



MCB-ARIF HABIB  
Savings and Investments Limited

# QUARTERLY REPORT

MARCH  
**2021**  
(UNAUDITED)

Funds Under Management of  
MCB-Arif Habib Savings and Investments Limited



# **PAKISTAN PENSION FUND**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
<b>Human Resource &amp; Remuneration Committee</b>	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
<b>Chief Executive Officer</b>	Mr. Muhammad Saqib Saleem	
<b>Chief Operating Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Central Depository Company of Pakistan Ltd.</b> 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>	Zari Taraqiati Bank Limited Habib Metropolitan Bank Limited Bank Al Falah Limited Allied Bank Limited National Bank Pakistan Askari Bank Limited JS Bank Limited Faysal Bank Limited Silk Bank Limited Habib Bank Limited MCB Bank Limited Bank Al Habib Limited Soneri Bank Limited	
<b>Auditors</b>	<b>Ernst &amp; Young Ford Rhodes</b> Chartered Accountants Progressive Plaza, Beaumont Road, P.O.Box 15541 Karachi, Sindh-75530, Pakistan.	
<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> Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	

# REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

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## Dear Investor,

On behalf of the Board of Directors, we are pleased to present **Pakistan Pension Fund** accounts review for the nine months ended March 31, 2021.

## Economy and Money Market Review

The first nine months of fiscal year 2021 have been relatively stronger as economic activities resumed to a large extent though challenges from Covid continue to pose risks in the near term. The economic recovery has been better than expectations as stable interest rates and supportive financing schemes from SBP, amnesty to encourage construction sector, resumption in demand and continued strong inflow of remittances have supported economic growth. We therefore expect economic growth to be higher than estimates shared by multilateral agencies. Government had initial expectations of lower industrial growth (targeting a growth of 0.1% over last year) due to Covid-19, which we now believe would also be better than expectations as cyclical sectors have exhibited strong demand and volumetric growth.

Cement sector saw an impressive growth in local dispatches as they witnessed a growth of about 18% over last year in the first nine months of FY21. Sales of 2 and 3 wheeler units also rose at an impressive rate of near 17% over last year in the first eight months of FY21 reflecting on the resilience of economy. Similarly, the demand of petrol and diesel also increased by about 9.5% and 17% respectively over last year during the first nine months indicating a broader recovery in economy. Overall, Large Scale Manufacturing Index (LSM) has grown by about 7.9% in first seven months of the current fiscal year led by the cyclical sectors.

Current account posted a surplus of USD 881 million in the first eight months of fiscal year compared to a deficit of USD 2,741 million in the corresponding period of the last year. The improvement came in primarily on the back of higher remittances which grew at a stupendous rate of about 24% during the first eight months of this fiscal year. Foreign exchange reserves of central bank saw an increase of about USD 2.2 billion during the first eight months due to improved balance of payment position. Subsequently, the PKR/USD appreciated by about 9% during the period.

Inflation remained an Achilles heel for the government as rising food prices continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.4% over last year during the first nine months, with food inflation averaging about 13% during the period. The prices of perishable food items along with the price of wheat continued to advance higher as supply side disruptions and mismanagement caused the prices to soar. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.1% for the period. Monetary Policy Committee maintained status quo throughout the year after successive cuts in previous meetings. While real interest rates remained negative, the central bank was cautious with regards to demand side pressures owing to Covid-19 as well as comfort drawn from better external position.

As the economy started to open up, tax collection also improved and grew by about 10% during the first nine months of the fiscal year which exceeded the target by PKR 100 bn. Fiscal deficit for the first seven months of the period clocked in at 2.9% of GDP, compared to 3.2% of GDP last year. Primary balance was even better at a surplus of 0.9% of GDP compared to last year surplus of 0.3% of GDP.

Yield curve started to slope upward after inflation continued to disappoint investors. The central bank also raised its expectation of inflation as discussed in the minutes of MPC. It now expects it to fall in the upward range of 7-9% compared to earlier expectations of inflation falling in the lower range. 3, 5 and 10 Year bonds saw a rise of 182 bps, 175 bps and 173 bps respectively during the period.

## Equity Market Review

After showing strong positive momentum during the first half of this fiscal year, market performance could not display the same riveting momentum and remained dull during the third quarter of this fiscal year. The index posted a return of 1.9% during the third quarter of this fiscal year, taking the cumulative return of nine months to 29.5%. Local investors absorbed foreign investors selling of about USD 290mn. Trading activity at the bourse increased on a YoY basis as the average volumes and value traded amounted to near 483 Million shares (up 149%) and about PKR 19 Billion (up 165%) respectively.

## REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

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Tech, Refineries and Steel were the major outperformers as they posted returns of 326%/145%/97% respectively during the nine months of the fiscal year. Tech companies saw a massive re-rating in their valuations as investor cherished the changing landscape of tech companies post Covid. Steel sector gained traction during period after a sharp increase in construction demand and prices sent their stocks soaring. Moreover, rumors of a guaranteed rate of return for refineries drove sector returns during the period. On the flip side, Fertilizer remained the major underperformer posting nominal returns of 8% only.

### FUND PERFORMANCE

#### *Debt Fund*

The debt sub-fund generated an annualized return of 6.01% during the period under review. The fund's exposure towards PIBs stood at 55.5% and exposure in cash was 31.9% at period end.

The Net Assets of the Fund as at March 31, 2021 stood at Rs. 495.53 million as compared to Rs. 558.58 million as at June 30, 2020 registering a decrease of 11.29%.

The Net Asset Value (NAV) per unit as at March 31, 2021 was Rs. 311.83 as compared to opening NAV of Rs. 298.36 per unit as at June 30, 2020 registering an increase of Rs. 13.47 per unit.

#### *Money Market Fund*

The money market sub-fund generated a return of 5.36% during the period. The fund's exposure in T-bills was 65.7% while exposure in cash was 34.1%.

The Net Assets of the Fund as at March 31, 2021 stood at Rs. 526.09 million as compared to Rs. 523.19 million as at June 30, 2020 registering an increase of 0.55%.

The Net Asset Value (NAV) per unit as at March 31, 2021 was Rs. 275.96 as compared to opening NAV of Rs. 265.29 per unit as at June 30, 2020 registering an increase of Rs. 10.67 per unit.

#### *Equity Fund*

The Equity sub-fund generated a return of 25.49% against the KSE-100 return of 29.53%. The sub-fund slightly increased its overall equity exposure to 96.8%. Sector-wise, the sub-fund mainly held exposure in Commercial Banks and Cement.

The Net Assets of the Fund as at March 31, 2021 stood at Rs. 840.17 million as compared to Rs. 641.56 million as at June 30, 2020 registering an increase of 30.96%.

The Net Asset Value (NAV) per unit as at March 31, 2021 was Rs. 552.99 as compared to opening NAV of Rs. 440.67 per unit as at June 30, 2020 registering an increase of Rs. 112.32 per unit.

### Economy & Market – Future Outlook

GDP growth for FY21 is now projected at around 3% by central bank. We expect GDP growth to be better than general consensus of government and institutions as industrial growth has revived much earlier than our anticipation. Generally, economy appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc.

