

# **MCB CASH MANAGEMENT OPTIMIZER**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
<b>Board of Directors</b>	Mian Muhammad Mansha Mr. Nasim Beg Mr. Muhammad Saqib Saleem Dr. Syed Salman Ali Shah Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib Mr. Mirza Qamar Beg	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Mirza Qamar Beg Mr. Nasim Beg	Chairman Member Member Member
<b>Human Resource &amp; Remuneration Committee</b>	Dr. Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
<b>Chief Executive Officer</b>	Mr. Muhammad Saqib Saleem	
<b>Chief Operating Officer &amp; Company Secretary</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Chief Financial Officer</b>	Mr. Abdul Basit	
<b>Trustee</b>	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcPakistan.com	
<b>Bankers</b>	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited Faysal Bank Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited Zarai Traqiati Bank Limited Habib Bank Limited National Bank of Pakistan	
<b>Auditors</b>	<b>Deloitte Yousuf Adil</b> Chartered Accountants Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah-e-Faisal, Karachi-75350.	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Transfer Agent</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
<b>Rating</b>	<b>AM2++</b> Asset Manager Rating assigned by PACRA	

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018

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**Dear Investor,**

On behalf of the Board of Directors, we are pleased to present **MCB Cash Management Optimizer** accounts review for the nine months ended March 31, 2018.

## **MARKET & ECONOMIC REVIEW**

### **Economy and Money Market Review**

The economic scorecard showed a mixed picture with the real side depicting strong growth momentum while external side demanding policy measures.

The policy makers allowed the PKR/USD parity to adjust towards ~115 to support the deteriorating reserves position by arresting the worsening external account. The government at the end of March announced a tax amnesty scheme for undeclared foreign and domestic assets with tax rates ranging from 2%-5%.

The real growth remained strong depicted by Large Scale Manufacturing registering a growth of 6.24% YoY in first eight months of FY18 supported by strong growth in Petroleum Products, Steel and Food & Beverage sectors. The better preliminary crop numbers of cotton, wheat and sugar along with strong LSM growth is expected to keep the growth target of 6% in reach.

The fiscal deficit for the first half of this financial year was recorded at ~2.2% of GDP, despite high tax collection. Tax Authorities managed to collect PKR 2.0 trillion during the period, showing a growth of 17.6% compared to same period last year.

CPI for the nine months of FY18 remained modest averaging 3.78% YoY supported by stable food prices, controlled house rent and higher base effect. However, rising oil prices and depreciating currency indicate upward pressure going forward.

On the external side, trade deficit widened to alarming levels. The current account deficit (CAD) for the nine months clocked in at ~USD 10.8 billion (up 50% YoY). Trade deficit for the first nine months of the financial year reached USD 19.7 billion up ~22% YoY. Import registered an increase of ~17% during the half year, propelled by petroleum imports and an expansionary fiscal and monetary policies. On the flip side, the impact of textile package introduced by the government in order to boost exports, started to gain some momentum as textile exports grew by ~8% during the nine months of the financial year, though insufficient to bridge the gap created by rising imports. Resultantly, the foreign exchange reserves declined by USD ~3.6 billion, despite USD 2.5 billion bond issuance in international bond markets. PKR also depreciated by ~10% against USD indicating a much need attempt from government to address widening external account.

Money markets took clue from the rising inflation expectations, after the recent rupee depreciation, as against all tenors, 3-months Treasury Bills remained the most preferred play. Meanwhile, longer tenor PIBs remained out of favor with very low participation from financial institutions and banks in auctions.

## **FUND PERFORMANCE**

During the period under review, the fund generated an annualized return of 5.34% as against its benchmark return of 5.24%, an outperformance of 0.10%. As at March 31, 2018, WAM stood at 2 days in line with our view on interest rates going forward. The fund decreased its exposure in term deposits with banks to 0% in the period while increasing the exposure in cash to 93.3%.

The Net Assets of the Fund as at March 31, 2018 stood at Rs. 16,022 million as compared to Rs. 10,093 million as at June 30, 2017 registering an increase of 58.75%.

The Net Asset Value (NAV) per unit as at March 31, 2018 was Rs.104.5656 as compared to opening NAV of Rs. 100.5342 per unit as at June 30, 2017 registering an increase of Rs. 4.0314 per unit.

## **MARKET & ECONOMY - FUTURE OUTLOOK**

The recent rupee depreciation of ~10% is expected to reflect in the external account numbers going forward. Exports are expected to continue growth trajectory with textile package also providing support. Unnecessary imports are expected to slow down reflecting the higher imported cost. Given our outlook of trade deficit and weak performance on remittances,

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018

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we expect current account deficit to approach ~USD 16 billion for the FY18 which in our estimates indicate an additional financing need of near USD 5 billion. Next year could fare better, provided oil stays close to current levels, given machinery imports would slow down and impact of recent rupee devaluation would be more visible in proceeding year's numbers.

