

MCB PAKISTAN STOCK MARKET FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
Board of Directors	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
Audit Committee	Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Mirza Qamar Beg Mr. Nasim Beg	Chairman Member Member Member
Human Resource & Remuneration Committee	Dr. Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Company Secretary	Mr. Muhammad Asif Mehdi Rizvi	
Chief Financial Officer	Mr. Abdul Basit	
Trustee	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	
Bankers	Habib Bank Limited MCB Bank Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited National Bank of Pakistan Bank Alfalah Limited Standard Chartered Bank Limited Summit Bank Limited JS Bank Limited Habib Metropolitan Bank Limited Silk Bank Limited	
Auditors	A.F Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
Rating	AM2++ Asset Manager Rating assigned by PACRA	

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

Dear Investor,

On behalf of the Board of Directors, We are pleased to present **MCB Pakistan Stock Market Fund's** accounts review for the nine months ended March 31, 2018.

MARKET & ECONOMIC REVIEW

Economy 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.

Equity Market Review

The benchmark index posted a cumulative 9MFY18 return of -2.16% as compared to 27.45% SPLY. However, much anticipated currency depreciation event rejuvenated subdued investor interest in the market. Also, developments on the macro front along with relative calm on the political front (Senate elections held on Mar3'18) drove market performance during the quarter. This was evident in 3QFY18's gain of ~12.5% in the benchmark index.

Macro vulnerabilities continued to impact the market as burgeoning current account deficit and higher debt servicing continued to exert pressure on SBP's foreign exchange reserves. Furthermore, announcement of a status quo in Monetary Policy on Mar 30'18 was quite contrary to market expectations. Other eminent events till date include 1) SC's decision declaring Nawaz Sharif ineligible to continue as party head while dismissing all political actions taken by him since Jul 28'17 (Panama case verdict) and 2) inclusion of Pakistan in FATF's watch-list.

While 9MFY18 numbers show USD 124 mn foreign selling, this trend was reversed in the last quarter where massive foreign buying of ~USD 31.2 mn was witnessed. In 9MFY18, foreign selling was mainly absorbed by insurance companies (USD 104 mn). Average volumes and value traded were 175 mn shares and PKR 8.3 bn respectively. Positive contribution to the index was led by E&Ps (+26%) and Refineries (+15%). E&Ps rallied on the back of increase in oil prices by ~37%. Negative contributors to the index were Cement(-23%), Autos(-16%) and Oil Marketing Companies(-13%). Cement sector's lackluster performance was because of concerns over future pricing discipline on upcoming capacity expansions of ~4.5 mn tons in the next 7-8 months in the Southern region. However, the sector rebounded in the latest quarter on the back of price increase of ~Rs 50/bag in a phased manner throughout the month of March as well as improved dispatches number. Auto performed poorly on anticipation of currency depreciation and strengthening of Yen.

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

OMC sector underperformed due to disappointing results (inventory losses), ban on import of furnace oil and weak demand outlook.

It is important to highlight that in 3QFY18, Commercial Banks, Chemicals and Fertilizers outperformed the market gaining (14.1%, 14.9% and 11.3% respectively). Banks' rally can be attributed to currency depreciation and ensuing rate rise expectations. Chemicals gained due to strong international chemical margins. Interest in fertilizer sector remained high due to strong international fertilizer prices, comfortable inventory situation and outstanding sales numbers.

FUND PERFORMANCE

During the period, PSM posted a return of 0.94% compared to a negative return of 2.16% witnessed by the KSE100 Index. Overall equity exposure stood at 90.3% at the end of the period. The fund remained vigilant of the external factors and the investment strategy was maneuvered considering the fundamental developments.

The Net Asset of the Fund as at March 31, 2018 stood at Rs. 11,156 million as compared to Rs. 11,629 million as at June 30 2017 registering a decrease of 4.07%.

The Net Asset Value (NAV) per unit as at March 31, 2018 was Rs. 103.4679 as compared to opening NAV of Rs. 102.5017 per unit as at June 30, 2017 registering an increase of Rs. 0.9662 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, 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

ڈائریکٹرز رپورٹ برائے نو ماہ اختتام پذیر 31 مارچ 2018ء

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 اُبھرتے 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 بونس حصص پر ٹیکس ختم ہونے اور کیپٹل منافعوں کی rationalization کی توقع 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 رُخ، خاص طور پر ادائیگیوں کے توازن کی واضح تصویر سے مقررہ آمدنی کی مارکیٹس میں مزید شرکت کی طرف راہنمائی ہوگی۔

اظہار تشکر

بورڈ فنڈ کے گراں قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز 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۔

من جانب بورڈ



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

19 اپریل 2018ء



نسیم بیگ

وائس چیئرمین / ڈائریکٹر

ڈائریکٹر رپورٹ برائے نو ماہ اختتام پذیر 31 مارچ 2018ء

کلاں معاشیات کے خطرات کا مارکیٹ پر اثر جاری رہا، اور کرنٹ اکاؤنٹ کے تیزی سے بڑھتے ہوئے خسارے اور پہلے سے زیادہ debt سروسنگ نے اسٹیٹ بینک آف پاکستان کے غیر ملکی زرمبادلہ کے ذخائر پر دباؤ جاری رکھا۔ علاوہ ازیں، 30 مارچ 2018ء کو مانیٹری پالیسی میں سابقہ معیار جاری رکھنے کا اعلان مارکیٹ کی توقعات کے برخلاف تھا۔ تاحال دیگر اہم واقعات میں (۱) سپریم کورٹ کا نواز شریف کو پارٹی سربراہی جاری رکھنے سے نااہل قرار دینے اور 28 جولائی 2017ء سے ان کے تمام سیاسی اقدامات کو بے اثر قرار دینے کا فیصلہ (پانامہ کیس کا فیصلہ)، اور (۲) پاکستان کی FATF کی وائچ لسٹ میں شمولیت شامل ہیں۔

اگرچہ مالی سال 2018ء کے نو ماہ کے اعداد و شمار کے مطابق 124 ملین امریکی ڈالر کی غیر ملکی فروخت ہوئی، لیکن آخری سہ ماہی میں اس رجحان میں تبدیلی آگئی اور 31.2 ملین ڈالر کی خلیہ خریداری دیکھی گئی۔ مالی سال 2018ء کے نو ماہ میں غیر ملکی فروخت کا اثر زیادہ تر انشورنس کمپنیوں نے قبول کیا (104 ملین امریکی ڈالر)۔ اوسطاً 8.3 بلین روپے مالیت کے 175 ملین حصص کی تجارت ہوئی۔