Balance of Payment worries are at bay for the near term with current account deficit expected to be about USD 1.1 bn for this fiscal year. We expect Current Account Deficit to settle near 0.4% of GDP in FY21 which could be easily financed from foreign investments and debt flows. However, the recent surge in commodity prices and growth momentum would require better financial management to fund the current account deficit over next year. Any reversal in trend of remittances would also be a concern for Balance of Payment management next year. With Real Effective Rate for Feb-2021 at 97.1 any significant movement in commodities may cause relative inflation and balance of payment to weaken further and thus can cause currency to weaken swiftly. Continuation of the IMF program is a good omen which would allow better financial flows from various institutions allowing better financial management. We expect foreign exchange reserves to further increase by about USD 2.7 bn from current levels by year end.

Inflation has exceeded our earlier expectations as food prices have sky rocketed. We expect CPI to average near 9.1% for FY21, slightly higher than the expected range (7.0-9.0) of central bank. For the next fiscal year, we expect CPI to average close to 9.1%. Central bank for the first time has provided guidance on interest rates in the short term which will perhaps bring more certainty in investor expectations. The central authority vowed to keep the existing accommodative monetary policy stance to

## REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

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support recovery while keeping inflation expectations well anchored. Given the guidance by central bank, we now expect interest rates to adjust by 100-150 bps over the next fiscal year.

From capital market perspective, particularly equities, markets are watchful of the 3rd wave of Covid cases which do pose risks in the near term. As growth momentum continues, the valuations are catching up with historical norms. Barring any external shock, we think equities have potential to provide decent returns to investors. Given that low interest rate environment is likely to continue for the short to medium term, we believe equities will continue to attract flows. Risk premiums vis a vis 10-year bonds is right now at 3.3%, compared to historical average of 1.3% suggesting some upside due to re-rating would be possible. Alongside, earnings growth will be a key driver for the next few years as they have lagged behind nominal GDP growth during the last couple of years. We believe a micro view of sectors and stock will remain more important this year and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds have priced in the anticipated yield curve. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

### **Mutual Fund Industry Review**

The Net Assets of the open end mutual fund industry increased by about 28.6% to PKR 954 billion at the end of the first nine months of the fiscal year. Money market funds and Fixed Income funds experienced an influx of investment as corporate liquidity swiftly moving towards mutual funds. Total money market funds grew by about 33% during the period to PKR 418 billion. Within the money market sphere, the conventional funds dominated as they grew by about 31% to PKR 271 billion. Equity and related funds surged rapidly by 27% from PKR 224 billion to PKR 284 billion over the quarter. Most of the rise in equity and equity linked fund assets can be attributed to a positive uptick in the market that was up ~29% YoY owing to favorable investor sentiments.

In terms of the segment share, Money Market funds were the leader with a share of around 44%, followed by Equity and Equity related funds with a share of 30% and Income funds having a share of 26% as at the end of the calendar year.

### **Mutual Fund Industry Outlook**

Record decline in interest rates have reinstated the confidence in risk asset classes. We expect liquidity to gear up towards equity and related funds. The sustainability of liquidity will however depend on how the economy transitions through this phase of pandemic. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

### **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 16, 2021

## ڈائریکٹرز رپورٹ

فیصد پر ہیں، اور قدیم اوسط 1.3 فیصد کے ساتھ تقابل سے پتہ چلتا ہے کہ ری ریٹنگ کی بدولت کچھ فائدہ متوقع ہے۔ ساتھ ساتھ آمدنیوں میں اضافہ اگلے کچھ برسوں کے لیے کلیدی محرک ہوگا کیونکہ گزشتہ کچھ برسوں کے دوران آمدنیاں جی ڈی پی کی معمولی ترقی سے بھی پیچھے رہی ہیں۔ ہم سمجھتے ہیں کہ شعبہ جات اور اسٹاک کی خورد و تصویر اس سال زیادہ اہم رہے گی اور سرمایہ کاری کے انتخاب کا انحصار ایسی کمپنیوں پر ہونا چاہیے جو اپنی اندرونی قدر میں گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔ قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب حکومتی بانڈز متوقع پیداواری ختم میں شامل ہو چکے ہیں۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

### میوچل فنڈ صنعت کا جائزہ

اوپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2021ء کے ابتدائی نو ماہ کے اختتام پر تقریباً 28.6 فیصد بڑھ کر 954 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز اور فیکسڈ انکم فنڈز میں خطیر سرمایہ کاری ہوئی کیونکہ کارپوریٹ نقدیت تیزی سے میوچل فنڈز کی جانب بڑھ رہی ہے۔ منی مارکیٹ کے مجموعی فنڈز دوران مدت تقریباً 33 فیصد بڑھ کر 418 بلین روپے ہو گئے۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور تقریباً 31 فیصد بڑھ کر 271 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں دوران سہ ماہی 27 فیصد کا بھرپور اضافہ ہوا اور وہ 224 بلین روپے سے 284 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز کے اثاثہ جات میں اضافے کا بڑا سبب سرمایہ کاروں کے مثبت جذبات کی بدولت مارکیٹ میں 29 فیصد سال در سال ترقی کو قرار دیا جاسکتا ہے۔

کیلنڈر سال کے اختتام پر شعبہ جاتی سرمایہ کاری کے اعتبار سے منی مارکیٹ فنڈز تقریباً 44 فیصد کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز تقریباً 30 فیصد، اور انکم فنڈز تقریباً 26 فیصد کے حامل تھے۔

### میوچل فنڈ صنعت کے مستقبل کے امکانات

سود کی شرحوں میں اب تک کی سب سے زیادہ کمی کی بدولت خطرات کے حامل اثاثہ جات میں اعتماد بحال ہوا ہے۔ ہمیں اُمید ہے کہ ایکویٹی اور متعلقہ فنڈز کے شعبے میں نقدیت کی صورتحال بہتر ہوگی۔ تاہم نقدیت کی پائیداری کا انحصار اس بات پر ہوگا کہ معیشت اس وباء کے مرحلے سے کس طرح گزرتی ہے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکتے۔

### اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے قابل قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور حمایت کے لیے شکریہ ادا ہے۔ علاوہ ازیں، ڈائریکٹرز انتظامیہ ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

من جانب ڈائریکٹرز



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

16 اپریل 2021



ایکویٹی فنڈ

ایکویٹی ذیلی فنڈ نے 25.49 فیصد منافع حاصل کیا جبکہ اس کے بالمقابل KSE-100 کا منافع 29.53 فیصد تھا۔ ذیلی فنڈ نے ایکویٹی میں اپنی مجموعی شمولیت میں معمولی اضافہ کر کے اختتام مدت پر 96.8 فیصد کر دیا۔ شعبہ جاتی اعتبار سے ذیلی فنڈ کی زیادہ تر شمولیت کمرشل بینکوں اور سیمنٹ کے شعبے میں تھی۔