The recent tax amnesty scheme announced could be successful as it is followed by some complimentary steps to curb the undeclared money. Additionally, regulations over the world would allow information sharing of residents from September, 2017 and undeclared assets would be difficult to hide. The tax amnesty scheme could bring in much needed foreign inflow of around ~USD 4 bn.

KSE-100 trades at a forward P/E of 10.28x, at a steep discount of 19.5% from its emerging market peer group. Enduring themes that should play out over the medium-term include PKR depreciation and higher interest rates, CPEC and continued GoP support for the export-oriented sector that would encourage exports. The upcoming budget with expectations of removal of tax on bonus shares and rationalization of capital gains tax could propel positive sentiments. The success of the amnesty scheme would also be a positive omen as foreign inflows would allow to control external vulnerabilities and stock market would become a potential investment avenue after whitening of money.

On the fixed income front, market is expected to remain cautious on back of a precarious external account position along with an expected uptick in inflation trajectory. Visibility on economic front, in particular to balance of payments, would guide further participation towards fixed income markets.

### ACKNOWLEDGMENT

The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



Muhammad Saqib Saleem  
Chief Executive Officer  
April 19, 2018



Nasim Beg  
Vice Chairman / Director

شمولیت کو بڑھا کر 93.3% کر دیا۔

31 مارچ 2018ء کو فنڈ کے net اثاثہ جات 16,022 ملین روپے تھے، جو 30 جون 2017ء کو 10,093 ملین روپے کے مقابلے میں 58.75% اضافہ ہے۔

31 مارچ 2018ء کو Net اثاثہ جاتی قدر (NAV) نی یونٹ 104.5656 روپے تھی، جو 30 جون 2017ء کو ابتدائی NAV 100.5342 روپے فی یونٹ کے مقابلے میں 4.0314 روپے فی یونٹ اضافہ ہے۔

بازار اور معیشت - مستقبل کی صورتحال

روپے کی قدر میں حالیہ 10% کمی کی عکاسی متوقع طور پر خارجی اکاؤنٹ کے بلند ہوتے ہوئے اعداد و شمار میں ہوگی۔ برآمدات کی ترقی کا سفر جاری رہنے کی امید ہے، اور ٹیکسٹائل چیک بھی پشت پناہی فراہم کرے گا۔ درآمداتی لاگت میں اضافے کے باعث غیر ضروری درآمدات میں کمی متوقع ہے۔ تجارتی خسارے اور ترسیلات زر کی کمزور کارکردگی کے پیش نظر کرنٹ اکاؤنٹ کا خسارہ متوقع طور پر 16 بلین ڈالر تک پہنچ جائے گا، جس کے نتیجے میں ہمارے تخمینے کے مطابق تقریباً 5 بلین ڈالر کی اضافی سرمایہ کاری کی ضرورت ہوگی۔ اگلا برس کافی بہتر ہو سکتا ہے، بشرطیکہ تیل موجودہ سطحوں کے قریب برقرار رہے، مشینری کی موجودہ درآمدات میں کمی ہو، اور روپے کی قدر میں حالیہ کمی کی عکاسی اگلے سال کے اعداد و شمار میں واضح تر ہو۔

حالیہ اعلان کردہ ٹیکس معاف اسکیم کامیاب ہو سکتی ہے کیونکہ اس کے ساتھ ساتھ غیر اعلانیہ رقم پر قابو پانے کے لیے کچھ مفید اقدامات کیے گئے ہیں۔ اس کے علاوہ عالمی سطح کے اصول و ضوابط کے نتیجے میں ستمبر 2017ء سے رہائشیوں کی معلومات ظاہر کرنے کی اجازت ہوگی اور غیر اعلانیہ اثاثہ جات کو پوشیدہ رکھنا مشکل ہو جائے گا۔ ٹیکس معاف اسکیم تقریباً 4 بلین ڈالر کی مطلوبہ آمد کو بھی یقینی بنا سکتی ہے۔

KSE-100 کی تجارت 10.82x کی فارورڈ P/E پر ہوئی جو اس کے ابھرتے ہوئے مارکیٹ peer گروپ کے مقابلے میں 19.5% کی بھرپور رعایت ہے۔ مستحکم پیش رفت، جن کا اثر درمیانی مدت تک رہے گا، میں روپے کی قدر میں کمی اور انٹریسٹ کی اونچی شرحیں، اور CPEC اور برآمدات پر منحصر شعبے کے لئے حکومت پاکستان کی مسلسل پشت پناہی (جن کی بدولت برآمدات کی حوصلہ افزائی ہوگی) شامل ہیں۔

آئندہ بجٹ، جس میں یونٹس پر ٹیکس ختم ہونے اور کیپٹل منافعوں کی rationalization کی متوقع ہے، خوش آئند ثابت ہو سکتا ہے۔ ٹیکس معاف اسکیم کی کامیابی بھی مثبت علامت ہوگی کیونکہ غیر ملکی آمدات سے خارجی خطرات پر قابو پایا جاسکے گا اور اسٹاک مارکیٹ کا لے دھن کی صفائی کے بعد سرمایہ کاری کا اچھا موقع فراہم کرے گی۔ مقررہ آمدنی کی جہت میں توقع ہے کہ مارکیٹ خارجی اکاؤنٹ کی خطرناک صورتحال اور افراط زر کی سطح میں اضافے کی بنیاد پر محتاط رہے گی۔ معاشی رخ، خاص طور پر ادائیگیوں کے توازن کی واضح تصویر سے مقررہ آمدنی کی مارکیٹس میں مزید شرکت کی طرف راہنمائی ہوگی۔