انڈیکس میں سب سے زیادہ مثبت کردار E&Ps (+26%) اور ریٹائرمنٹ (+15%) نے ادا کیا۔ E&Ps نے تیل کی قیمتوں میں اضافے کی بدولت 37% ترقی کی۔ انڈیکس پر منفی اثرات سیمنٹ کے شعبے (-23%)، گاڑیوں کے شعبے (-16%) اور آئل مارکیٹنگ کمپنیوں (-13%) نے مرتب کئے۔ سیمنٹ کے شعبے کی غیر معیاری کارکردگی کی وجہ اگلے 7-8 ماہ میں جنوبی خطے میں استعداد میں 4.5 ملین ٹن وسعت کی قیمتوں کے تعین کے نظام میں خدشات ہیں۔ تاہم مارچ کے پورے مہینے کے دوران 50 روپے فی ٹھیلی قیمت میں بتدریج اضافے اور ترسیلات کی تعداد میں اضافے کے باعث موجودہ سہ ماہی میں اس شعبے نے دوبارہ ترقی کی۔ گاڑیوں کے شعبے نے روپے کی قدر میں کمی اور جاپانی بین میں استحکام کی توقع میں غیر معیاری کارکردگی کا مظاہرہ کیا۔ OMC کے شعبے نے مایوس کن نتائج (انوینٹری کے نقصانات)، فرنیس آئل کی درآمد پر پابندی اور مانگ میں کمی کے رجحان کے باعث مطلوبہ سے کم کارکردگی کا مظاہرہ کیا۔

یہ بات قابل ذکر ہے کہ مالی سال 2018ء کی تیسری سہ ماہی میں کمرشل بینک، کیمیکلز اور کھاد کے شعبے بالترتیب 14.1%، 14.9% اور 11.3% ترقی کر کے مارکیٹ میں صفِ اول میں رہے۔ بینکوں کی ترقی کا سبب روپے کی قدر میں کمی اور اس کے نتیجے میں شرح میں اضافے کی توقعات کو قرار دیا جاسکتا ہے۔ کیمیکلز کے شعبے نے مستحکم بین الاقوامی منافع کی بدولت ترقی کی۔ کھاد کے شعبے میں دلچسپی میں اضافے کے اسباب کھاد کی بین الاقوامی قیمتوں میں استحکام، انوینٹری کی اطمینان بخش صورتحال اور شاندار فروخت ہیں۔

فنڈ کی کارکردگی

دورانِ مدت PSM نے 0.94% منافع پوسٹ کیا، بالمقابل KSE100 انڈیکس کے 2.16% منفی منافع کے۔ ایکویٹی میں مجموعی شمولیت اختتامِ مدت پر 90.3% کی سطح پر تھی۔ فنڈ خارجی عوامل کے حوالے سے چونکہ ربا اور سرمایہ کاری کے لائحہ عمل میں بنیادی تبدیلیوں کے پیش نظر ترمیم کی گئی۔ 31 مارچ 2018ء کو فنڈ کے net اثاثہ جات 11,156 ملین روپے تھے، جو 30 جون 2017ء کو 11,629 ملین روپے کے مقابلے میں 4.07% کمی ہے۔ 31 مارچ 2018ء کو Net اثاثہ جاتی قدر (NAV) 103.4679 روپے تھی، جو 30 جون 2017ء کو 102.5017 روپے فی یونٹ ابتدائی NAV کے مقابلے میں 0.9662 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 ٹیکہ 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۔

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی پاکستان اسٹاک مارکیٹ فنڈ کی 31 مارچ 2018ء کو ختم ہونے والی ششماہی کی رپورٹ پیش خدمت ہے۔

بازار اور معیشت کا جائزہ

معیشت کا جائزہ

معاشی اعداد و شمار میں ملاحظہ جاراہ جارہی 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 گہڑتی 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 YoY 3.78% 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 (YoY 50% اضافہ)۔ مالی سال کے پہلے نو ماہ میں تجارتی خسارہ 19.7 ڈالر تک پہنچ گیا، جو YoY 22% اضافہ ہے۔ سال کے نصف اول 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 پُر کرنے کے لئے ناکافی تھا۔ نتیجہً، 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 افراط زر میں تمام tenors کے مقابلے میں اضافے کی توقعات بازار زر کے لئے اشارہ تھا۔ سہ ماہی 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 ٹیکوں سے بہت محدود پذیرائی حاصل ہوئی۔

ایکویٹی مارکیٹ کا جائزہ

مالی سال 2018ء کے نو ماہ میں بیچ مارک انڈیکس کا مجموعی منافع 2.16% تھا بالقابل SPLY 27.45%۔ تاہم روپے کی قدر میں متوقع کمی نے مارکیٹ میں سرمایہ کاروں کی محدود دلچسپی میں اضافہ کر دیا۔ علاوہ ازیں، وسیع رُخ میں متعدد پیش رفت اور سیاسی رُخ میں نسبتاً کم لچل (سینیٹ انتخابات منعقدہ 3 مارچ 2018ء) کا دوران سہ ماہی بازار کی کارکردگی پر اثر ہوا، جو مالی سال 2018ء کی تیسری سہ ماہی میں بیچ مارک انڈیکس میں 12.5% منافع سے ظاہر ہے۔

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

		March 31, 2018 (Un-audited)	June 30, 2017 (Audited)
	Note	Rupees in '000	
ASSETS			
Balances with banks	4	829,584	2,228,648
Investments	5	10,269,217	9,809,524
Receivable against sale of investments		150,142	98,104
Dividend and profit receivables	6	120,201	25,506
Advances, deposits and other receivables	7	7,492	7,311
Total assets		11,376,635	12,169,093
LIABILITIES			
Payable to the Management Company	8	33,372	37,897
Payable to the Trustee		1,154	1,192
Payable to the Securities and Exchange Commission of Pakistan		7,365	10,045
Payable against purchase of investments		35,231	335,299
Accrued expenses and other liabilities	9	143,453	154,593
Payable against redemption of units		386	897
Total liabilities		220,961	539,923
NET ASSETS		11,155,674	11,629,170
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)			
		11,155,674	11,629,170
CONTINGENCIES AND COMMITMENTS			
	10		
NUMBER OF UNITS IN ISSUE			
		107,817,710	113,453,480
NET ASSET VALUE PER UNIT			
	11	103.4679	102.5017
FACE VALUE PER UNIT			
		50.0000	50.0000