31 مارچ 2021ء کو فنڈ کے net اثاثہ جات 840.17 ملین روپے تھے جو 30 جون 2020ء کو 641.56 ملین روپے کے مقابلے میں 30.96 فیصد اضافہ ہے۔

31 مارچ 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 552.99 روپے تھی جو 30 جون 2020ء کو ابتدائی این اے وی 440.67 روپے فی یونٹ کے مقابلے میں 112.32 روپے فی یونٹ اضافہ ہے۔

### معیشت اور بازار - مستقبل کے امکانات

مرکزی بینک کے مطابق مالی سال 2021ء کے لیے مجموعی ملکی پیداوار (جی ڈی پی) میں 3 فیصد ترقی متوقع ہے۔ ہمیں اُمید ہے کہ جی ڈی پی کی ترقی حکومت اور اداروں کے عمومی اتفاق رائے سے بہتر ہوگی کیونکہ صنعتی ترقی ہماری توقعات سے کافی قبل بحال ہوگئی ہے۔ معیشت اب عمومی طور پر قبل از کووڈ سطحوں کے قریب سرگرم عمل ہے جس کا اندازہ ایل ایس ایم کی ترقی اور سیمنٹ اور آٹوموبائل کے شعبے کی فروخت کے ذریعے لگایا جاسکتا ہے۔

ادائیگیوں کے توازن کی پریشانیوں قریب المیہ میں ختم ہوگئی ہیں کیونکہ موجودہ مالی سال کے لیے کرنٹ اکاؤنٹ کا متوقع خسارہ تقریباً 1.1 بلین ڈالر ہے۔ ہم سمجھتے ہیں کہ مالی سال 2021ء میں کرنٹ اکاؤنٹ خسارہ جی ڈی پی کے تقریباً 0.4 فیصد پر ٹھہرے گا، اور اس کے لیے مالیات کی فراہمی باسانی غیر ملکی سرمایہ کاریوں اور قرض کے ذریعے ہو سکتی ہے۔ تاہم اشیاء کی قیمتوں اور ترقی کی رفتار میں حالیہ اضافے کے باعث اگلے سال کے دوران کرنٹ اکاؤنٹ خسارے کے لیے مالیات کی فراہمی کے لیے بہتر مالیاتی انتظام درکار ہے۔ ترسیلات زر کے رجحان میں ذرا بھی واپسی کے باعث اگلے سال ادائیگی کے توازن کے انتظام میں رکاوٹ حائل ہو سکتی ہے۔

فروری 2021ء کا ریٹل ایفیکٹو ریٹ 97.1 فیصد تھا، اور اشیاء میں کسی بھی قابل ذکر حرکت کے باعث افراط زر اور ادائیگیوں کے توازن کی نسبتاً صورتحال مزید خراب ہو سکتی ہے اور اس کے نتیجے میں روپے کی قدر تیزی سے گر سکتی ہے۔ آئی ایم ایف پروگرام کا جاری رہنا اچھا شگون ہے جس کی بدولت متعدد اداروں سے بہتر مالیاتی آمدات ممکن ہوگی اور اس کے نتیجے میں بہتر مالیاتی انتظام ممکن ہوگا۔ غیر ملکی زرمبادلہ کے ذخائر میں اختتام مدت تک موجودہ سطحوں کے مقابلے میں تقریباً 2.7 بلین ڈالر کا مزید اضافہ متوقع ہے۔

افراط زر ہماری سابقہ توقعات سے آگے نکل گئی ہے کیونکہ اشیاء خورد و نوش کی قیمتیں آسمان سے باتیں کر رہی ہیں۔ ہمارے نزدیک مالی سال 2021ء کے لیے سی پی آئی کا اوسط 9.1 فیصد ہوگا جو مرکزی بینک کی متوقع حد (7.0 سے 9.0) سے تھوڑا زیادہ ہے۔ اگلے مالی سال کے لیے افراط زر کا اوسط تقریباً 9.1 فیصد متوقع ہے۔ مرکزی بینک نے پہلی مرتبہ قریب المیہ میں سود کی شرحوں سے متعلق راہنمائی فراہم کی ہے جس کی بدولت سرمایہ کاروں کی توقعات میں مزید یقینی صورتحال پیدا ہوگی۔ مرکزی مختار ادارے نے گنجائش پیدا کرنے والی موجودہ مالیاتی پالیسی کا موقف برقرار رکھنے کا عزم کیا تاکہ وصولی کے لیے معاونت فراہم ہو، جبکہ افراط زر کی توقعات کو قابو میں رکھا۔ مرکزی بینک کی راہنمائی کے پیش نظر اب ہمیں اُمید ہے کہ سود کی شرحوں میں اگلے مالی سال کے دوران 100 سے 150 بیسیس پوائنٹس تک ترمیم ہوگی۔

کیپیٹل مارکیٹ کے نقطہ نظر سے، خصوصاً ایکویٹیز کے تناظر میں، مارکیٹس کو وڈ کی تیسری لہر کے حوالے سے گہری نظر رکھے ہوئے ہیں کیونکہ اس سے قریبی مدت میں خطرات لاحق ہیں۔ ترقی کی رفتار تیز تر ہونے کے ساتھ valuations بتدریج پرانے رجحانات کے ساتھ ہم آہنگ ہو رہی ہیں۔ ہمارے مطابق کوئی خارجی دھچکہ نہ لگے تو ایکویٹیز میں سرمایہ کاروں کو اچھا منافع دینے کی استعداد موجود ہے۔ اگر سود کی پست شرحوں کا ماحول مختصر اور درمیانی مدت کے دوران قائم رہے تو ہم سمجھتے ہیں کہ ایکویٹیز آمدات کو مائل کرنے کا سلسلہ جاری رکھیں گی۔ دس سالہ بانڈز سے متعلق خطرات کے پریمیم فی الوقت 3.3

## ایکویٹی مارکیٹ کا جائزہ

موجودہ مالی سال کی تیسری سہ ماہی کے دوران مارکیٹ کی کارکردگی وہ مستحکم اور مثبت رفتار جاری نہیں رکھ سکی جس کا مظاہرہ مالی سال کے نصف اوّل کے دوران ہوا تھا۔ انڈیکس نے تیسری سہ ماہی کے دوران 1.9 فیصد منافع پوسٹ کیا جس کے بعد نو ماہ کا مجموعی منافع 29.5 فیصد تک پہنچ گیا۔ مقامی سرمایہ کاروں نے غیر ملکی سرمایہ کاروں کی تقریباً 290 ملین ڈالر کی فروخت کو جذب کر لیا۔ اسٹاک مارکیٹ کی تجارتی سرگرمی میں سال در سال (YoY) بنیاد پر اضافہ ہوا کیونکہ تجارت کردہ اوسط حجم تقریباً 483 ملین حصص (149 فیصد زیادہ) اور تجارت کردہ اوسط قدر تقریباً 19 بلین روپے (165 فیصد زیادہ) تھی۔