اظہارِ تحفہ

بورڈ فنڈ کے گراں قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ڈسٹریبیوٹرز کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز مینجمنٹ ٹیم کی کوششوں کو بھی خراج تحسین پیش کرتے ہیں۔

نسیم بیگ

وائس چیئرمین / ڈائریکٹر

محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر  
19 اپریل 2018ء

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی کیش مینجمنٹ آپٹیمائزر کے 31 مارچ 2018ء کو ختم ہونے والے نو ماہ کے اکاؤنٹس کا جائزہ پیش خدمت ہے۔

بازار اور معیشت کا جائزہ

معیشت اور بازار زر کا جائزہ

معاشی اعداد و شمار میں ملاحظہ رحمان جاری رہا۔ حقیقی رُخ بدستور ترقی کی جانب اشارہ کر رہا ہے، جبکہ خارجی رُخ پالیسی کے اقدامات مطالبہ کر رہا ہے۔ پالیسی ساز پاکستانی روپے اور امریکی ڈالر کے مابین برابری کو 115 کی جانب لے گئے تاکہ گھٹتے ہوئے ذخائر کے باعث خارجی اکاؤنٹ کی بگڑتی ہوئی حالت پر قابو پایا جاسکے۔ مارچ کے اختتام پر حکومت نے غیر اعلانیہ ملکی و غیر ملکی اثاثہ جات کے لئے ٹیکس میں رعایت کی پالیسی کا اعلان کیا اور ٹیکس کی شرحوں کو 2% سے 5% کے درمیان لے آئی۔

حقیقی ترقی مستحکم رہی جس کی عکاسی بڑے پیمانے کی مینوفیکچرنگ (LSM) میں مالی سال 2018ء کے پہلے آٹھ ماہ میں 6.24% YoY ترقی سے ہوئی، اور اس کی پشت پناہی پٹرولیم مصنوعات، اسٹیل اور اشیائے خورد و نوش کے شعبے میں مستحکم ترقی نے کی۔ کپاس، گندم اور چینی کی بہتر ابتدائی فصل بشمول مضبوط LSM ترقی کی بدولت 6% ترقی کا ہدف متوقع طور پر قابل حصول ہے۔

موجودہ مالی سال کی پہلی ششماہی میں ٹیکس کے بھرپور حصول کے باوجود مالی خسارہ مجموعی ملکی پیداوار (GDP) کا 2.2% تھا۔ ٹیکس کے اداروں نے دوران مدت 2.0 ٹریلین روپے ٹیکس جمع کیا جو سال گزشتہ کی اسی مدت کے مقابلے میں 17.6% زیادہ ہے۔

مالی سال 2018ء کے نو ماہ کے لئے CPI کا اوسط 3.78% YoY کے درمیانے درجے پر تھا جس کی پشت پناہی اشیائے خورد و نوش کی مستحکم قیمتوں، محدود رہائشی کرائے اور پہلے سے زیادہ base effect سے ہوئی۔ تاہم تیل کی بڑھتی ہوئی قیمتیں اور روپے کی گھٹتی ہوئی قدر دباؤ میں مزید اضافے کی طرف اشارہ کر رہی ہیں۔

خارجی رُخ پر تجارتی خسارے میں تشویشناک سطح تک اضافہ ہو گیا۔ کرنٹ اکاؤنٹ کا خسارہ (CAD) برائے نو ماہ 10.8 بلین ڈالر تھا (50% YoY اضافہ)۔ مالی سال کے پہلے نو ماہ میں تجارتی خسارہ 19.7 ڈالر تک پہنچ گیا، جو 22% YoY اضافہ ہے۔ سال کے نصف اوّل کے دوران درآمدات میں 17% اضافہ ہوا جس کے اسباب پٹرولیم کی درآمدات اور وسعت پذیر اقتصادی اور مالیاتی پالیسی ہیں۔ دوسری جانب برآمدات کے فروغ کے لئے حکومت کے متعارف کردہ ٹیکسٹائل پیکیج کے اثرات نے کچھ رفتار پکڑی اور مالی سال کے پہلے نو ماہ کے دوران ٹیکسٹائل کی برآمدات میں 8% اضافہ ہوا، لیکن یہ اضافہ بڑھتی ہوئی برآمدات سے پیدا ہونے والی خلیج کو بھر کرنے کے لئے ناکافی تھا۔ نتیجتاً، غیر ملکی زرمبادلہ کے ذخائر میں 3.6 بلین ڈالر کمی ہوئی، اگرچہ بین الاقوامی بانڈ مارکیٹ میں 2.5 بلین ڈالر مالیت کے بانڈز کا اجراء ہوا۔ علاوہ ازیں، امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں 10% کمی ہوئی جس سے وسعت پذیر خارجی اکاؤنٹ پر حکومتی توجہ کی ضرورت کی عکاسی ہوتی ہے۔

