of total paid up capital of the investee company
	Number of Shares						(Rupees)	(Rupees)	(%)	(%)	(%)
Commercial Banks											
Allied Bank Limited	81,704	-	-	-	81,704	7,322,312	7,148,283	(174,029)	0.83	0.67	0.01
Bank Al-Falah Limited	180,300	117,400	-	-	297,700	11,825,055	12,628,434	803,379	1.46	1.07	0.01
Bank Al-Habib Limited	437,419	59,785	-	-	497,204	28,319,921	28,638,950	319,029	3.32	2.42	0.04
Habib Bank Limited (6.1.1)	168,890	8,300	-	76,100	101,090	27,027,705	18,273,028	(8,754,677)	2.12	1.54	0.01
JS Bank Limited	839,060	-	-	-	839,060	8,046,585	7,199,135	(847,450)	0.83	0.61	0.08
MCB Bank Limited	158,451	3,700	-	2,700	159,451	33,521,767	33,325,259	(196,508)	3.86	2.81	0.01
Meezan Bank Limited	279,682	67,280	-	-	346,962	27,224,484	26,209,902	(1,014,582)	3.04	2.21	0.03
United Bank Limited	175,111	6,800	-	5,700	176,211	41,280,810	33,510,046	(7,770,764)	3.89	2.83	0.01
						184,568,639	166,933,037	(17,635,602)	19.36	14.08	
Chemicals											
Archroma Pakistan Limited	16,482	5,150	-	-	21,632	15,358,034	14,212,224	(1,145,810)	1.65	1.20	0.05
ICI Pakistan Limited	8,985	5,310	-	-	14,295	15,281,625	13,060,198	(2,201,427)	1.51	1.10	0.01
						30,639,659	27,272,422	(3,347,237)	3.17	2.30	
Fertilizers											
Engro Corporation Limited (6.1.1)	111,773	2,200	-	-	113,973	37,112,138	34,544,077	(2,568,061)	4.01	2.91	0.02
Engro Fertilizers Limited	-	-	-	-	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	-	-	-	-	-	-	-	-	-	-	-
						37,112,138	34,544,077	(2,568,061)	4.00	2.91	
Pharma & Bio Tech											
The Searl Company Limited (6.1.2)	58	-	-	-	58	29,695	23,427	(6,268)	0.00	0.00	0.00
Cables and electrical goods											
Pak Electron Limited	123,883	54,500	-	16,000	162,383	17,688,704	12,332,989	(5,355,715)	1.43	1.04	0.02
Textile Composite											
Gul Ahmed Textile Mills Limited	159,765	40,500	-	-	200,265	8,159,150	7,858,399	(300,751)	0.91	0.66	0.05
Nishat Mills Limited	145,667	66,800	-	-	212,467	33,529,270	30,828,962	(2,700,308)	3.58	2.60	0.04
Kohenoor Textile Mills	53,788	13,400	4,031	-	71,219	7,037,222	6,035,538	(1,001,684)	0.70	0.51	0.04
						48,725,642	44,722,899	(4,002,743)	5.19	3.77	
Cement											
Cerat Cement Company Limited	-	-	-	-	133,456	28,386,972	19,599,348	(8,787,624)	2.27	1.65	0.03
D.G Khan Cement Company Limited (6.1.1)	129,956	6,400	-	2,900	139,256	16,919,388	11,067,048	(5,852,340)	1.28	0.93	0.06
Fauji Cement Company Limited	90,300	4,900	-	16,500	111,700	45,778,283	31,096,769	(14,681,514)	3.61	2.62	0.02
Kohat Cement Company Limited	52,921	3,000	-	3,000	58,921	14,488,500	10,023,813	(4,464,687)	1.16	0.85	0.05
Lucky Cement Company Limited	114,450	-	-	-	114,450	5,670,910	4,620,186	(1,050,724)	0.54	0.39	0.01
Pioneer Cement Company Limited	38,700	14,900	6,700	-	60,300	111,244,053	76,407,164	(34,836,888)	8.86	6.44	0.01
Maple Leaf Cement Factory Limited	138,750	-	-	-	138,750	-	-	-	-	-	-