ٹیکنالوجی، اسٹیل اور ریفرنسز ہدف سے بہتر کارکردگی کا مظاہرہ کرنے والے بڑے شعبے تھے جنہوں نے مالی سال کے نو ماہ کے دوران بالترتیب 326 فیصد، 145 فیصد اور 97 فیصد منافع پوسٹ کیا۔ ٹیکنالوجی کمپنیوں کی قدر کی بڑے پیمانے پر تشکیل نو ہوئی کیونکہ سرمایہ کاروں نے ٹیکنالوجی کمپنیوں کی بعد از کووڈ بدلتی ہوئی صورتحال کا خیر مقدم کیا۔ اسٹیل کے شعبے نے رفتار پکڑی کیونکہ تعمیراتی مانگ اور قیمتوں میں تیزی سے اضافے کے بعد ان کے اسٹاکس نے بھرپور ترقی کی۔ علاوہ ازیں، ریفرنسز کے لیے یقینی شرح منافع کی افواہوں نے دوران مدت اس شعبے کے منافع کو محرک فراہم کیا۔ دوسری جانب، کھاد کا شعبہ ہدف سے کم کارکردگی کا مظاہرہ کرنے والا بڑا شعبہ تھا جس نے صرف 8 فیصد منافع پوسٹ کیا۔

## فنڈ کی کارکردگی

### Debt فنڈ

زیر جائزہ مدت کے دوران debt فنڈ کا ایک سال پر محیط منافع 6.01 فیصد تھا۔ ذیلی فنڈ کی پاکستان انویسٹمنٹ بانڈز (پی آئی بی) میں شمولیت 55.5 فیصد تھی جبکہ نقد میں شمولیت 31.9 فیصد تھی۔

31 مارچ 2021ء کو فنڈ کے net اثاثہ جات 495.93 ملین روپے تھے جو 30 جون 2020ء کو 558.58 ملین روپے کے مقابلے میں 11.29 فیصد کمی ہے۔

31 مارچ 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 311.83 روپے تھی جو 30 جون 2020ء کو ابتدائی این اے وی 298.36 روپے فی یونٹ کے مقابلے میں 13.47 روپے فی یونٹ اضافہ ہے۔

### منی مارکیٹ فنڈ

زیر جائزہ مدت کے دوران منی مارکیٹ فنڈ ذیلی فنڈ کا ایک سال پر محیط منافع 5.36 فیصد تھا۔ ذیلی فنڈ کی ٹریڈری بلنز (ٹی بلنز) میں شمولیت 65.7 فیصد تھی جبکہ نقد میں شمولیت 34.1 فیصد تھی۔

31 مارچ 2021ء کو فنڈ کے net اثاثہ جات 526.09 ملین روپے تھے جو 30 جون 2020ء کو 523.19 ملین روپے کے مقابلے میں 0.55 فیصد اضافہ ہے۔

31 مارچ 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 275.96 روپے تھی جو 30 جون 2020ء کو ابتدائی این اے وی 265.29 روپے فی یونٹ کے مقابلے میں 10.67 روپے فی یونٹ اضافہ ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے پاکستان پینشن فنڈ کے اکاؤنٹس کا جائزہ برائے نوامہ مختتمہ 31 مارچ 2021ء پیش خدمت ہے۔

### معیشت اور بازار زر کا جائزہ

مالی سال 2021ء کے ابتدائی نوامہ مستحکم رہے کیونکہ معاشی سرگرمیاں کافی حد تک بحال ہوئیں اگرچہ قریب المیاد میں کووڈ کے باعث پیدا ہونے والی مشکلات کے باعث خطرات ابھی بھی لاحق ہیں۔ معاشی بحالی توقعات سے بہتر رہی کیونکہ سود کی مستحکم شرحوں اور اسٹیٹ بینک آف پاکستان (ایس بی پی) کی معاونتی مالیاتی اسکیموں، تعمیرات کے شعبے کی حوصلہ افزائی کے لیے رعایات، مانگ میں بحالی، اور ترسیلات زر کی مسلسل اور مستحکم آمد سے معاشی ترقی کو سہارا ملا ہے۔ چنانچہ ہمیں اُمید ہے کہ معاشی ترقی کثیرالجہتی ایجنسیوں کے پیش کردہ تخمینوں سے بلند تر ہوگی۔ حکومت کی ابتدائی توقعات کے مطابق صنعتی ترقی (جس کا ہدف سال گزشتہ کے مقابلے میں 0.1 فیصد ترقی تھا) کو وڈ-۱۹ کے باعث پست تر ہوگی، لیکن اب ہم سمجھتے ہیں کہ یہ توقعات سے بہتر ہوگی کیونکہ گردش شعبوں میں بھرپور طلب اور حجم کے اعتبار سے ترقی کا مظاہرہ ہوا ہے۔

سینٹ کے شعبے میں مقامی فروخت میں متاثر کن ترقی ہوئی جو مالی سال 2021ء کے ابتدائی نوامہ میں سال گزشتہ سے 18 فیصد زیادہ تھی۔ 2 اور 3 پہیوں والے یونٹس کی فروخت میں بھی مزید متاثر کن ترقی ہوئی جو مالی سال 2021ء کے ابتدائی آٹھ ماہ میں سال گزشتہ سے تقریباً 17 فیصد زیادہ تھی جس سے معیشت کی چلک کی عکاسی ہوتی ہے۔ اسی طرح ابتدائی نوامہ کے دوران پٹرول اور ڈیزل کی طلب میں بھی سال گزشتہ کے مقابلے میں بالترتیب تقریباً 9.5 فیصد اور 17 فیصد اضافہ ہوا جس سے معیشت میں وسیع تر بحالی کی ترجمانی ہوتی ہے۔ مجموعی طور پر بڑے پیمانے پر ہونے والی مینوفیکچرنگ (ایل ایس ایم) میں موجودہ مالی سال کے ابتدائی سات ماہ میں 7.9 فیصد ترقی ہوئی ہے جس میں گردش شعبے سب سے آگے رہے ہیں۔

مالی سال کے ابتدائی آٹھ ماہ میں کرنٹ اکاؤنٹ میں 881 ملین ڈالر منافع ہوا جبکہ اس کے بالمقابل سال گزشتہ کی مماثل مدت میں 2,741 ملین ڈالر خسارہ ہوا تھا۔ اس بہتری کی بنیادی وجہ ترسیلات زر میں اضافہ تھا جن میں مالی سال کے ابتدائی آٹھ ماہ کے دوران 24 فیصد کی زبردست شرح سے ترقی ہوئی۔ مرکزی بینک کے زرمبادلہ کے ذخائر میں ابتدائی آٹھ ماہ کے دوران تقریباً 2.2 بلین ڈالر اضافہ ہوا جس کی وجہ ادائیگی کے توازن کی صورتحال میں بہتری ہے۔ بعد ازاں، پاکستانی روپے / امریکی ڈالر میں دوران مدت تقریباً 9 فیصد ترقی ہوئی۔