The annexed notes 1 to 17 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 months ended		Quarter ended	
		March 31,		March 31,	
		2018	2017	2018	2017
Note		Rupees in '000			
INCOME					
	(Loss) / gain on sale of investments - net	(469,351)	2,133,930	149,798	1,099,628
	Dividend income	344,451	315,358	124,365	87,896
	Income from government securities	26,667	15,163	8,560	7,710
	Profit on balances with banks	35,562	19,142	8,486	7,103
	Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.3 649,853	31,760	1,022,943	(275,999)
	Other income	203	-	(2)	-
	Total income	587,385	2,515,353	1,314,150	926,338
EXPENSES					
	Remuneration of the Management Company	8.1 155,041	149,900	52,443	57,617
	Sindh Sales Tax on remuneration of the Management Company	8.2 20,155	19,487	6,817	7,490
	Remuneration of the Trustee	8,503	8,246	2,869	3,128
	Sindh Sales Tax on remuneration of the Trustee	1,105	1,072	373	407
	Annual fee of the Securities and Exchange Commission of Pakistan	7,365	7,120	2,491	2,737
	Allocated expenses	8.3 8,759	8,469	2,962	3,255
	Selling and marketing expenses	8.4 31,007	1,022	10,488	1,022
	Auditors' remuneration	804	734	264	326
	Securities transaction cost	35,189	45,098	10,361	22,790
	Settlement and bank charges	2,843	3,011	764	1,512
	Legal and professional charges	263	45	29	15
	Fees and subscriptions	160	50	13	99
	Provision for diminution in value of investments	75,069	-	0	-
	Others	-	369	0	38
	Total expenses	346,263	244,623	89,874	100,436
	Net (loss) / income from operating activities	241,122	2,270,731	1,224,276	825,902
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed:					
	- Arising from capital gain and unrealised gain	-	108,283	-	73,723
	- Arising from other income	-	(13,763)	-	(12,609)
		-	94,519	-	61,113
	Provision for Sindh Workers' Welfare Fund	4,822	54,159	4,822	54,159
	Net (loss) / income for the period before taxation	236,300	2,419,409	1,219,454	941,174
	Taxation	13 -	-	-	-
	Net (loss) / income for the period after taxation	236,300	2,419,409	1,219,454	941,174
	(Losses) / earnings per unit	14			
Allocation of net (loss) / income for the period					
	Net (loss) / income for the period after taxation	236,300	2,419,409	1,219,454	941,174
	Income already paid on units redeemed	(3,223)	-	(3,223)	-
		233,077	2,419,409	1,216,231	941,174
Accounting income available for distribution:					
	-Relating to capital gains	177,784		1,170,023	
	-Excluding capital gains	55,293		46,208	
		233,077		1,216,231	

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

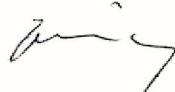
**For MCB-Arif Habib Savings and Investments Limited
(Management Company)**



Chief Executive Officer



Chief Financial Officer



Director

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

	Note	Nine months ended		Quarter ended	
		March 31,		March 31,	
		2018	2017	2018	2017
		----- (Rupees in '000) -----			
Net (loss) / income for the period after taxation		236,300	2,419,409	1,219,454	941,174
Other comprehensive income:					
<i>Items that may be reclassified subsequently to income statement</i>					
Unrealised (diminution) / appreciation in investments classified as 'available for sale'	5.5	(193,130)	359,548	139,107	(609,214)
Total comprehensive income for the period		<u>43,170</u>	<u>2,778,957</u>	<u>1,358,561</u>	<u>331,960</u>

The annexed notes 1 to 17 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 UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

	Nine months ended March 31, 2018				Nine months ended March 31, 2017
------(Rupees in '000)-----					
	Capital Value	Undistributed income	Unrealised (losses) / gains on available for sale Investments	Total	Total
Net assets at the beginning of the period	6,532,771	4,480,330	616,069	11,629,170	8,017,886
Issue of 54,199,184 units (2017: 38,728,225 units):					
- Capital value (at net asset value per unit at the beginning of the period)	5,555,506	-	-	5,555,506	
- Element of loss	(341,096)	-	-	(341,096)	
	5,214,410	-	-	5,214,410	7,898,380
Redemption of 59,834,954 units (2017: 42,503,625 units):					
- Capital value (at net asset value per unit at the beginning of the period)	(6,133,182)	-	-	(6,133,182)	
- Amount paid out of element of income		(3,223)		(3,223)	
- 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	405,329	-	-	405,329	
	(5,727,853)	(3,223)	-	(5,731,076)	7,038,674
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	-	-	-	-	(94,519)
Total comprehensive (loss) / income for the period	-	236,300	(193,130)	43,170	2,778,957
Distributions during the period	-	-	-	-	-
Net income / (loss) for the period less distribution	-	236,300	(193,130)	43,170	2,778,957
Net assets as at the end of the period	6,019,328	4,713,407	422,939	11,155,674	11,562,029

Distribution for the period		
Undistributed income brought forward comprises of:		
- Realised Gain	5,136,935	3,026,013
- Unrealised (Loss)	(656,605)	(35,218)
	4,480,330	2,990,795
Accounting income available for distribution:		
-Relating to capital gains	177,784	
-Excluding capital gains	55,293	
	233,077	
Net (loss) / income for the period after taxation	-	2,419,409
Net element of (loss) / income and capital (losses) / gains included in the prices of units issued less those in units redeemed	-	348,576
Interim distributions during the period		
- Cash Distribution	-	-
Undistributed income carried forward	4,713,407	5,758,780
Undistributed income carried forward comprises of:		
- Realised Gain	6,042,915	5,727,020
- Unrealised Gain / (Loss)	(1,329,509)	31,760
	4,713,407	5,758,780
	(Rupees)	(Rupees)
Net assets value per unit as at beginning of the period	102.5017	87.0913
Net assets value per unit as at end of the period	103.4679	115.1648

The annexed notes 1 to 17 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

		Nine months ended March 31, 2018	2017
	Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss) / income for the period before taxation		236,300	2,419,409
Adjustments for:			
Unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.3	(649,853)	(31,760)
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed			
- arising from capital (gain) / loss and unrealised (gain) / loss		-	(108,283)
- arising from other loss / (income)		-	13,763
Provision for Workers' Welfare Fund		(4,822)	(54,159)
Impairment loss for the year on available for sale investments		75,069	-
		(338,484)	2,238,971
(Increase) / decrease in assets			
Investments - net		(78,038)	(2,574,141)
Receivable against sale of investments		(52,038)	144,934
Dividend and profit receivable		(94,695)	(39,939)
Advances, deposits and receivables		(181)	(166)
		(224,952)	(2,469,312)
Increase / (decrease) in liabilities			
Payable to the Management Company		(4,525)	9,110
Payable to the Trustee		(38)	407
Payable to the Securities and Exchange Commission of Pakistan		(2,680)	408
Payable against purchase of investments		(300,068)	(65,550)
Payable against redemption of units		(511)	386
Accrued expenses and other liabilities		(11,140)	3,030
		(318,962)	(52,209)
Net cash used in operating activities		(882,398)	(282,550)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issue of units		5,214,410	7,898,380
Payments against redemption of units		(5,731,076)	(7,038,674)
Net cash (used in) / generated from financing activities		(516,666)	859,706
Net (decrease) / increase in cash and cash equivalents during the period		(1,399,064)	577,155
Cash and cash equivalents at the beginning of the period		2,228,648	711,745
Cash and cash equivalents at the end of the period	4	829,584	1,288,900