Name of the Investee Company	Holding as at July 01, 2017	Purchased during the period	Bonus shares / letter of right received during the period	Disposed during the period	Holding as at September 30, 2017	Carrying value before revaluation as of 30 September 2017	Market value as of 30 September 2017 (after revaluation)	Unrealised gain / (loss) - net	Market value as percentage of total investments	Market value as percentage of net assets	Par value of shares held as a percentage of total paid up capital of the investee company
			Number of Shares			(Rupees)			(%)		
Power Generation & Distribution											
K-Electric Limited (Face value of Rs. 3.5 each)	2,458,726	-	-	1,233,070	1,225,656	8,457,026	8,628,618	171,592	1.00	0.73	0.01
The Hub Power Company Limited	206,824	134,900	-	-	341,724	40,257,101	38,208,160	(2,048,941)	4.43	3.22	0.02
Kor Adu Power Company Limited	-	-	-	-	-	48,714,127	46,836,778	(1,877,350)	5.43	3.95	
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	16,320	4,480	-	-	20,800	33,083,686	31,304,208	(1,779,478)	3.63	2.64	0.01
Oil and Gas Development Company Limited	220,903	38,200	-	-	259,103	36,874,459	35,113,070	(1,658,611)	4.47	3.25	0.01
Pakistan Oilfield Limited	21,313	9,900	-	-	31,213	14,286,482	6,940,615	(8,590,973)	1.93	1.39	0.01
Pakistan Petroleum Limited	102,055	85,300	-	-	185,355	23,873,364	33,371,823	9,498,459	3.76	2.70	0.01
						119,419,051	118,872,498	4,459,466	13.79	10.82	
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited	52,930	5,700	-	350	58,280	22,467,954	26,745,773	3,277,819	2.99	2.17	0.02
Attock Petroleum Limited	10,700	2,550	-	-	13,250	8,392,051	8,280,923	(101,128)	0.96	0.70	0.01
Sul Northern Gas Pipeline Limited	159,810	70,400	-	-	230,210	34,045,573	30,815,911	(3,230,662)	3.57	2.60	0.03
						64,906,578	64,852,607	(53,971)	7.52	5.47	
Food & Personal Care Products											
Al-Shaheer Corporation Limited	160,810	14,000	-	28,650	146,160	5,859,463	4,621,579	(1,237,884)	0.54	0.39	0.11
Technology and Communication											
Systems Limited	84,806	66,100	-	-	150,906	11,646,901	11,701,251	54,350	1.36	0.99	0.08
Automobile Assemblers											
Millat Tractors Limited	8,986	5,860	-	-	14,346	19,284,372	17,907,968	(1,376,404)	2.08	1.51	0.03
Indus Motor Company Limited	13,006	3,740	-	-	16,746	29,903,117	28,816,852	(1,086,265)	3.34	2.43	0.02
Pak Suzuki Motor Company Limited	18,150	-	-	-	18,150	14,163,534	8,306,711	(5,856,823)	0.96	0.70	0.02
						63,351,023	55,031,531	(8,319,492)	6.38	4.64	
Engineering											
Mughal Iron & Steel Limited	118,242	-	-	-	118,242	9,545,693	6,765,844	(2,779,849)	0.78	0.57	0.01
International Steels Limited	104,321	63,900	-	800	167,421	21,206,408	20,279,706	(926,702)	2.35	1.71	0.02
Crescent Steel and Allied Products	13,225	47,500	-	-	47,500	8,544,070	7,514,025	(1,030,045)	0.87	0.63	0.06
International Industries Limited	-	10,900	-	-	24,125	8,338,262	7,001,075	(1,337,187)	0.81	0.59	0.09
						47,634,433	41,560,650	(6,073,783)	4.82	3.51	
Automobile & Parts											
Thal Limited (Face value of Rs. 5 each)	10,679	1,950	-	-	12,629	7,662,487	6,959,842	(702,645)	0.81	0.59	0.01
Total as at 30 September 2017						794,192,593	712,672,749	(81,519,843)	82.65	60.10	
Total cost as at 30 September 2017						768,601,043					
Total as at 30 June 2017						656,628,460	679,365,644	22,737,185	61.01	55.39	
Total cost as at 30 June 2017						654,372,573					