روپے کی قدر میں حالیہ کمی کے بعد فراطرز میں تمام tenors کے مقابلے میں اضافے کی توقعات بازار زر کے لئے اشارہ تھا۔ سہ ماہیہ ٹریڈری بلز کو سب سے زیادہ ترجیح حاصل رہی، جبکہ طویل المیعاد پاکستان انویسٹمنٹ بانڈز (PIBs) سب سے کم مقبول رہے کیونکہ ان کو مالیاتی اداروں اور auctions میں بینکوں سے بہت محدود پذیرائی حاصل ہوئی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 5.34% تھا، جو اس کے بیچ مارک منافع 5.24% کے مقابلے میں 0.10% بہتر کارکردگی ہے۔ 31 مارچ 2018ء کو WAM انڈیکس کی شرحوں میں اضافے پر ہماری رائے کے مطابق 2 دن کی سطح پر تھا۔ فنڈ نے بینکوں کے ساتھ ٹرم ڈپازٹس کو کم کر کے 0% کر دیا جبکہ نقد میں

# CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2018

		(Un-audited) March 31, 2018	(Audited) June 30, 2017
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Balance with banks		15,551,256	9,307,714
Investments	6	1,046,435	848,644
Advances, deposits, prepayments and profit receivables	7.	63,655	53,035
<b>Total assets</b>		<b>16,661,346</b>	<b>10,209,393</b>
<b>Liabilities</b>			
Payable to Management Company		10,414	5,612
Payable to Central Depository Company of Pakistan Limited - Trustee		1,084	628
Payable to Securities and Exchange Commission of Pakistan		6,758	5,287
Payable Against Purchase Of Investment - money market		546,398	-
Accrued expenses and other liabilities	8	74,283	104,861
<b>Total liabilities</b>		<b>638,937</b>	<b>116,388</b>
<b>Net assets</b>		<b>16,022,409</b>	<b>10,093,005</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>16,022,409</b>	<b>10,093,005</b>
<b>Contingencies and commitments</b>	9		
		(Number of units)	
<b>Number of units in issue (face value of units is Rs. 100 each)</b>		<b>153,228,353</b>	<b>100,393,708</b>
		(Rupees)	
<b>Net asset value per unit</b>		<b>104.5656</b>	<b>100.5342</b>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

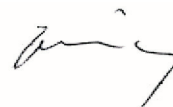
**For MCB-Arif Habib Savings and Investments Limited  
(Management Company)**



Chief Executive Officer



Chief Financial Officer



Director



# CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018

		Nine Month Ended		Quarter ended	
		March 31,		March 31,	
		2018	2017	2018	2017
Note		(Rupees in '000)			
<b>Income</b>					
		7,314	(9,280)	6,586	148
		62,481	45,005	44,318	2,197
		56,178	44,619	23,542	13,222
		446,368	230,129	134,876	101,480
		1,356	-	-	-
		-	48,462	-	54,933
		38	(2)	38	2
		573,735	358,933	209,360	171,982
<b>Total Income</b>					
<b>Expenses</b>					
		57,299	31,781	20,862	11,705
		7,449	4,132	2,712	1,522
		7,095	4,369	2,522	1,584
		922	569	327	207
		6,758	3,812	2,459	1,405
	10	10,182	5,743	3,705	2,116
		154	107	65	60
		197	492	117	75
		796	809	246	237
		578	566	272	201
		91,430	52,380	33,287	19,112
		482,305	306,553	176,073	152,870
<b>Net income from operating activities</b>					
		-	-	-	-
	8.1	9,646	92,672	3,521	92,672
		472,659	399,225	172,552	245,542
	11	-	-	-	-
		472,659	399,225	172,552	245,542
<b>Allocation of net income for the period:</b>					
		472,659		172,552	
		(124,235)		(36,196)	
		348,424		136,356	
Accounting income available for distribution:					
		6,589		6,151	
		341,835		217,420	
<b>Accounting income available for distribution</b>					
		348,424		136,356	

## Earnings per unit

12

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

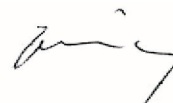
**For MCB-Arif Habib Savings and Investments Limited  
(Management Company)**



**Chief Executive Officer**



**Chief Financial Officer**



**Director**

**STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018**

	Nine Month Ended March 31,		Quarter ended March 31,	
	2018	2017	2018	2017
	----- (Rupees in '000) -----			
<b>Net income for the period</b>	<b>472,659</b>	399,225	<b>172,552</b>	245,542
<b>Other comprehensive income:</b>				
<i>Items that may be reclassified subsequently to income statement</i>				
Unrealised appreciation in value of investments classified as available for sale - net	-	8,317	-	-
<b>Total comprehensive income for the period</b>	<b>472,659</b>	407,542	<b>172,552</b>	245,542