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

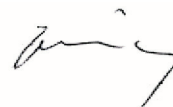
**For MCB-Arif Habib Savings and Investments Limited
(Management Company)**



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 Pakistan Stock Market Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (now MCB-Arif Habib Savings and Investments Limited) as "Management Company" and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on October 23, 2001 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 28, 2002 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) [repealed by Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules)].
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 24th Floor, Centrepont, Off Shaheed-e-Millat Expressway, Near K.P.T. Interchange, Karachi, Pakistan.
- 1.3** The Fund has been categorised as equity scheme and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund. The units are listed on the Pakistan Stock Exchange. The Fund primarily invests in listed equity securities. However, it also invests in cash instruments and treasury bills not exceeding 90 days in maturities.
- 1.4** The Pakistan Credit Rating Agency (PACRA) has assigned Management quality rating of AM2++ dated June 23, 2017 to the Management Company.
- 1.5** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund. The duration of the Fund is perpetual. However, SECP or the Management Company may wind it up on the occurrence of certain events as specified in the offering document 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 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 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 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** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.5** 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.
- 2.6** 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.

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

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGMENTS 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 note 3.1:

- 3.1 The Securities and Exchange Commission of Pakistan (SECP) through its SRO 756(I)/2017 dated August 3, 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, 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.56.19 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

	Note	March 31, 2018	June 30, 2017
		(Un-Audited)	(Audited)
4	BALANCES WITH BANKS	Rupees in '000	
In saving accounts	4.1	813,086	2,218,493
In current account	4.2	16,497	10,155
		<u>829,584</u>	<u>2,228,648</u>

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

- 4.1** These carry profits at rates ranging from 3.75% to 7% (June 30, 2017: 3.75% to 6.18%) per annum and include Rs. 14.86 million (June 30, 2017: Rs. 2.65 million) maintained with MCB Bank Limited, a related party of the Fund, which carries profit at the rate of 3.75% (June 30, 2017: 3.75%).
- 4.2** The amount includes a balance of Rs. 6.98 million (June 30, 2017: Rs. 0.63 million) maintained with MCB Bank Limited, a related party of the Fund.

	Note	March 31, 2018	June 30, 2017
		(Un-Audited)	(Audited)
		Rupees in '000	
5 INVESTMENTS			
Financial assets 'at fair value through profit or loss'	5.1	8,888,423	7,481,528
- Listed equity securities			
Available for sale	5.4	1,380,794	2,327,996
- Listed equity securities		10,269,217	9,809,524

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

All shares have a nominal value of Rs.10 each except as stated otherwise.

Name of the investee company	As at July 01, 2017	Purchases during the period	Bonus/ Right Issue	Sold during the period	As at March 31, 2018	As at March 31, 2018			Market value as a percentage of		Holding as a percentage of Paid up capital of the investee company
						Carrying Value	Market value as at March 31, 2018	Appreciation/ (Diminution)	Net assets	Total investments	
----- No. of shares -----						----- Rupees in '000 -----			----- % -----		
AUTOMOBILE ASSEMBLER											
GHANDHARA INDUSTRIES LTD	67,600	1,150	-	-	68,750	44,603	57,384	12,781	0.5%	0.6%	0.3%
HONDA ATLAS CARS(PAKISTAN) LIMITED	153,300	193,200	-	450	346,050	258,924	165,177	(93,748)	1.5%	1.6%	0.2%
INDUS MOTORS COMPANY LIMITED	127,980	7,200	-	127,980	7,200	12,780	12,544	(236)	0.1%	0.1%	0.0%
PAK SUZUKI MOTOR CO	272,900	-	-	272,900	-	-	-	-	0.0%	0.0%	0.0%
						316,307	235,104	(81,203)	2.1%	2.3%	
AUTOMOBILE PARTS & ACCESSORIES											
GENERAL TYRE & RUBBER CO	172,400	50,000	-	-	222,400	62,315	42,627	(19,688)	0.4%	0.4%	0.4%
						62,315	42,627	(19,688)	0.4%	0.4%	
CABLE & ELECTRICAL GOODS											
PAK ELEKTRON	2,371,500	3,756,800	-	6,128,300	-	-	-	-	0.0%	0.0%	0.0%
TPL TRAKKER LTD	459,000	-	-	412,000	47,000	464	407	(58)	0.0%	0.0%	0.02%
						464	407	(58)	0.0%	0.0%	
CEMENT											
CHERAT CEMENT	177,800	200,000	-	377,800	-	-	-	-	0.0%	0.0%	0.0%
DEWAN CEMENT	-	4,000,000	-	-	4,000,000	107,506	107,960	454	1.0%	1.1%	0.8%
**D.G. KHAN CEMENT	1,736,300	4,332,200	-	4,816,700	1,251,800	184,372	204,181	19,809	1.8%	2.0%	0.3%
FAUJI CEMENT CO LTD	2,500	3,300,000	-	2,362,500	940,000	25,784	27,495	1,711	0.2%	0.3%	0.1%
FECTO CEMENT	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
KOHAT CEMENT LTD	488,000	530,900	-	593,000	425,900	62,390	68,353	5,963	0.6%	0.7%	0.3%
LUCKY CEMENT	678,450	1,050,400	-	1,399,850	329,000	198,395	226,885	28,490	2.0%	2.2%	0.1%
MAPLE LEAF CEMENT FACTORY LTD	2,046,500	5,781,500	-	6,821,900	1,006,100	71,885	71,262	(623)	0.6%	0.7%	0.2%
THATTA CEMENT	80,000	-	-	80,000	-	-	-	-	0.0%	0.0%	0.0%
						650,331	706,136	55,805	6.3%	6.9%	
CHEMICALS											
ARCHROMA PAKISTAN LIMITED	60,800	-	-	-	60,800	43,338	33,501	(9,837)	0.3%	0.3%	0.2%
ENGRO POLYMER & CHEMICAL	6,546,500	6,568,000	-	8,111,000	5,003,500	169,582	178,375	8,793	1.6%	1.7%	0.9%
						212,919	211,876	(1,044)	1.9%	2.1%	