6.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited:

	September 30, 2017	June 30, 2017	September 30, 2017	June 30, 2017
	----- (Number of shares) -----		----- (Rupees) -----	
D.G Khan Cement Company Limited	70,000	70,000	10,280,200	14,921,200
Engro Corporation Limited	20,000	20,000	6,061,800	6,518,200
Habib Bank Limited	50,000	50,000	9,038,000	13,457,000
	140,000	140,000	25,380,000	34,896,400

6.1.2 Finance act, 2014 had introduced tax on bonus shares issued by the companies. Most of the equity funds including the Fund have challenged the applicability of withholding tax provision on bonus shares before Honourable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. In the Fund's case, tax in the shape of 58 shares in case of The Searl Company Limited has been withheld by CDC. Market value of these 58 shares of Searl as at 30 September 2017 amounted to Rs. 23,427 and are included in the Fund's investments in these financial statements.

6.2 Term finance certificates

At fair value through income statement - held for trading

Name of Security	Date of Maturity	Mark-up rate	Holding as at 01 July 2017	Purchases during the period	Disposed / matured during the period	Holding as at 30 September 2017	Carrying value as of the year ended 30 Sep 2017 before revaluation	Market value as of the year ended 30 Sep 2017 (after revaluation)	Unrealised appreciation / (diminishing)	Credit rating	Market value as % of total investments	Market value as % of net assets	Face value as % of size of the issue	
Note	----- Number of certificates -----			----- (Rupees) -----										
NRSP Microfinance Bank Limited (Face value of Rs. 5,000 each)	6.2.1	30 June 2018	3 months KIBOR + base rate of 2.35%	10,000	-	-	10,000	18,811,150	18,784,669	(26,481)	A	2.18	1.58	1.67
Silk Bank Limited (Face value of Rs. 5,000 each)	6.2.2	10 Aug 2025	6 months KIBOR + base rate of 1.85%	-	8,000	-	8,000	40,000,000	35,766,440	(4,233,560)	A-	4.15	3.02	0.02
				Total as at 30 September 2017			58,811,150	54,551,109	(4,260,041)		6.33	4.60	1.69	
				Total cost as at 30 September 2017			58,750,000							
				Total as at 30 June 2017			25,061,150							
				Total cost as at 30 June 2017			25,000,000							

6.2.1 This represents investment in term finance certificates carrying an effective profit rate of 3 months Karachi Inter-bank Offer Rate (KIBOR) plus margin of 2.35% per annum receivable quarterly in arrears. The principal amount shall be redeemable at 8 equal quarterly instalments of Rs. 6.25 million each from 30 September 2016 to 30 June 2018. These are secured by first pari passu charge on the bank's current assets with 25% margin. Total face value of individual investment is Rs. 5,000 (Rs. 50 million in total) where as at the year end, the total face value (the principal amount) was Rs. 25 million.

6.2.2 This represents Term Finance Certificates (TFCs) to be issued by Silk Bank Limited. Total size of the issue is Rs. 2,000 million and the term of the TFCs shall be eight years commencing from the date of issue of TFCs expected to commence from August 2017 and ending on August 2025. Profit on the instrument shall be payable semi-annually in arrears on the outstanding balance and the first such profit payment shall fall due 6 months from the issue date and subsequently every six months thereafter. Profit rate shall be the average six months KIBOR + 1.85% per annum. The instrument will be structured to redeem 0.14% of the issue amount during the first 7 years and remaining 99.86% in the last two semi annual instalments of 49.93% each. The instrument will be unsecured and subordinated to all other indebtedness of the Bank. The management expects the issuance of the TFCs in August 2017