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For MCB-Arif Habib Savings and Investments Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE NINE MONTHS ENDED MARCH 31, 2018

	Nine Month Ended March 31, 2018 (Rupees in '000)				March 31, 2017
	Capital Value	Undistributed income	Unrealised appreciation / (diminution) 'available for sale' investments	Total	Total
Net assets at beginning of the period	10,040,074	44,614	8,317	10,093,005	3,958,288
Issuance of 163,222,370 units (2017: 146,518,331 units)					
- Capital value (at net asset value per unit at the beginning of the period)	16,409,430	-	-	16,409,430	
- Element of income	368,360	-	-	368,360	
Total proceeds on issuance of units	16,778,060	-	-	16,778,060	14,543,233
Redemption of 110,387,725 units (2017: 109,513,520 units)					
- Capital value (at net asset value per unit at the beginning of the period)	(11,097,742)	-	-	(11,097,742)	
- Amount paid out of element of income		(124,235)	-	(124,235)	
- Relating to 'Net income for the period after taxation'	-	-	-	-	
- Relating to 'Other comprehensive income for the period'	-	-	-	-	
- Refund / (adjustment) on units as element of income	(99,338)	-	-	(99,338)	
Total payments on redemption of units	(11,197,080)	(124,235)	-	(11,321,315)	(10,776,381)
Element of income / loss and capital gains / losses included in prices of units issued less those in units redeemed - net	-	-	-	-	(48,462)
Total comprehensive income for the period	-	472,659	-	472,659	407,542
Distribution during the period	-	-	-	-	-
Net income / (loss) for the period less distribution	-	472,659	-	472,659	359,080
<b>Net assets at end of the period</b>	<b>15,621,054</b>	<b>393,038</b>	<b>8,317</b>	<b>16,022,409</b>	<b>8,084,220</b>
Undistributed income brought forward		44,614			12,769
- Realised		-			18
- Unrealised		44,614			12,787
Accounting income available for distribution					
- Relating to capital gains		6,589			
- Excluding capital gains		341,835			
		348,424			
Net income for the period after taxation		-			399,225
Net element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed		-			17,908
Distribution during the period		-			-
Undistributed income carried forward		393,038			429,920
Undistributed income carried forward					
- Realised		393,000			429,922
- Unrealised		38			(2)
		393,038			429,920
				(Rupees)	(Rupees)
Net assets value per unit at beginning of the period				100.5342	100.3367
Net assets value per unit at end of the period				104.5656	105.7385

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

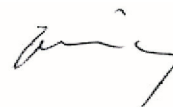
## For MCB-Arif Habib Savings and Investments Limited (Management Company)



**Chief Executive Officer**



**Chief Financial Officer**



**Director**

# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

	<div> <div>Nine Month Ended</div> <div>March 31,</div> <div>2018</div> <div>2017</div> </div>	
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	472,659	399,225
<b>Adjustments for non cash and other items:</b>		
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'at fair value through profit or loss'	(38)	2
Capital gain / (loss) on sale on investments - net	(7,314)	9,280
Net element of loss and capital losses included in prices of units issued less those in units redeemed	-	(48,462)
	(7,352)	(39,180)
	465,307	360,045
<b>(Increase) / decrease in assets</b>		
Investments	(190,439)	325,619
Advances, prepayments and profit receivable	(10,620)	(8,546)
	(201,059)	317,073
<b>Increase / (decrease) in liabilities</b>		
Payable to Management Company	4,802	1,957
Payable to Central Depository Company of Pakistan Limited - Trustee	456	254
Payable to Securities and Exchange Commission of Pakistan	1,471	(1,579)
Payable Against Purchase of Investment - money market	546,398	-
Accrued expenses and other liabilities	(30,578)	(118,580)
	522,549	(117,948)
	786,797	559,170
<b>Net cash used in operating activities</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments received against issuance of units	16,778,060	14,543,233
Payments made against redemption of units	(11,321,315)	(10,776,381)
<b>Net cash used in financing activities</b>	5,456,745	3,766,852
	6,243,542	4,326,022
<b>Net increase in cash and cash equivalents</b>	9,307,714	3,025,336
Cash and cash equivalents at beginning of the period	15,551,256	7,351,358
<b>Cash and cash equivalents as at end of the period</b>		

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

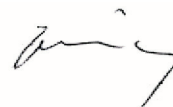
**For MCB-Arif Habib Savings and Investments Limited  
(Management Company)**