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

Name of the investee company	As at July 01, 2017	Purchases during the period	Bonus/ Right Issue	Sold during the period	As at March 31, 2018	As at March 31, 2018			Market value as a percentage of		Holding as a percentage of Paid up capital of the investee company
						Carrying Value	Market value as at March 31, 2018	Appreciation/ (Diminution)	Net assets	Total investments	
----- No. of shares -----						----- Rupees in '000 -----			----- % -----		
COMMERCIAL BANKS											
ALLIED BANK LIMITED	-	1,517,000	-	212,000	1,305,000	106,420	128,503	22,083	1.2%	1.3%	0.1%
ASKARI BANK LIMITED	297,500	7,099,000	-	250,000	7,146,500	145,263	163,798	18,534	1.5%	1.6%	0.6%
BANK AL FALAH LIMITED	6,856,500	8,489,500	-	1,150,000	14,196,000	605,227	749,975	144,748	6.7%	7.3%	0.9%
BANK AL HABIB LIMITED	1,833,500	4,249,500	-	1,100,000	4,983,000	294,147	386,183	92,035	3.5%	3.8%	0.5%
BANK OF PUNJAB	-	4,518,500	-	-	4,518,500	42,759	44,643	1,883	0.4%	0.4%	0.2%
FAYSAL BANK LIMITED	8,109,000	5,502,500	2,041,725	2,802,000	12,851,225	254,371	339,015	84,645	3.0%	3.3%	1.0%
HABIB BANK LIMITED	-	5,484,800	-	2,877,400	2,607,400	470,171	553,160	82,989	5.0%	5.4%	0.2%
HABIB METROPOLITAN BANK	548,000	2,565,000	-	-	3,113,000	107,489	133,579	26,090	1.2%	1.3%	0.3%
JS BANK LIMITED	-	4,348,000	-	-	4,348,000	35,859	38,828	2,968	0.3%	0.4%	0.1%
MCB BANK LIMITED	-	3,616,300	-	1,872,400	1,743,900	370,322	383,885	13,563	3.4%	3.7%	0.2%
MEEZAN BANK LIMITED	89,000	432,500	5,340	-	526,840	36,286	41,958	5,672	0.4%	0.4%	0.1%
MEEZAN BANK LIMITED(R)	-	-	5,340	5,340	-	-	-	-	0.0%	0.0%	0.0%
NATIONAL BANK OF PAKISTAN	-	1,844,000	-	-	1,844,000	92,168	92,311	142	0.8%	0.9%	0.1%
UNITED BANK LIMITED	899,800	4,533,900	-	5,433,700	-	-	-	-	0.0%	0.0%	0.0%
						2,560,483	3,055,836	495,353	27.4%	29.8%	
ENGINEERING											
AISHA STEEL LTD	2,600,000	-	-	2,550,500	49,500	1,007	1,005	(2)	0.0%	0.0%	0.0%
AMRELI STEELS LIMITED	1,190,000	796,600	-	1,986,600	-	-	-	-	0.0%	0.0%	0.0%
CRESCENT STEEL & ALLIED PROD	266,500	77,500	-	344,000	-	-	-	-	0.0%	0.0%	0.0%
INTERNATIONAL INDUSTRIES	980,000	181,000	-	236,700	924,300	327,862	262,871	(64,991)	2.4%	2.6%	0.8%
INTERNATIONAL STEELS LTD	1,538,500	961,600	-	2,499,500	600	65	70	5	0.0%	0.0%	0.0%
ITTEFAQ IRON INDUSTRIES LIMITED	929,781	1,500,000	-	2,427,000	2,781	83	62	(20)	0.0%	0.0%	0.0%
MUGHAL IRON & STEEL	1,552,000	2,569,000	-	1,557,500	2,563,500	179,174	188,161	8,987	1.7%	1.8%	1.0%
						508,191	452,168	(56,022)	4.1%	4.4%	
FERTILIZER											
ENGRO FERTILIZER LIMITED	61,500	9,579,500	-	5,662,000	3,979,000	264,816	274,909	10,094	2.5%	2.7%	0.3%
ENGRO CORPORATION LIMITED	2,110,600	1,627,600	-	2,529,700	1,208,500	341,999	374,212	32,213	3.4%	3.6%	0.2%
FAUJI FERTILIZER COMPANY LTD	-	2,010,000	-	2,010,000	-	-	-	-	-	-	-
						606,815	649,121	42,306	5.8%	6.3%	
FOOD & PERSONAL CARE PRODUCTS											
NESTLE PAKISTAN	-	3,033	-	-	3,033	33,515	38,367	4,853	0.3%	0.4%	0.0%
						33,515	38,367	4,853	0.3%	0.4%	
GLASS & CERAMICS											
TARIQ GLASS INDUSTRIES	673,900	-	-	220,500	453,400	50,219	48,899	(1,319)	0.4%	0.5%	0.7%
						50,219	48,899	(1,319)	0.4%	0.5%	
INSURANCE											
ADAMJEE INSURANCE CO. LTD	1,559,500	57,000	-	470,000	1,146,500	78,259	66,497	(11,762)	0.6%	0.6%	0.3%
PAKISTAN REINSURANCE CO. LTD	1,926,000	847,000	-	616,000	2,157,000	103,040	92,751	(10,289)	0.8%	0.9%	0.7%
						181,299	159,248	(22,051)	1.4%	1.6%	
INV.BANKS/INV.CO M./SECURITIES COS.											
ARIF HABIB LIMITED	662,000	-	-	662,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
LEATHER & TANNERIES											
SERVICE INDUSTRIES	40,700	-	-	-	40,700	56,125	34,208	(21,917)	0.3%	0.3%	0.34%
						56,125	34,208	(21,917)	0.3%	0.3%	
MISCELLANEOUS											
SYNTHETIC PRODUCTS LTD	605,000	1,073,500	-	-	1,678,500	105,969	92,318	(13,651)	0.8%	0.9%	2.0%
						105,969	92,318	(13,651)	0.8%	0.9%	
OIL & GAS EXPOLORATION COMPANIES											
MARI PETROLEUM COMPANY	9,800	1,540	-	11,060	280	447	415	(33)	-	-	0.0%
OIL & GAS DEVELOPMENT CO LTD	1,602,500	3,505,600	-	1,150,500	3,957,600	593,634	688,939	95,305	6.2%	6.7%	0.1%
PAKISTAN OILFIELDS LIMITED	129,000	705,900	-	220,350	614,550	323,796	399,802	76,006	3.6%	3.9%	0.3%
PAKISTAN PETROLEUM LTD	2,623,900	1,073,200	-	1,321,500	2,375,600	375,982	505,623	129,641	4.5%	4.9%	0.1%
						1,293,859	1,594,778	300,918	14.3%	15.5%	