6.3 Sukuk certificates

At fair value through income statement - held for trading

Name of Security	Date of Maturity	Mark-up rate	Holding as at 01 July 2017	Purchases during the period	Disposed / matured during the period	Holding as at 30 September 2017	Carrying value as of the year ended 30 Sep 2017 before revaluation	Market value as of the year ended 30 Sep 2017 (after revaluation)	Unrealised appreciation / (diminishing)	Credit rating	Market value as % of total investments	Market value as % of net assets	Face value as % of size of the issue	Number of certificates	
Pak Elektron Limited	25 Nov 2017	3 months KIBOR + base rate of 2.50%	20	-	-	20	20,140,120	20,079,400	(60,720)	A+	2.33	1.69	1.87		
							20,140,120	20,079,400	(60,720)		2.33	1.69	1.87		
							Total Cost as at 30 September 2017	20,000,000							

6.3.1 This represents investment in sukuk certificates of Pak Elektron Limited carrying an effective profit rate of 3 months Karachi Inter-bank Offer Rate (KIBOR) per annum plus margin of 2.50% receivable quarterly in arrears. The entire principal is redeemable on 25 November 2017. These sukuk certificates are secured by way of first pari passu charge of the Company's assets with 25% margin.

6.4 Term deposit receipts

Face Value		Maturity date	Coupon rate per annum	September 30, 2017	June 30, 2017
September 30, 2017	June 30, 2017				
----- (Rupees) -----					
-	80,000,000	29-Sep-17	11.00%	-	80,000,000
-	70,000,000	25-Jul-17	6.80%	-	70,000,000
-	70,000,000	31-Jul-17	6.75%	-	70,000,000
-	53,928,768	29-Sep-17	11.49%	-	53,928,768
50,000,000	50,000,000	30-May-18	9.33%	50,000,000	50,000,000
25,000,000	25,000,000	12-Feb-18	9.60%	25,000,000	25,000,000
75,000,000	348,928,768			75,000,000	348,928,768

7	PAYABLE TO THE MANAGEMENT COMPANY	Note	September 30, 2017	June 30, 2017
			(Unaudited)	(Audited)
	Remuneration payable to the Management Company	7.1	1,317,109	1,384,768
	Sales tax payable on remuneration to the Management Company	7.2	427,855	436,651
	Federal excise duty payable on remuneration to the Management Company	7.3	1,686,556	1,686,556
	Sales load payable		2,480	2,480
			3,434,000	3,510,455

7.1 The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding 2% per annum of the average annual net assets of the Fund. However, the Management Company is currently charging a fee at 10% of the gross earnings of the scheme for the year ended 30 June 2017. The fee is subject to a minimum of 1% and maximum of 2% of the average annual net assets of the Fund. Currently the effective rate of Management Company remuneration for the period end 30 September 2017 is 1.33% of average net assets. Remuneration is paid to the Management company in arrears on a monthly basis.



- 7.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (2016: 14%) on Management Company's remuneration. Above liability includes Rs. 256,632 (2016: Rs. 256,632) accrued on Federal Excise Duty (FED) on the management remuneration as more fully explained in note 7.3 below. Had the provision on FED not been made, Net Asset Value per unit of the Fund as at 30 September 2017 would have been higher by Re. 0.02 (2016: Re. 0.02) per unit.
- 7.3 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 4 September 2013.

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

Furthermore, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from 13 June 2013 to 30 June 2016 aggregating to Rs. 1.686 million. Had the provision not been made, NAV per unit of the Fund as at 30 September 2017 would have been higher by Re. 0.14 (30 June 2017: Re. 0.15) per unit.