افراط زر حکومت کی دُکھتی رگ بنی رہی کیونکہ اشیائے خورد و نوش کی بڑھتی ہوئی قیمتوں کے باعث پالیسی ساز افراد مشکلات کا شکار رہے۔ مجموعی افراط زر، جس کی ترجمانی صارفی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط ابتدائی نوامہ کے دوران 8.4 فیصد تھا، جبکہ اشیائے خورد و نوش کے افراط زر کا اوسط دوران مدت 13 فیصد تھا۔ رسد کی جہت میں مسائل اور بدانتظامی کے باعث جلد خراب ہو جانے والی اشیائے خورد و نوش اور گندم کی قیمتوں میں اضافہ جاری رہا۔ بہر حال بنیادی افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.1 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے گزشتہ اجلاسوں میں پے در پے کٹوتیوں کے بعد صورتحال کو برقرار رکھا۔ اگرچہ حقیقی سود کی شرح منفی رہی لیکن مرکزی بینک کو وڈ کے باعث طلب کی جہت پر پڑنے والے دباؤ اور بہتر خارجی صورتحال کی بدولت پیدا ہونے والی سہولت کے حوالے سے محتاط تھا۔

معیشت کے مستحکم ہونے کے آغاز کے ساتھ ٹیکس وصولی بھی بہتر ہوئی اور اس میں مالی سال کے ابتدائی نوامہ کے دوران 10 فیصد اضافہ ہوا جو ہدف سے 100 بلین روپے زیادہ تھا۔ ابتدائی سات ماہ کا مالیاتی خسارہ مجموعی ملکی پیداوار (جی ڈی پی) کا 2.9 فیصد تھا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 3.2 فیصد تھا۔ بنیادی توازن جی ڈی پی (GDP) کے 0.9 فیصد کے ساتھ مزید بہتر رہا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 0.3 فیصد تھا۔

مہنگائی کے بعد سرمایہ کاروں کو مایوس کرنے کے بعد پیداوار کی قیمت میں اضافی ہونا شروع ہوا۔ مرکزی بینک نے بھی افراط زر سے متعلق اپنی توقع کو بڑھایا جیسا کہ ایم پی سی کے منٹس میں مذکور ہے۔ اب مرکزی بینک کو توقع ہے کہ افراط زر 7 سے 9 فیصد کی اوپری سطح میں پہنچ جائے گا، جبکہ پہلے اس کا چلنی سطح میں آنا متوقع تھا۔ دوران مدت تین، پانچ اور دس سالہ بانڈز میں بالترتیب 182، 175 اور 173 بیسیس پوائنٹس (بی پی ایس) کا اضافہ ہوا۔

# CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

		March 31, 2021 (Un-audited)				June 30, 2020 (Audited)					
		Equity	Debt	Money	Total	Equity	Debt	Money	Total		
		Sub-Fund	Sub-Fund	Market		Sub-Fund	Sub-Fund	Market			
Note		(Rupees '000)				(Rupees '000)					
<b>Assets</b>											
Balances with banks	4	12,166	160,836	180,759	353,761	26,748	141,852	221,543	390,143		
Investments	5	825,262	334,641	348,691	1,508,594	637,124	421,160	303,990	1,362,274		
Dividend receivable		11,108	-	-	11,108	-	-	-	-		
Markup receivable		53	7,765	1,041	8,859	179	5,789	1,285	7,253		
Advances, deposits and other receivables		3,708	387	274	4,369	3,035	928	267	4,230		
<b>Total assets</b>		<b>852,297</b>	<b>503,629</b>	<b>530,765</b>	<b>1,886,691</b>	<b>667,086</b>	<b>569,729</b>	<b>527,085</b>	<b>1,763,900</b>		
<b>Liabilities</b>											
Payable to Pension Fund Manager		1,246	698	730	2,674	880	765	713	2,358		
Payable to Central Depository Company of Pakistan Limited - Trustee		105	59	62	226	76	66	61	203		
Annual fee payable to the Securities and Exchange Commission of Pakistan		156	95	93	344	198	160	120	478		
Payable against purchase of investments		-	-	-	-	13,558	-	-	13,558		
Accrued expenses and other liabilities	6	10,624	7,251	3,789	21,664	10,819	10,161	3,002	23,982		
<b>Total liabilities</b>		<b>12,131</b>	<b>8,103</b>	<b>4,674</b>	<b>24,908</b>	<b>25,531</b>	<b>11,152</b>	<b>3,896</b>	<b>40,579</b>		
<b>NET ASSETS</b>		<b>840,166</b>	<b>495,526</b>	<b>526,091</b>	<b>1,861,783</b>	<b>641,555</b>	<b>558,577</b>	<b>523,189</b>	<b>1,723,321</b>		
Participants' sub funds (as per condensed interim Statement of Movement in Participants' sub funds)											
		<b>840,166</b>	<b>495,526</b>	<b>526,091</b>		<b>641,555</b>	<b>558,577</b>	<b>523,189</b>			
		----- (Number of units) -----				----- (Number of units) -----					
<b>NUMBER OF UNITS IN ISSUE</b>	10	<b>1,519,315</b>	<b>1,589,080</b>	<b>1,906,425</b>		<b>1,455,861</b>	<b>1,872,146</b>	<b>1,972,139</b>			
		----- (Rupees) -----				----- (Rupees) -----					
<b>NET ASSETS VALUE PER UNIT</b>		<b>552.99</b>	<b>311.83</b>	<b>275.96</b>		<b>440.67</b>	<b>298.36</b>	<b>265.29</b>			
<b>Contingencies and commitments</b>	7										

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited  
(Pension Fund Manager)