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

Name of the investee company	As at July 01, 2017	Purchases during the period	Bonus/ Right Issue	Sold during the period	As at March 31, 2018	As at March 31, 2018			Market value as a percentage of		Holding as a percentage of Paid up capital of the investee company
						Carrying Value	Market value as at March 31, 2018	Appreciation/ (Diminution)	Net assets	Total investments	
----- No. of shares -----						----- Rupees in '000 -----			----- % -----		
OIL AND GAS MARKETING COMPANIES											
ATTOCK PETROLEUM LIMITED	2,150	-	-	-	2,150	1,347	1,235	(112)	0.0%	0.0%	0.00%
HASCOL PETROLEUM	-	113,200	22,640	135,840	-	-	-	-	0.0%	0.0%	0.00%
HI-TECH LUBRICANTS	162,300	170,800	-	50,000	283,100	30,257	29,779	(478)	0.3%	0.3%	0.24%
PAKISTAN STATE OIL CO LTD.	600	887,500	-	615,600	272,500	84,773	87,606	2,833	0.8%	0.9%	0.08%
SHELL PAKISTAN	22,200	-	-	-	22,200	12,773	8,086	(4,687)	0.1%	0.1%	0.02%
SUI NORTHERN GAS	1,902,500	3,590,800	-	5,036,800	456,500	52,769	51,452	(1,317)	0.5%	0.5%	0.07%
SUI SOUTHERN GAS	-	2,784,500	-	2,775,000	9,500	366	346	(20)	0.0%	0.0%	0.00%
						182,285	178,505	(3,780)	1.6%	1.7%	
PAPER AND BOARD											
CHERAT PACKAGING	301,100	-	40,649	17,000	324,749	72,862	55,454	(17,408)	0.5%	0.5%	1.0%
						72,862	55,454	(17,408)	0.5%	0.5%	
PHARMACEUTICAL S											
ABBOTT LABORATORIES PAKISTAN	14,300	-	-	14,300	-	-	-	-	-	-	0.00%
AGP LIMITED	-	2,169,577	-	200,000	1,969,577	157,566	178,621	21,055	1.6%	0.2%	1.59%
GLAXOSMITHKLINE	32,300	-	-	32,300	-	-	-	-	-	-	0.00%
						157,566	178,621	21,055	1.6%	0.2%	
POWER GENERATION & DISTRIBUTION											
HUB POWER COMPANY LTD	4,141,500	1,194,800	-	3,079,200	2,257,100	254,729	226,839	(27,890)	2.0%	2.2%	0.2%
KOT ADDU POWER CO. LTD	33,500	150,000	-	183,500	-	-	-	-	-	-	-
K-ELECTRIC LTD	11,295,000	3,200,000	-	14,495,000	-	-	-	-	-	-	-
NISHAT POWER LTD	358,500	-	-	358,500	-	-	-	-	-	-	-
						254,729	226,839	(27,890)	2.0%	2.2%	
REFINERY											
ATTOCK REFINERY LIMITED	296,100	418,400	-	403,000	311,500	110,698	77,810	(32,888)	0.7%	0.8%	0.4%
						110,698	77,810	(32,888)	0.7%	0.8%	
TECHNOLOGY & COMMUNICATIONS											
HUM NETWORK	-	11,050,000	-	2,500,000	8,550,000	73,053	81,225	8,172	0.7%	0.8%	0.9%
NETSOL TECHNOLOGIES	1,168,000	-	-	238,500	929,500	53,753	67,045	13,292	0.6%	0.7%	1.0%
SYSTEMS LIMITED	-	977,500	-	-	977,500	80,578	94,446	13,868	0.8%	0.9%	0.9%
						207,384	242,716	35,332	2.2%	2.4%	
TEXTILE COMPOSITE											
GUL AHMED TEXTILE	1,429,900	1,674,000	-	21,500	3,082,400	122,239	131,557	9,318	1.2%	1.3%	0.9%
KOHINOOR TEXTILE MILLS LTD	250,000	1,408,700	90,078	157,400	1,591,378	156,708	111,953	(44,754)	1.0%	1.1%	0.5%
NISHAT (CHUNIAN) LIMITED	2,014,500	-	-	2,014,500	-	-	-	-	-	-	-
NISHAT MILLS LTD	200	2,483,100	-	193,200	2,290,100	335,287	363,874	28,587	3.3%	3.5%	0.7%
						614,234	607,384	(6,850)	5.4%	5.9%	
Total as at March 31, 2018						8,238,569	8,888,423	649,853	80%	85%	
Total as at June 30, 2017						7,657,790	7,481,528	(176,262)	64%	76%	

5.2 Government securities - at fair value through profit or loss - held for trading

Tenor	Face value				Balance as at March 31, 2018			Market value as percentage of net assets	Market value as percentage of total investments
	As at July 01, 2017	Purchases during the year	Sold / matured during the year	As at March 31, 2018	Cost	Market value	Appreciation / (diminution)		
	-----Rupees in '000'-----							%	%
6 Months	-	1,036,675	1,036,675	-	-	-	-	-	-
3 Months	-	13,392,000	13,392,000	-					-
Total as at March 31, 2018									
Total 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

	Note	March 31, 2018 (Un-Audited) -----Rupees in '000-----	June 30, 2017 (Audited)
5.3 Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss-net			
Market value of securities	5.1	8,888,423	7,481,528
Less: Carrying value of securities	5.1	<u>(8,238,569)</u>	<u>(7,657,790)</u>
		649,854	(176,262)

5.4 Listed equity securities - Available for sale

All shares have a nominal value of Rs.10 each except as stated otherwise.