Chief Executive Officer



Chief Financial Officer



Director

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** MCB Cash Management Optimizer (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non Banking Finance Companies and Notified Entities Regulations, 2008 and was approved as an open end investment scheme by the Securities and Exchange Commission of Pakistan (SECP) on July 30, 2009. It was constituted under a Trust Deed dated July 10, 2009 between MCB Arif Habib Savings and Investments Limited as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984, and Central Depository Company of Pakistan Limited as the Trustee, also incorporated under the repealed Companies Ordinance, 1984.
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP. The registered office of the Management Company is situated at 24th Floor, Centre Point, Off Shaheed -e- Millat Expressway, near K.P.T Interchange, Karachi.
- 1.3** The Fund is an open-end mutual fund and has been categorised as "Money Market Scheme" by the Board of Directors of the Management Company as per the Securities and Exchange Commission of Pakistan Circular 7 of 2009 dated March 06, 2009, and offers units for public subscription on a continuous basis. The units of the Fund can be transferred to / from other funds managed by the Management Company and can also be redeemed by surrendering to the Fund. The units are listed on Pakistan Stock Exchange Limited.
- 1.4** The Fund is purely a money market fund and has a policy to invest in short term corporate debt and government securities, repurchase agreements, term deposit and money market placements with scheduled banks, with a maximum maturity of 180 days and weighted average maturity upto 90 days. The objective of the fund is to provide competitive returns from a low risk portfolio of short duration assets while maintaining high liquidity.
- 1.5** The Pakistan Credit Rating Agency (PACRA) Limited has assigned an asset manager rating of AM2++ (AM two plus plus) dated 28 December 2017 to the Management Company and has assigned stability rating of "AA (f)" (Double A ; fund rating) dated 12 July 2017 to the Fund.
- 1.6** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited, trustee of the Fund.

### 2. BASIS OF PREPARATION

- 2.1** This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of:
- International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
  - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of the directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2** This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2017.
- 2.3** The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2018 have been extracted from the audited financial statements of the Fund for the year ended 30

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

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June 2017, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2017.

- 2.4** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the Fund.
- 2.5** This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund and rounded to the nearest thousand rupees, unless otherwise specified.
- 3. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN:**

The accounting policies, financial risk management objectives and policies, basis of accounting estimates applied and methods of computation adopted in the preparation of the condensed interim financial statement are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2017, except as described in notes 3.1:

- 3.1** The Securities and Exchange Commission of Pakistan (SECP) through its SRO 756(I)/2017 dated August 03, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in Regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the Regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded in the form of additional units at zero cost in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised Regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised Regulations.

Previously, an equalization account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during the accounting period which pertained to unrealized appreciation / (diminution) held in the Unit Holder's Fund was recorded in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unit holders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period was recognized in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 01, 2017 as required by SECP vide its S.R.O. No. 756(I) / 2017 dated August 03, 2017. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations the aforementioned SRO issued by the SECP.

Had the element of income been recognized as per the previous accounting policy, the income of the Fund would have been higher by Rs 145.065 million. However, the change in accounting policy does not have any impact on the 'cash flow statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund' which have been incorporated in these statements.

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

## 4. ESTIMATES AND JUDGEMENTS

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. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2017.

## 5. FINANCIAL RISK MANAGEMENT

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

		(Un-audited) March 31, 2017 (Rupees in '000)	(Audited) June 30, 2017
<b>6. INVESTMENTS</b>	<b>Note</b>		
<b>6.1 Loans and receivable</b>			
Term deposit receipts	6.1.1	-	800,000
Letter of placements	6.1.2	500,000	-
Commercial papers	6.1.3	-	48,644
		<u>500,000</u>	<u>848,644</u>
<b>6.2 Investment at fair value through profit and loss'-held for trading</b>			
Market Treasury Bills	6.2.1	546,435	-
		<u>1,046,435</u>	<u>848,644</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

**6.1.1 Term deposit receipt - Loan and receivables**

Particulars	Profit / mark-up rates	Issue date	Maturity date	As At March 31, 2018	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
(Rupees in '000)						
Zarai Taraqiat Bank Limited	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	-	-
As at June 30, 2017	-	-	-	800,000	-	-

**6.1.2 Letter of placements - Loan and receivables**

Particulars	Profit / mark-up rates	Issue date	Maturity date	As At March 31, 2018	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
(Rupees in '000)						
Pak Onan Investments	6.17%	18-Jan-18	18-Apr-18	500,000	3%	48%
As at March 31, 2018	-	-	-	500,000	-	-
As at June 30, 2017	-	-	-	800,000	-	-

**6.1.3 Commercial Papers - Loans and receivables**

Particulars	Profit / mark-up rates	Issue date	Maturity date	Face Value	Amortised Cost at March 31, 2018	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
(Rupees in '000)							
JS Global Capital Limited	-	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	-	-	-
As at June 30, 2017	-	-	-	-	48,644	-	-

**6.2.1 Market Treasury Bills - at fair value through profit or loss**

Tenure	Face Value			As At March 31, 2018			Market value as a percentage of net assets	Market value as a percentage of total investments	
	At July 01, 2017	Purchases during the period	Sales / matured during the period	As At March 31, 2018	Carrying value	Market value			Appreciation
(Rupees in '000)									
Treasury bills - 3 months	-	53,183,000	52,633,000	550,000	546,398	546,435	37	52.22%	
Treasury bills - 6 months	-	1,865,000	1,865,000	-	-	-	-	3.41%	
As at March 31, 2018					546,398	546,435	37		
As at June 30, 2017					-	-	-		