	September 30, 2017 (Unaudited)	June 30, 2017 (Audited)
Note	(Rupees)	
8 ACCRUED EXPENSES AND OTHER LIABILITIES		
Capital gain tax payable on redemption	-	15,967,104
Withholding income tax payable on dividend	-	7,493,217
Payable to Sindh workers' welfare fund	8.1 3,612,862	3,612,862
Brokerage charges payable	953,930	731,863
Fee payable to National Clearing Company of Pakistan	319,779	260,311
Auditors' remuneration	316,266	232,099
Fee payable to Central Depository Company	2,633	580
Other liabilities	83,015	26,496
	<u>5,288,485</u>	<u>28,324,532</u>

8.1 Workers' Welfare Fund

Provision for Sindh Workers' Welfare Fund is being made on a daily basis going forward pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) letter to mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 hence WWF is payable by them. Though MUFAP has taken up the matter with the Sindh



Finance Ministry to have CISs /mutual funds excluded from the applicability of SWWF, but as a matter of abundant caution management has recorded SWWF with effect from the date of the applicability of the SWWF Act,2014 (i.e. with effect from 01 July 2014).

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

Pursuant to above MUFAP recommended that the entire provision of Rs. 1.210 million against WWF held by the CISs till 30 June 2015, to be reversed on 12 January 2017.

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

Total provision for SWWF till 30 June 2017 is Rs. 3.612 million. Had the provision not been made, Net Asset Value per unit of the Fund as at 30 September 2017 would have been higher by Re. 0.30 per unit.

9 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at September 30, 2017.

10 TAXATION

The Fund's income is exempt from Income Tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The management intends to distribute at least 90% of the income earned by the year end by this Fund to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Accordingly, no provision has been made in this condensed interim financial statement.

11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the trustee, Habib Bank AG Zurich Switzerland being the Custodian, Siza Services (Private) Limited being holding company of the Management Company, associated companies of the Management Company and the holding company, key management personnel, other funds being managed



by the Management Company and entities having holding 10% or more in the units of the Fund as at 30 September 2017. It also includes staff retirement funds of the above related parties / connected persons.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively. Other transactions are in normal course of business, at contracted rates and terms determined in accordance with the market rates.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

	September 30, 2017 (Unaudited)	June 30, 2017 (Audited)
	(Rupees)	
11.1 Balance as at year end		
Lakson Investments Limited - Management Company		
Remuneration payable (including the Sindh Sales Tax and Federal Excise Duty)	<u>3,431,520</u>	<u>3,507,975</u>
Sales load payable	<u>2,480</u>	<u>2,480</u>
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable (including Sindh Sales Tax)	<u>409,946</u>	<u>219,129</u>
Settlement charges payable	<u>2,632</u>	<u>580</u>
Security deposit	<u>100,000</u>	<u>100,000</u>
Habib Bank AG Zurich - Custodian		
Bank deposits	<u>551,435</u>	<u>548,427</u>



11.2 Unit Holders' Fund

Directors, Chief Executive and their spouse and minors
Other key management personnel
Lakson Investments Limited - Management Company

Associated companies / undertakings of the Management Company

Lakson Business Solutions Limited Employees
Contributory Provident Fund Trust
Princeton Travels (Private) Limited Employees
Contributory Provident Fund Trust
Lakson Investments Limited Employees Contributory
Provident Fund Trust
Tetley Glover (Private) Limited Employees Contributory
Provident Fund Trust
Century Insurance Company Limited Employees
Contributory Provident Fund Trust
GAM Corporation (Private) Limited Employees
Contributory Provident Fund Trust
SIZA Foods (Private) Limited Employees Contributory
Provident Fund Trust
Haasanali Karabahal Foundation Employees Contributory
Provident Fund Trust
Colgate Palmolive (Pakistan) Limited Employees
Contributory Provident Fund Trust
Colgate Palmolive (Pakistan) Limited Employees Gratuity Fund
SIZA Services (Private) Limited Employees Contributory
Provident Fund Trust
Cyber Internet Services (Private) Limited Employees
Contributory Provident Fund Trust
Merit Packaging Limited Employees Contributory
Provident Fund Trust
Merit Packaging Limited Employees Gratuity Fund
Century Paper & Board Mills Limited Employees
Contributory Provident Fund Trust
Century Paper & Board Mills Limited Employees Gratuity Fund
Clover Pakistan Limited Employees Contributory
Provident Fund Trust
Century Insurance Company Limited
Premier Fashions (Private) Limited
Siza Commodities (Private) Limited
Sybrid (Private) Limited Employees Contributory
Provident Fund Trust
Century Insurance Company Limited EGF
Siza Private Limited
Bulk Management Pakistan Private Limited - Connected
person due to holding more than 10% outstanding units