Chief Executive Officer



Director

# CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

Nine months ended March 31, 2021					Nine months ended March 31, 2020				
	Equity	Debt	market sub		Equity	Debt	market sub		
	Sub-Fund	Sub-Fund	Market	Total	Sub-Fund	Sub-Fund	Market	Total	
Note	(Rupees '000)				(Rupees '000)				
<b>Income</b>									
Investments at fair value through profit or loss:									
- Net capital gain / (loss) on sale of investments	83,054	(2,615)	(1,157)	79,282	28,792	20,077	1,878	50,747	
- Dividend income from investments	28,776	-	-	28,776	32,146	-	-	32,146	
- Income from Government securities	-	20,170	19,351	39,521	-	29,907	26,341	56,248	
- Income from term finance and sukuk certificates	-	6,725	-	6,725	-	11,619	-	11,619	
- Income on commercial papers	-	1,901	986	2,887	-	2,163	635	2,798	
- Net unrealised gain / (loss) on revaluation of investments	79,209	78	(16)	79,271	(142,950)	979	644	(141,327)	
Profit on bank and term deposits	630	4,736	7,621	12,987	2,301	11,911	12,646	26,858	
Other income	-	16	-	16	-	50	-	50	
<b>Total income</b>	<b>191,669</b>	<b>31,011</b>	<b>26,785</b>	<b>249,465</b>	<b>(79,711)</b>	<b>76,706</b>	<b>42,144</b>	<b>39,139</b>	
<b>Expenses</b>									
Remuneration of Pension Fund Manager	9,410	5,780	5,524	20,714	7,989	6,193	4,464	18,646	
Sindh sales tax on remuneration of Pension Fund Manager	1,223	751	718	2,692	1,039	805	580	2,424	
Remuneration of Central Depository Company Limited - Trustee	796	489	467	1,752	693	538	388	1,619	
Sales tax on remuneration of trustee	104	64	61	229	90	70	50	210	
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	157	96	92	345	160	124	89	373	
Auditors' remuneration	163	90	107	360	181	143	102	426	
Custody and settlement charges	393	260	5	658	331	275	5	611	
Securities transaction cost	2,534	26	1	2,561	1,574	219	40	1,833	
Provision for Sindh Workers' Welfare Fund	3,483	437	415	4,335	-	1,395	829	2,224	
Bank charges	19	56	42	117	17	162	93	272	
<b>Total expenses</b>	<b>18,282</b>	<b>8,049</b>	<b>7,432</b>	<b>33,763</b>	<b>12,074</b>	<b>9,924</b>	<b>6,640</b>	<b>28,638</b>	
<b>Net income from operating activities</b>	<b>173,387</b>	<b>22,962</b>	<b>19,353</b>	<b>215,702</b>	<b>(91,785)</b>	<b>66,782</b>	<b>35,504</b>	<b>10,501</b>	
Element of income / (loss) and capital gains / (losses) included in the prices of units sold less those in units redeemed - net	(2,716)	(1,532)	996	(3,252)	(4,519)	1,578	5,127	2,186	
<b>Net income for the period before taxation</b>	<b>170,671</b>	<b>21,430</b>	<b>20,349</b>	<b>212,450</b>	<b>(96,304)</b>	<b>68,360</b>	<b>40,631</b>	<b>12,687</b>	
Taxation	-	-	-	-	-	-	-	-	
<b>Net income for the period</b>	<b>170,671</b>	<b>21,430</b>	<b>20,349</b>	<b>212,450</b>	<b>(96,304)</b>	<b>68,360</b>	<b>40,631</b>	<b>12,687</b>	
<b>Earnings per unit</b>									

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited  
(Pension Fund Manager)



Chief Executive Officer



Director

# CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2021

	Quarter ended March 31, 2021				Quarter ended March 31, 2020			
	Equity	Debt	market sub		Equity	Debt	market sub	
	Sub-Fund	Sub-Fund	Market	Total	Sub-Fund	Sub-Fund	Market	Total
Note	(Rupees '000)				(Rupees '000)			
<b>Income</b>								
Investments at fair value through profit or loss:								
- Net capital gain / (loss) on sale of investments	39,948	(1,450)	(12)	38,486	16,894	11,902	885	29,681
- Dividend income from investments	17,177	-	-	17,177	7,840	-	-	7,840
- Income from Government securities	-	6,381	6,164	12,545	-	10,099	10,785	20,884
- Income from term finance and sukuk certificates	-	1,352	-	1,352	-	4,649	-	4,649
- Income on commercial papers	-	-	-	-	-	1,397	444	1,841
- Net unrealised gain on revaluation of investments	(49,913)	(636)	2	(50,547)	(236,984)	1,053	691	(235,240)
Profit on bank and term deposits	192	1,595	2,735	4,522	586	2,780	3,019	6,385
Other income	-	1	-	1	-	16	-	16
<b>Total income</b>	<b>7,404</b>	<b>7,243</b>	<b>8,889</b>	<b>23,536</b>	<b>(211,664)</b>	<b>31,896</b>	<b>15,824</b>	<b>(163,944)</b>
<b>Expenses</b>								
Remuneration of Pension Fund Manager	3,288	1,780	1,836	6,904	2,778	2,095	1,620	6,493
Sindh sales tax and Federal Excise Duty on remuneration of Pension Fund Manager	427	231	239	897	361	272	211	844
Remuneration of Central Depository Company Limited - Trustee	276	149	154	579	238	180	139	557
Sales tax on remuneration of trustee	36	20	20	76	31	23	18	72
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	55	29	31	115	44	33	26	103
Auditors' remuneration	61	33	33	127	70	58	45	173
Custody and settlement charges	176	92	3	271	122	91	1	214
Securities transaction cost	950	12	-	962	793	69	12	874
Provision for Sindh Workers' Welfare Fund	(114)	105	151	142	(2,560)	611	347	-1,602
Bank charges	12	29	21	62	4	56	36	96
<b>Total expenses</b>	<b>5,167</b>	<b>2,480</b>	<b>2,488</b>	<b>10,135</b>	<b>1,881</b>	<b>3,488</b>	<b>2,455</b>	<b>7,824</b>
<b>Net income from operating activities</b>	<b>2,237</b>	<b>4,763</b>	<b>6,401</b>	<b>13,401</b>	<b>(213,545)</b>	<b>28,408</b>	<b>13,369</b>	<b>(171,768)</b>
Element of (loss) / income and capital (losses) / gains included in the prices of units sold less those in units redeemed - net	(7,822)	392	998	(6,432)	(8,177)	1,515	3,682	(2,980)
<b>Net income for the period before taxation</b>	<b>(5,585)</b>	<b>5,155</b>	<b>7,399</b>	<b>6,969</b>	<b>(221,722)</b>	<b>29,923</b>	<b>17,051</b>	<b>(174,748)</b>
Taxation	8	-	-	-	-	-	-	-
<b>Net income for the period</b>	<b>(5,585)</b>	<b>5,155</b>	<b>7,399</b>	<b>6,969</b>	<b>(221,722)</b>	<b>29,923</b>	<b>17,051</b>	<b>(174,748)</b>
<b>Earnings per unit</b>								

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited  
(Pension Fund Manager)



Chief Executive Officer



Director

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

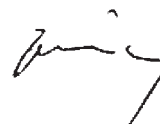
	Nine Months ended March 31, 2021				Nine Months ended March 31, 2020			
	Equity	Debt	Money		Equity	Debt	Money	
	Sub-Fund	Sub-Fund	Market	Total	Sub-Fund	Sub-Fund	Market	Total
	(Rupees '000)				(Rupees '000)			
<b>Net income for the period after taxation</b>	170,671	21,430	20,349	212,450	(96,304)	68,360	40,631	12,687
Other comprehensive income for the period	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>170,671</u>	<u>21,430</u>	<u>20,349</u>	<u>212,450</u>	<u>(96,304)</u>	<u>68,360</u>	<u>40,631</u>	<u>12,687</u>

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited  
(Pension Fund Manager)



Chief Executive Officer



Director

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2021

	Quarter ended March 31, 2021				Quarter ended March 31, 2020			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees '000)				(Rupees '000)			
Net income for the period after taxation	(5,585)	5,155	7,399	6,969	(221,722)	29,923	17,051	(174,748)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>(5,585)</u>	<u>5,155</u>	<u>7,399</u>	<u>6,969</u>	<u>(221,722)</u>	<u>29,923</u>	<u>17,051</u>	<u>(174,748)</u>

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited  
(Pension Fund Manager)