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

	<b>Note</b>	<b>(Un-audited) 31 March, 2018</b>	<b>(Audited) 30 June, 2017</b>
<b>7. ADVANCES, PREPAYMENTS AND PROFIT RECEIVABLES</b>			
		<b>(Rupees in '000)</b>	
Prepayments, profit receivable on saving accounts		<b>57,361</b>	48,619
Profit receivable on letter of placements		<b>6,170</b>	4,416
Advance against tax deducted against bank profit		<b>24</b>	-
Security deposits with Central Depository Company of Pakistan Limited.		<b>100</b>	-
		<b>63,655</b>	53,035
<b>8. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Provision for Sindh Workers' Welfare Fund	8.1	<b>14,609</b>	4,963
Provision for Federal Excise Duty and related taxes on:	8.2		
-Management fee		<b>54,267</b>	54,267
-Sales load		<b>19</b>	19
Brokerage payable		<b>63</b>	54
Capital gain tax		<b>1,406</b>	42,829
Auditor's remuneration		<b>749</b>	678
Printing and related expenditure		<b>35</b>	80
Others		<b>3,135</b>	1,971
		<b>74,283</b>	104,861
<b>8.1 Provision for Sindh Workers' Welfare Fund</b>			
There is no change in the status of the SWWF as reported in the annual financial statements of the Fund for the year ended June 30, 2017. Had the provision for SWWF not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2018 would have been higher by Re. 0.09 per unit (June 30, 2017 Re. 0.05 per unit).			
<b>8.2 Federal Excise Duty and related tax payable</b>			
There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2017. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2018 would have been higher by Re. 0.35 per unit (June 30, 2017: Re. 0.54 per unit).			
<b>9. CONTINGENCIES AND COMMITMENTS</b>			
There were no contingencies and commitments as at March 31, 2018 and June 30, 2017			
<b>10. ALLOCATED EXPENSES</b>			
SRO 1160 dated November 25, 2015 issued by SECP has amended Clause 60 of NBFC Regulations, 2008. The new regulation has entitled the Management Company to reimbursement of fees and expenses related to registrar services, accounting, operation and valuation services related to CIS a maximum of 0.1% of average annual net assets of the scheme or actual whichever is less. Accordingly, the Fund has made an accrual of Rs.10.18 million for the nine month ended March 31, 2018 at a rate of 0.1% of average annual net assets which is less than the actual expense allocable to the Fund.			

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

## 11. TAXATION

The Fund's income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Furthermore, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The management intends to distribute at least 90% of income to be earned during current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

## 12. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of weighted average units for calculating EPU is not practicable.

## 13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, its parent and the related subsidiaries of the parent, associated companies / undertakings of the Management Company, its parents and the related subsidiaries, other funds managed by the Management Company, post employment benefit funds of the Management Company, employment funds of the parent, subsidiaries and its associated undertakings. It also includes the Central Depository Company of Pakistan Limited being the Trustee of the Fund, the directors and officers of the Management Company and any person or Company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

"Transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with the market rates."

Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed respectively.

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the period end, other than those which have been disclosed elsewhere in this condensed interim financial information, are as follows:

### 13.1 Details of transactions with the connected persons / related parties during the period are as follows:

	<b>Unaudited</b>	
	<b>Nine Month Ended</b>	
	<b>March 31,</b>	
	<b>2018</b>	<b>2017</b>
	----- (Rupees in '000) -----	
<b>MCB-Arif Habib Savings and Investments Limited</b>		
Remuneration of the Management Company (including indirect taxes)	<b>64,748</b>	35,913
Allocated expenses (including indirect taxes)	<b>10,182</b>	5,743
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee (including indirect taxes)	<b>8,017</b>	4,938
<b>MCB Bank Limited</b>		
Profit on bank deposits	<b>258</b>	421
Bank Charges	<b>25</b>	17
Sale of securities - Face Value 4,015,000,000 (2016: Face value: 400,000,000)	<b>3,968,413</b>	388,892
<b>Silk Bank Limited</b>		
Purchase of securities - Face Value: Nil (2016: Face value: 684,000,000)		672,440
Sale of securities - Face Value 8,173,000,000 (2016: Face value: 820,000,000)	<b>8,064,294</b>	808,242
<b>Arif Habib Limited - Brokerage House</b>		
Brokerage expense*	<b>6</b>	2
<b>Next Capital Limited - Brokerage House</b>		
Brokerage expense*	<b>31</b>	5

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

**13.2** Balance outstanding as at the period / year end are as follows:

	<b>(Un-audited) March 31, 2018</b>	<b>(Audited) June 30, 2017</b>
	<b>(Rupees in '000)</b>	
<b>MCB-Arif Habib Savings and Investments Limited</b>		
Management fee payable	<b>8,083</b>	4,379
Sindh sales tax payable on management fee	<b>1,051</b>	569
Allocated expenses payable	<b>1,280</b>	664
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	<b>959</b>	556
Sindh sales tax payable on trustee fee	<b>125</b>	72
<b>MCB Bank Limited</b>		
Bank deposits**	<b>19,497</b>	121,534
Profit receivable on bank deposits	<b>328</b>	323
<b>Next Capital Limited - Brokerage House</b>		
Brokerage payable*	<b>7</b>	8

\* The amount disclosed represents the amount of brokerage paid / payable to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter-parties are not connected persons.