	Number of Units				Rupees			
	Number of Units as at July 01, 2017	Units issued during the period	Units redeemed during the period	Number of units as at September 30, 2017	Units issued during the period	Bonus units issued during the period	Units redeemed during the period	Balance as at September 30, 2017
	72,276	124,906	-	197,182	12,510,000	-	-	19,580,029
	17,995	-	3,973	14,022	-	-	416,496	1,392,375
	1,142,709	-	-	1,142,709	-	-	-	113,470,465
	5,258	-	-	5,258	-	-	-	522,100
	21,344	-	-	21,344	-	-	-	2,119,417
	2,838	-	-	2,838	-	-	-	281,783
	9,565	-	9,565	-	1,020,525	-	940,349	-
	64,630	-	-	64,630	6,895,323	-	-	6,417,690
	210,746	-	-	210,746	22,484,465	-	-	20,956,987
	152,205	-	-	152,205	16,238,768	-	-	15,113,924
	30,825	-	-	30,825	3,288,713	-	-	3,060,907
	1,217,642	-	-	1,217,642	129,910,029	-	-	120,911,286
	715,637	-	-	715,637	76,351,203	-	-	71,062,429
	46,005	-	-	46,005	4,908,216	-	-	4,588,229
	297,954	-	-	297,954	31,788,643	-	-	29,586,675
	64,819	-	-	64,819	6,595,411	-	-	6,138,554
	24,352	-	-	24,352	2,598,151	-	-	2,418,180
	651,094	-	-	651,094	69,465,089	-	-	64,653,309
	997,840	-	-	997,840	106,459,333	-	-	99,084,997
	19,488	-	-	19,488	2,079,203	-	-	1,935,178
	2,078,238	-	-	2,078,238	221,726,770	-	-	206,367,970
	975,107	-	-	975,107	104,033,965	-	-	96,827,632
	1,062,202	-	-	1,062,202	113,326,107	-	-	105,476,116
	63,224	-	-	63,224	6,745,340	-	-	6,278,097
	23,953	-	-	23,953	3,476	-	-	345,168
	2,041,552	-	2,041,552	-	217,812,721	-	217,812,721	2,378,477