Chief Executive Officer



Director



# CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021


	Nine Months ended March 31, 2021				Nine Months ended March 31, 2020			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees '000)				(Rupees '000)			
Net assets at the beginning of the period	641,555	558,579	523,189	1,723,323	721,454	520,530	317,016	1,559,000
Amount received on issuance of units	160,690	112,977	161,483	435,150	135,899	217,783	208,973	562,655
Amount paid on redemption of units	(135,466)	(198,993)	(177,933)	(512,392)	(229,150)	(215,762)	(91,234)	(536,146)
	25,224	(86,016)	(16,450)	(77,242)	(93,251)	2,021	117,739	26,509
Element of (Income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	2,716	1,532	(996)	3,252	4,519	(1,578)	(5,127)	(2,186)
Net income for the period	170,671	21,430	20,349	212,450	(96,304)	68,360	40,631	12,687
Net assets at the end of the period	840,166	495,526	526,091	1,861,783	536,418	589,333	470,259	1,596,010

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited  
(Pension Fund Manager)



Chief Executive Officer



Director

# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

	Nine Months ended March 31, 2021				Nine Months ended March 31, 2020			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	(Rupees '000)				(Rupees '000)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Net income for the period	170,671	21,430	20,349	212,450	(96,304)	68,360	40,632	12,688
<b>Adjustments for non cash and other items:</b>								
Net capital (gain) / loss on sale of investments at fair value through profit or loss	(83,054)	2,615	1,157	(79,282)	(28,792)	(20,077)	(1,878)	(50,747)
Unrealised (gain) / loss on revaluation of investments - at fair value through profit or loss - net	(79,209)	(78)	16	(79,271)	142,950	(979)	(644)	141,327
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those redeemed:	2,716	1,532	(996)	3,252	4,519	(1,578)	(5,127)	(2,186)
	(159,547)	4,069	177	(155,301)	118,677	(22,634)	(7,649)	88,394
<b>(Increase) / decrease in assets</b>								
Investments	(25,875)	2,883	(202,689)	(225,681)	37,948	15,246	110,277	163,471
Advances against IPO subscription debt security	-	-	-	-	-	(35,000)	-	(35,000)
Dividend receivable	(11,108)	-	-	(11,108)	(3,457)	-	-	(3,457)
Interest receivable	126	(1,976)	244	(1,606)	17	1,517	651	2,185
Receivable against sale of investments	(30,590)	-	-	(30,590)	-	-	-	-
Advance, deposits and other receivables	(673)	544	(7)	(136)	(23)	(3)	(6)	(32)
	(68,120)	1,451	(202,452)	(269,121)	34,485	(18,240)	110,922	127,167
<b>Increase / (decrease) in liabilities</b>								
Payable to Pension Fund Manager	367	(67)	17	317	(119)	113	234	228
Payable to Central Depository Company of Pakistan Limited - Trustee	29	(7)	1.00	23	(12)	9	20	17
Annual fee - Securities and Exchange Commission of Pakistan	(42)	(65)	(28)	(135)	(100)	(58)	11	(147)
Payable against purchase of investments	13,577	-	-	13,577	-	(221,596)	(19,697)	(241,293)
Payable against redemption of units	(3,207)	(2,706)	-	(5,913)	-	-	-	-
Accrued and other liabilities	6,466	(204)	787	7,049	628	1,580	931	3,139
	17,190	(3,049)	777	14,918	397	(219,952)	(18,501)	(238,056)
<b>Net cash (used in) / generated from operating activities</b>	<b>(39,806)</b>	<b>23,901</b>	<b>(181,149)</b>	<b>(197,054)</b>	<b>57,255</b>	<b>(192,466)</b>	<b>125,404</b>	<b>(9,807)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
Receipts from issuance of units	160,690	112,977	161,483	435,150	135,899	217,783	208,973	562,655
Payments on redemption of units	(135,466)	(198,993)	(177,933)	(512,392)	(229,150)	(215,762)	(91,234)	(536,146)
<b>Net cash generated from / (used in) financing activities</b>	<b>25,224</b>	<b>(86,016)</b>	<b>(16,450)</b>	<b>(77,242)</b>	<b>(93,251)</b>	<b>2,021</b>	<b>117,739</b>	<b>26,509</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(14,582)</b>	<b>(62,115)</b>	<b>(197,599)</b>	<b>(274,296)</b>	<b>(35,996)</b>	<b>(190,445)</b>	<b>243,143</b>	<b>16,702</b>
Cash and cash equivalents at beginning of the period	12	26,748	222,951	378,358	52,881	377,221	188,773	618,875
<b>Cash and cash equivalents at end of the period</b>	<b>12</b>	<b>12,166</b>	<b>160,836</b>	<b>180,759</b>	<b>16,885</b>	<b>186,776</b>	<b>431,916</b>	<b>635,577</b>

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited  
(Pension Fund Manager)



Chief Executive Officer



Director

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

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## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The Pakistan Pension Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited as Pension Fund Manager and Muslim Commercial Financial Services (Private) Limited (MCFSL) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 24, 2007 and was executed on June 04, 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). Habib Metropolitan Bank Limited (HMBL) was appointed as the new Trustee in place of MCFSL through a revised Trust Deed dated June 16, 2011 which was approved by SECP on July 07, 2011. Central Depository Company of Pakistan Limited was appointed as the new Trustee in place of HMBL through a revised Trust Deed dated July 21, 2014 which was approved by SECP on July 23, 2014.
- 1.2 The Fund is an open-end pension fund consisting of three sub-funds namely; Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund. Units are offered for public subscription on a continuous basis. The number of units of any sub-fund purchased out of contributions depends on the Allocation Scheme selected by the respective Participant out of the allocation schemes offered by the Pension Fund Manager.
- 1.3 MCB-Arif Habib Savings and Investments Limited has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.4 The Pakistan Credit Rating Agency (PACRA) has assigned Management quality rating of "AM1" dated October 06, 2020 to the Management Company.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company Limited as Trustee of the Fund.
- 1.6 During the current period, the Trust Act, 1882 has been repealed and provincial trust acts have been issued in consequence to the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These condensed interim financial statements of the Fund have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- the requirements of the Trust Deed, voluntary pension system Rules, 2005 (VPS Rules) and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the VPS Rules or the directives issued by the SECP differ with the requirements of IAS 34. The requirements of the Trust Deed, the VPS Rules (2005) or the requirements of the said directives prevail.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

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**2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2020.

**2.3** These condensed interim financial statements are un-audited.

**2.4** These condensed interim financial statements are presented in Pakistani Rupee, which is the functional and presentation currency of the Fund.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES**

**3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.

**3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2020.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

**4. BALANCES WITH BANKS**

These are the saving accounts and carry interest at the rates ranging from 5.50% to 7.65% (June 30, 2020: 5.50% to 8.85%) per annum. These include balances of Rs.4.129 million (June 30, 2020: Rs.2.15 million) and Rs. Nil (June 30, 2020: Rs.0.006 million) held with MCB Bank Limited and MCB Islamic Bank Limited respectively, related parties.