Name of the investee company	As at July 01, 2017	Purchases during the period	Bonus / Right Issue	Sold during the period	As at March 31, 2018	As at March 31, 2018			Market value as a percentage of		Holding as a percentage of Paid up capital of the investee company
						Carrying Value	Market value as at March 31, 2018	Appreciation/ (Diminution)	Net assets	Total investments	
No. of shares						Rupees in '000			%		
AUTOMOBILE ASSEMBLER											
INDUS MOTORS COMPANY LIMITED	4,150	-	-	3,440	710	1,106	1,237	131	-	-	-
						1,106	1,237	131	-	-	
CABLE & ELECTRICAL GOODS											
PAK ELEKTRON	598,500	-	-	598,500	-	-	-	-	-	-	-
						-	-	-	-	-	
CEMENT											
CHERAT CEMENT	1,394,200	-	-	1,394,200	-	-	-	-	0.00%	0.00%	-
LUCKY CEMENT	290,100	-	-	-	290,100	162,834	200,059	37,225	1.8%	1.9%	0.09%
						162,834	200,059	37,225	1.8%	1.9%	
CHEMICALS											
ARCHROMA PAKISTAN LIMITED	5,050	-	-	-	5,050	2,966	2,783	(183)	0.0%	0.0%	0.01%
ICI PAKISTAN	108,800	-	-	44,800	64,000	27,072	54,488	27,416	0.5%	0.5%	0.07%
						30,038	57,270	27,233	0.5%	0.6%	
COMMERCIAL BANKS											
MEEZAN BANK LIMITED	92,000	-	5,520	-	97,520	5,208	7,766	2,559	0.1%	0.1%	0.01%
UNITED BANK LIMITED	1,237,100	-	-	1,237,100	-	-	-	-	0.0%	0.0%	-
						5,208	7,766	2,559	0.1%	0.1%	
ENGINEERING											
* MUGHAL IRON & STEEL	11,760	-	-	-	11,760	1,036	863	(173)	0.0%	0.0%	-
						1,036	863	(173)	0.01%	0.01%	
FOOD & PERSONAL CARE PRODUCTS											
AL-SHAHEER CORPORATION	10,455	-	-	-	10,455	585	320	(265)	0.0%	0.0%	0.01%
						585	320	(265)	0	0	
OIL & GAS EXPOLORATION COMPANIES											
MARI PETROLEUM COMPANY	215,670	-	-	-	215,670	170,203	319,312	149,109	2.9%	3.1%	0.20%
* OIL & GAS DEVELOPMENT CO LTD	968,800	-	-	-	968,800	144,649	168,649	24,000	1.5%	1.6%	0.02%
PAKISTAN OILFIELDS LIMITED	466,600	-	-	-	466,600	156,706	303,551	146,846	2.7%	3.0%	0.20%
						471,558	791,512	319,954	7.1%	7.7%	
PHARMACEUTICAL S											
ABBOTT LABORATORIES PAKISTAN)	108,400	-	-	108,400	-	-	-	-	0.0%	0.0%	0.00%
SEARLE COMPANY	4,617	-	923	-	5,540	1,250	1,948	698	0.0%	0.0%	0.00%
						1,250	1,948	698	0.0%	0.0%	
POWER GENERATION & DISTRIBUTION											
ALTERN ENERGY LIMITED	327,000	-	-	-	327,000	11,844	12,818	974	0.1%	0.1%	0.09%
* HUB POWER COMPANY LTD	1,872,400	-	-	-	1,872,400	232,462	188,176	(44,286)	1.7%	1.8%	0.16%
K-ELECTRIC LTD	9,550,500	-	-	9,550,500	-	-	-	-	0.0%	0.0%	0.00%
* PAKGEN POWER LIMITED	15,500	-	-	-	15,500	476	330	(146)	0.0%	0.0%	0.00%
						244,782	201,324	(43,458)	1.9%	2.0%	
TECHNOLOGY & COMMUNICATIONS											
NETSOL TECHNOLOGIES	671,000	-	-	-	671,000	41,698	48,399	6,702	0.4%	0.5%	0.75%
SYSTEMS LIMITED	750	-	-	-	750	39	72	33	0.0%	0.0%	0.00%
						41,737	48,472	6,735	0.4%	0.5%	
TEXTILE COMPOSITE											
KOHINOOR TEXTILE MILLS LTD	939,000	-	56,340	-	995,340	78,870	70,022	(8,848)	0.6%	0.7%	0.33%
* NISHAT (CHUNIAN) LIMITED	2,075,000	-	-	2,075,000	-	-	-	-	-	-	0.00%
						78,870	70,022	(8,848)	0.6%	0.7%	
Total as at March 31, 2018						1,039,004	1,380,794	341,791	12%	13%	
Total as at June 30, 2017						1,711,927	2,327,996	616,069	20.0%	23.7%	

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

* The above include 1,000,000 shares of Oil and Gas Development Company Limited and 2,000,000 shares of Hub Power Company Limited with a market value of Rs. 174.08 million and Rs. 201 million (June 30, 2017: 1,000,000 shares of Hub Power Company Limited and 1,000,000 shares of Oil and Gas Development Company Limited with a market value of Rs 117.430 million and Rs 140.690 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular no. 11 dated October 23, 2007 issued by SECP.

** These represent transactions with related parties.

	Note	March 31, 2018 (Un-Audited)	June 30, 2017 (Audited)
		-----Rupees in '000-----	
6 DIVIDEND AND PROFIT RECEIVABLE			
Dividend receivable			
Profit receivable on bank balances		116,424	22,556
		<u>3,777</u>	<u>2,950</u>
7 ADVANCES, DEPOSITS AND OTHER RECEIVABLES		<u>120,201</u>	<u>25,506</u>
Advance Tax		4,154	3,997
Security deposits with National Clearing Company of Pakistan Limited		2,500	2,500
Security deposits with Central Depository Company of Pakistan Limited		500	500
Others		338	314
8 PAYABLE TO THE MANAGEMENT COMPANY		<u>7,492</u>	<u>7,311</u>
Management remuneration payable	8.1		
Sindh Sales Tax payable on Management Company's remuneration	8.2	18,687	19,427
Sales load payable		2,429	2,526
Payable against allocated expenses	8.3	834	1,635
Payable against marketing and selling expense	8.4	934	971
		<u>10,488</u>	<u>13,338</u>
		<u>33,372</u>	<u>37,897</u>

8.1 The Management Company has charged remuneration at the rate of 2% per annum based on average net assets for the period. The remuneration is paid to the Management Company on a monthly basis in arrears.

8.2 During the period, Sindh Sales Tax on management remuneration has been charged at 13% (June 30, 2017: 13%).

8.3 In accordance with the Regulation 60 of Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Management Company has charged expenses at the rate of 0.1% of the average net assets of the Fund being lower than actual expenses chargeable to the Fund for the period.

8.4 SECP vide a circular no.40 SCD/PRDD/ Circular/361/2016 dated December 30, 2016, allowed the Asset Management Companies to charge selling and marketing expenses to open end equity, asset allocation and index funds, initially for three years (from January 1, 2017 till December 31, 2019). Maximum cap of selling and marketing expenses shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged at the rate of 0.4% of net assets of the Fund, being lower than the actual expenses incurred.

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

		March 31, 2018	June 30, 2017
		(Un-Audited)	(Audited)
9 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	-----Rupees in '000-----	
Provision for Sindh Workers' Welfare Fund	9.1	62,698	57,875
Federal Excise Duty payable on management remuneration	9.2	54,774	54,774
Federal Excise Duty payable on Sales load	9.2	3,933	3,933
Unclaimed dividends		9,838	9,838
Brokerage payable		6,304	21,266
Auditors' remuneration		373	579
Withholding tax payable		2,326	3,497
Printing and related charges payable		68	334
Zakat		5	10
Sales load payable		4	351
Others		3,130	2,136
		<u>143,453</u>	<u>154,593</u>

FEDERAL EXCISE DUTY AND SINDH WORKERS' WELFARE FUND

- 9.1** 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. 0.5815 per unit (June 30, 2017 Re. 0.5101 per unit).
- 9.2** 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. 0.5080 per unit (June 30, 2017: Re. 0.4827 per unit).

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at the March 31, 2018 and June 30, 2017.

11 NET ASSET VALUE PER UNIT

The net asset value (NAV) per unit, as disclosed on the condensed interim Statement of Assets and Liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the period / year end.

12 TOTAL EXPENSE RATIO

Total expense ratio of the Fund is 2.67% as on March 31, 2018 (March 31, 2017: 2.91%) and this includes 0.38% (March 31, 2017: 0.79%) representing government Levy on the Fund such as Sales tax, Sindh Workers' Welfare Fund, SECP fee, etc.