Period ended September 30, 2016									
Number of Units					Rupees				
Number of Units as at July 01, 2016	Units issued during the period	Bonus units issued during the period	Units redeemed during the period	Number of units as at September 30, 2016	Balance as at July 01, 2016	Units issued during the period	Bonus units issued during the period	Units redeemed during the period	Balance as at September 30, 2016
1,072,161	-	-	-	1,072,161	110,030,201	-	-	-	113,830,261
Lakson Investments Limited - Management Company Directors, Chief Executive and their spouse and minors									
Associated companies / undertakings of the Management Company									
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	4,805	-	-	4,805	493,112	-	-	-	510,142
Princeton Travels (Private) Limited Employees Contributory Provident Fund Trust	19,488	-	-	19,488	1,999,950	-	-	-	2,069,021
Lakson Investments Limited Employees Contributory Provident Fund Trust	2,587	-	-	2,587	265,490	-	-	-	274,659
Tetley Clover (Private) Limited Employees Contributory Provident Fund Trust	8,742	-	-	8,742	897,145	-	-	-	928,129
Century Insurance Company Limited Employees Contributory Provident Fund Trust	58,844	-	-	58,844	6,038,848	-	-	-	6,247,409
GAM Corporation (Private) Limited Employees Contributory Provident Fund Trust	193,400	-	-	193,400	19,847,617	-	-	-	20,533,085
SZA Foods (Private) Limited Employees Contributory Provident Fund Trust	139,177	-	-	139,177	14,282,998	-	-	-	14,776,283
Hasanali Karabhai Foundation Employees Contributory Provident Fund Trust	28,172	-	-	28,172	2,891,143	-	-	-	2,990,993
Colgate Palmolive (Pakistan) Limited Employees Contributory Provident Fund Trust	1,102,653	-	-	1,102,653	113,159,433	-	-	-	117,067,566
Colgate Palmolive (Pakistan) Limited Employees Gratuity Fund SZA Services (Private) Limited Employees	634,662	-	-	634,662	65,131,997	-	-	-	67,381,430
SZA Services (Private) Limited Employees Contributory Provident Fund Trust	40,799	-	-	40,799	4,186,985	-	-	-	4,331,589
Cyber Internet Services (Private) Limited Employees Contributory Provident Fund Trust	264,240	-	-	264,240	27,117,551	-	-	-	28,054,097
Merit Packaging Limited Employees Contributory Provident Fund Trust	56,673	-	-	56,673	5,816,050	-	-	-	6,016,916
Merit Packaging Limited Employees Gratuity Fund Century Paper & Board Mills Limited Employees	22,176	-	-	22,176	2,275,805	-	-	-	2,354,404
Century Paper & Board Mills Limited Employees Contributory Provident Fund Trust	144,657	506,437	-	651,094	14,845,381	53,000,000	-	-	69,125,999
Century Paper & Board Mills Limited Employees Gratuity Fund Clover Pakistan Limited Employees Contributory Provident Fund Trust	472,292	525,548	-	997,840	48,468,825	55,000,000	-	-	105,939,658
Century Insurance Company Limited Premier Fashions (Private) Limited	17,811	-	-	17,811	1,827,849	-	-	-	1,890,976
Siza Commodities (Private) Limited Siza Commodities (Private) Limited	1,935,588	679,995	-	1,935,588	198,636,059	-	-	-	205,496,257
Sybird (Private) Limited Employees Contributory Provident Fund Trust	238,739	7,777,137	-	918,734	24,500,518	70,000,000	-	-	97,541,023
Others - Connected Person due to holding more than 10% outstanding units	223,627	7,777,137	-	1,000,764	22,949,654	80,000,000	-	-	106,250,075
	66,550	1,908,847	-	66,550	6,829,674	199,765,985	-	-	7,065,547
				1,908,847					202,660,370



	September 30, 2017	2016 (Unaudited) (Rupees)
11.3 Transaction during the period		
Lakson Investments Limited - Management Company		
Remuneration during the period	<u>3,960,675</u>	<u>3,979,310</u>
Sindh Sales Tax on Remuneration	<u>514,888</u>	<u>517,310</u>
Federal Excise Duty on Remuneration	<u>-</u>	<u>-</u>
Central Depository Company of Pakistan Limited - Trustee		
Remuneration to the Trustee	<u>620,923</u>	<u>606,164</u>
CDC Charges	<u>9,346</u>	<u>12,570</u>

12 TOTAL EXPENSE RATIO

As per the Securities and Exchange Commission of Pakistan (SECP) vide directive no.SCD/PRDD/Direction/18/2016 dated 20 July 2016, required that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the year ended 30 September 2017 is 1.98% which includes 0.31% representing government levies (comprising of Workers Welfare Fund and SECP fee, etc.). As per NBFC Regulation the total expense ratio of the Asset Allocation Scheme shall be capped up to 4%.

13 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 16, 2017 by the Board of Directors of the Management Company.

14 GENERAL

Figures have been rounded off to the nearest rupee.

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

Chief Executive Officer

Chief Financial Officer

Director



A Lakson Group Company

Lakson Investments Limited

Lakson Square, Building No. 2,
Sarwar Shaheed Road,
Karachi-74200, Pakistan
T +92.21 3569.8000
F +92.21 3568.1653

Lakson Investments Limited

(Regulated by the DFSA as a Representative Office)
Level 15, Gate Building
DIFC, P.O. Box 507054
Dubai, U.A.E.
T +971.4 401.9284
F +971.4 401.9578