\*\* This includes Rs 19.024 million (June 30, 2017: 100.086 million) in saving accounts carrying profit at the rate of 3.75% (June 30, 2017: 3.75%) per annum.

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

## 13.3 Transactions during the period with connected persons / related parties in units of the Fund:

For nine month ended March 31, 2018

	Units					(Rupees in '000)				
	As at July 01, 2017	Issued for cash	Bonus	Redeemed	As at March 31, 2018	As at July 01, 2017	Issued for cash	Bonus	Redeemed	As at March 31, 2018
<b>Associated Companies</b>										
MCB - Arif Habib Savings and Investments Limited - Management Company	3,821,036	3,545,711	-	3,703,932	3,662,815	400,158	362,647	-	378,500	382,888
Adamjee Insurance Co. Ltd.	10,916,806	-	-	8,366,227	2,550,579	1,143,261	-	-	850,000	266,622
Nishat Mills Limited Employees Provident Fund Trust	4,820,874	4,197,433	-	7,566,948	1,451,359	504,866	429,725	-	769,020	151,716
Adamjee Life Assurance Co. Ltd.-Nulli Fund	-	96,938	-	96,938	-	-	10,000	-	10,132	-
Adamjee Insurance Co Limited Employees Provident Fund	-	432,553	-	-	432,553	-	44,628	-	-	45,216
MCB Financial Services Limited	526,148	67,650	-	-	593,798	55,101	7,000	-	-	62,072
D.G. Khan Cement Company Ltd	-	2	-	-	2	-	0.22	-	-	0.22
Nishat Power Limited Employees Provident Fund Trust	88,437	19,445	-	15,752	92,130	9,262	2,006	-	1,628	9,631
Adamjee Insurance Co.Ltd. Employees Gratuity Fund	135,991	276,623	-	227,279	185,335	14,242	28,599	-	23,244	19,374
Adamjee Insurance Co.Ltd Employees Provident Fund	279,638	546,420	-	454,089	371,969	29,285	56,508	-	46,437	38,883
Security General Insurance Co. Ltd. Employees Provident Fund Trust	30,559	9,825	-	-	40,384	3,200	1,000	-	-	4,221
<b>Key management personnel</b>	9,713	85,517	-	85,711	9,519	1,017	8,847	-	8,907	995
<b>Mandate Under Discretionary Portfolio Services</b>	11,520,460	14,930,519	-	12,733,226	13,717,753	1,206,479	1,530,356	-	1,305,687	1,433,970
<b>Unit holders holding 10% or more units</b>	-	28,136,645	-	9,893,828	18,242,817	-	2,927,000	-	1,029,499	1,906,993

For nine month ended March 31, 2017

	Units					(Rupees in '000)				
	As at July 01, 2016	Issued for cash	Bonus	Redeemed	As at March 31, 2017	As at July 01, 2016	Issued for cash	Bonus	Redeemed	As at March 31, 2017
<b>Associated Companies</b>										
MCB-Arif Habib Savings and Investments Limited (Management Company)	-	10,632,309	-	6,694,520	3,937,789	-	1,087,157	-	687,191	416,376
MCB Financial Services Limited	-	500,347	-	-	500,347	-	52,898	-	-	52,906
Nishat Mills Limited Employees Provident Fund Trust	659,949	4,742,497	-	4,291,233	1,111,213	66,217	491,020	-	444,836	117,498
Adamjee Life Assurance Co. Ltd.-Nulli Fund	-	147,413	-	147,413	-	-	15,000	-	15,049	-
Adamjee Life Assurance Co.Ltd.(ISF)	-	49,572	-	49,572	-	-	5,000	-	5,045	-
Adamjee Life Assurance Co.Ltd.ISF-II	-	1,138,601	-	1,138,601	-	-	114,999	-	115,292	-
D.G. Khan Cement Company Ltd	-	7,962,798	-	7,962,798	-	-	800,000	-	800,540	-
<b>Key management personnel</b>	16,925	519,723	-	488,616	48,032	1,698	53,047	-	50,272	5,079
<b>Mandate under discretionary portfolio services</b>	7,568,513	27,827,778	-	28,419,587	6,976,704	759,400	2,868,367	-	2,940,997	737,706

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

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**14. EXPENSE RATIO**

Total expense ratio of the Fund is 0.84% as on March 31, 2018 and this includes 0.21% representing government Levy on the Fund such as Sales tax, Sindh Workers' Welfare Fund, SECP fee, etc.

**15. GENERAL**

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and disclosure. No significant rearrangement or reclassification has been made in this condensed interim financial information, except for the impacts of change in accounting policies as disclosed in note 3.1.

**16. DATE OF AUTHORISATION**

- 16.1** This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on April 19, 2018.

**For MCB-Arif Habib Savings and Investments Limited  
(Management Company)**



Chief Executive Officer



Chief Financial Officer



Director