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

13 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations, requires the Fund to distribute 90% of the net accounting income other than capital gains 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. Further, the Fund has incurred losses during the period, and no provision for taxation has been made in this condensed interim financial information.

14 (LOSSES) / EARNINGS PER UNIT

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

15 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

15.1 Related parties / connected persons of the Fund include MCB-Arif Habib Savings and Investments Limited (being the Management Company) and its related entities, Central Depository Company of Pakistan Limited (CDC) (being the Trustee of the Fund), other collective investment schemes and pension schemes managed by the Management Company, any person or trust beneficially owning (directly or indirectly) ten percent or more capital of the Management Company or net assets of the Fund and directors, key management personnel and officers of the Management Company.

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

15.3 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.

15.4 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:

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

Unit Holder's Fund Movement

	March 31, 2018							
	As at July 01, 2017	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at March 31, 2018	As at July 01, 2017	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transferred out	Amount outstanding as at March 31, 2018
	(Units)			(Rupees in '000)				
MCB-Arif Habib Savings and Investment Limited-Management Company	2,782,581	557,576	1,533,784	1,806,372	285,219	49,672	142,647	186,902
Associated companies / undertakings								
Nishat Power Limited Employees Provident Fund Trust	11,625	20,467	22,603	9,489	1,192	1,909	2,087	982
Adamjee Insurance Company Limited Employees Gratuity Fund	117,589	237,038	293,366	61,261	12,053	22,698	27,684	6,339
Adamjee Life Assurance Company Limited - IMF	16,932,999	3,742,621	920,899	19,754,721	1,735,661	355,000	95,000	2,043,979
Adamjee Life Assurance Company Limited - NUIL	1,515,637	-	106,631	1,409,006	155,355	-	11,000	145,787
Adamjee Insurance Company Limited Employees Provident Fund Trust	225,797	459,717	565,320	120,194	23,145	44,006	53,337	12,436
Adamjee Life Assurance Company Limited - ISF	412,198	2,180,536	484,683	2,108,051	42,251	215,000	50,000	218,116
Adamjee Life Assurance Company Limited - ISF II	363,704	188,405	552,109	-	37,280	17,700	52,102	-
D.G. Khan Cement Company Limited Employees Provident Fund Trust	145,730	53,535	-	199,265	14,938	5,000	-	20,618
Nishat Mills Employees Provident Fund Trust	-	5,648,292	4,430,828	1,217,464	-	546,276	429,725	125,968
Directors and executives of the Management Company	36,465	77,100	73,969	39,596	3,738	7,220	7,255	4,097
Mandate Under Discretionary Portfolio Services	10,084,555	11,477,839	15,274,614	6,287,780	1,033,684	1,103,061	1,468,172	650,583

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

	March 31, 2017							
	As at July 01, 2016	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at March 31, 2017	As at July 01, 2016	Issued for cash / conversion / transferred in	Redeemed / conversion transferred out	Amount outstanding / g as at March 31, 2017
	(Units)			(Rupees in '000)				
MCB - Arif Habib Savings and Investment Limited - Management Company	1,922,136	1,535,762	2,217,985	1,239,913	167,399	162,762	245,000	142,794
Associated Companies								
Adamjee life Assurance Company Limited - NUIL Fund	2,263,530	427,031	1,426,876	1,263,685	197,131	40,000	150,000	145,532
Adamjee life Assurance Company Limited - IMF	15,627,429	2,008,447	3,628,627	14,007,249	1,360,993	195,000	391,000	1,613,142
D.G. Khan Cement Company Limited Employees Provident Fund Trust	132,411	-	-	132,411	11,532	-	-	15,249
Directors and executives of the Management Company	157,877	184,813	211,110	59,550	17,240	18,774	21,310	6,858
Mandate under discretionary portfolio services	4,031,484	15,251,282	15,709,304	10,460,310	452,383	1,638,815	1,677,924	1,204,660

Other Transactions

**Nine months
ended March
31, 2018**

**Nine months
ended March
31, 2017**

-----Rupees in '000-----

MCB - Arif Habib Savings and Investments Limited - Management Company

Remuneration of the Management Company including indirect taxes	175,196	169,387
Payment of conversion cost	-	545
Marketing and Selling expense	31,007	1,022
Allocated Expenses	8,759	8,469

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the trustee including indirect taxes	9,608	9,318
CDS charges	1,431	1,412

Arif Habib Capital Limited

Brokerage expense*	2,404	2,604
Purchase of Nil (2017: 3,214,300) shares	-	-
Sale of 662,000 (2017: Nil) shares	39,040	-

Next Capital Limited

Brokerage expense*	2,631	2,596
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MCB Bank Limited

Bank charges	112	102
Mark-up income	2,273	334
Dividend income	19,334	5,224

Silk Bank Limited

Purchase of securities Face Value: Rs. 1,750,000,000 (2017: 1,350,000,000)	1,729,449	1,332,590
Sale of securities Face Value: Rs. 2,800,000,000 (2017: Nil)	4,099,912	-
Bank charges	10	-
Mark-up income	2,064	-

D.G Khan Cement Company Limited

Dividend income	-	3,529
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Nishat Mills Limited

Dividend income	10,092	10,205
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Nishat Power Limited

Dividend income	-	359
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**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

	Nine months ended March 31, 2018	Nine months ended March 31, 2017
	-----Rupees in '000-----	
Nishat Chunian Limited		
Dividend income	495	14,964
Mughal Iron and Steel Industries Limited		
Dividend income	1,225	-
Pakgen Power Limited		
Dividend income	16	-
Adamjee Insurance Company Limited		
Dividend income	2,425	-

15.6 Details of balances with related parties / connected persons as at the period end

	(Unaudited) Nine months ended March 31, 2018	(Audited) Year ended June 30, 2017
	-----Rupees in '000-----	
MCB - Arif Habib Savings and Investment Limited - Management Company		
Remuneration payable	18,687	19,427
Sindh Sales Tax payable on management remuneration	2,429	2,526
Sales load payable including related taxes	834	1,635
Payable against allocated expense	934	971
Payable against marketing and selling expenses	10,488	13,338
Central Depository Company of Pakistan Limited - Trustee		
Security deposit	500	500
Trustee remuneration payable	1,021	1,055
Sindh Sales Tax payable on trustee remuneration	133	137
MCB Bank Limited		
Balance with bank	21,831	3,280
Profit receivable on bank balances	178	51
Sales load payable	4	351
Silk Bank Limited		
Balance with bank	456	-
Profit receivable on bank balances	1,527	-
* Next Capital Limited		
Brokerage payable	123	1,523
* Arif Habib Limited		
Brokerage payable	415	1,817

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

- * The amount disclosed represents the amount of brokerage paid or payable, as the case may be, 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.

16 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

17 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company in the meeting held on April 19, 2018.


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



Chief Executive Officer



Chief Financial Officer



Director