**5. INVESTMENTS**

**At fair value through  
profit or loss**

Listed equity securities  
Government securities  
Debt securities - Term  
Finance Certificates /  
Sukus  
Commercial paper  
Term deposit receipt

<b>March 31, 2021 (Un-audited)</b>			
<b>Equity Sub-Fund</b>	<b>Debt Sub-Fund</b>	<b>Money Market Sub-Fund</b>	<b>Total</b>
<b>Note----- (Rupees in '000) -----</b>			

5.1	<b>825,262</b>	<b>-</b>	<b>-</b>	<b>825,262</b>
5.2	<b>-</b>	<b>279,509</b>	<b>348,691</b>	<b>628,200</b>
5.3	<b>-</b>	<b>55,132</b>	<b>-</b>	<b>55,132</b>
5.4	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5.5	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>825,262</b>	<b>334,641</b>	<b>348,691</b>	<b>1,508,594</b>

**At fair value through  
profit or loss**

Listed equity securities  
Government securities  
Debt securities - Term  
Finance Certificates /  
Sukus  
Commercial paper  
Term deposit receipt

<b>June 30, 2020 (Audited)</b>			
<b>Equity Sub-Fund</b>	<b>Debt Sub-Fund</b>	<b>Money Market Sub-Fund</b>	<b>Total</b>
<b>Note----- (Rupees in '000) -----</b>			

	<b>637,124</b>	<b>-</b>	<b>-</b>	<b>637,124</b>
	<b>-</b>	<b>231,827</b>	<b>261,976</b>	<b>493,803</b>
	<b>-</b>	<b>108,234</b>	<b>-</b>	<b>108,234</b>
	<b>-</b>	<b>81,099</b>	<b>42,014</b>	<b>123,113</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>637,124</b>	<b>421,160</b>	<b>303,990</b>	<b>1,362,274</b>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

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

**Equity Sub-Fund**

Name of the Investee Company	Note	Number of shares				Balance as at March 31, 2021				Market value as a % of the capital of the investee company
		As at July 01, 2020	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at March 31, 2021	Carrying Value	Market value	Unrealised gain / (loss)	
(Number of shares)										
(Rupees in '000')										
(%)										
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise										
<b>Automobile Assembler</b>										
Indus Motors Company Limited	-	11,300	-	-	-	11,300	14,232	13,063	-1,169	0.02
Millat Tractors Limited	13,500	-	345	13,500	345	345	217	379	162	-
Sazgar Engineering Works	-	50,000	-	50,000	-	-	-	-	-	-
						<b>11,645</b>	<b>14,449</b>	<b>13,442</b>	<b>-1,007</b>	<b>0.02</b>
										<b>0.01</b>
<b>Automobile Parts &amp; Accessories</b>										
Agriauto Industries Limited	43,700	25,000	-	-	-	68,700	13,078	14,725	1,647	0.02
Thal Limited	45,000	-	-	-	-	45,000	14,622	16,564	1,942	0.02
						<b>113,700</b>	<b>27,700</b>	<b>31,289</b>	<b>3,589</b>	<b>0.04</b>
										<b>0.30</b>
<b>Cable &amp; Electrical Goods</b>										
Pak Elektron Limited	265,000	494,500	-	759,500	-	-	-	-	-	-
<b>Cement</b>										
Attock Cement Pakistan Limited	-	106,500	-	5,000	101,500	18,081	17,224	-857	0.02	0.07
Bestway Cement Limited	48,600	-	-	-	48,600	5,284	7,633	2,349	0.01	0.01
Cherat Cement Company Limited	47,000	60,000	-	50,000	57,000	8,152	9,154	1,002	0.01	0.03
Fauji Cement Company Limited	910,000	-	-	910,000	-	-	-	-	-	-
Kohat Cement Limited	82,710	54,300	-	44,000	93,010	17,340	19,274	1,934	0.02	0.05
Lucky Cement Limited	113,800	27,500	-	46,950	94,350	49,742	77,140	27,398	0.09	0.03
Maple Leaf Cement Factory Limited	240,000	900,000	-	357,000	783,000	30,130	35,078	4,948	0.04	0.07
Pioneer Cement Limited	-	412,000	-	218,000	194,000	22,158	23,629	1,471	0.03	0.09
					<b>1,371,460</b>	<b>150,887</b>	<b>189,132</b>	<b>38,245</b>	<b>0.22</b>	<b>0.35</b>
<b>Chemicals</b>										
Archroma Pakistan Limited	10,500	-	-	-	10,500	6,189	6,006	-183	0.01	0.03
Berger Paints Pakistan	-	135,000	-	-	135,000	10,961	11,100	139	0.01	0.66
Biafo Industries Limited	127	-	12	139	-	-	-	-	-	-
Engro Polymer and Chemicals Limited	592,214	150,000	-	424,500	317,714	8,369	17,471	9,102	0.02	0.03
ICI Pakistan Limited	9,500	-	-	9,500	-	-	-	-	-	-
Ittehad Chemicals Limited	253,000	-	-	253,000	-	-	-	-	-	-
					<b>463,214</b>	<b>25,519</b>	<b>34,577</b>	<b>9,058</b>	<b>0.04</b>	<b>0.72</b>
<b>Commercial Banks</b>										
Allied Bank Limited	220,000	-	-	25,000	195,000	14,933	13,812	-1,121	0.02	0.02
Bank Al Falah Limited	326,750	1,640,000	-	1,212,750	754,000	27,559	22,982	-4,577	0.03	0.04
Bank Al Habib Limited	286,000	76,460	-	14,000	348,460	19,369	22,664	3,295	0.03	0.03

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

Name of the Investee Company	Note	Number of shares				Balance as at March 31, 2021				Market value as a % of the capital of the investee company
		As at July 01, 2020	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at March 31, 2021	Carrying Value	Market value (Rupees in '000')	Unrealised gain / (loss)	
----- (%) -----										
Bank Of Punjab	-	1,850,000	-	-	1,020,000	830,000	7,551	6,682	-869	0.01
Faysal Bank Limited	9,420	-	-	-	9,420	-	-	-	-	-
Habib Bank Limited	260,000	378,000	-	-	176,000	462,000	53,323	53,675	352	0.06
Habib Metropolitan Bank Limited	400,000	-	-	-	60,000	340,000	9,455	12,230	2,775	0.01
United Bank Limited	358,000	365,134	-	-	181,000	542,134	63,127	64,481	1,354	0.08
						3,471,594	195,317	196,526	1,209	0.24
-----										
Fertilizer										
Engro Corporation Limited	101,420	55,000	-	-	107,000	49,420	15,001	13,705	-1,296	0.02
Engro Fertilizer Limited	185,000	-	-	-	184,526	474	29	30	1	-
Fauji Fertilizer Company Limited	324,000	175,000	-	-	499,000	-	-	-	-	-
						49,894	15,030	13,735	-1,295	0.02
-----										
Food & Personal Care Products										
AT-Tahur Limited	-	390,000	39,000	-	429,000	-	-	-	-	-
Murree Brewery Company	-	14,500	-	-	-	14,500	8,483	8,524	41	0.01
National Foods Limited	80,640	-	7,535	-	87,500	675	135	141	6	-
Shezan International Limited	13,255	-	-	-	-	13,255	2,968	3,672	704	0.15
						28,430	11,586	12,337	751	0.01
-----										
Insurance										
EFU General Insurance Limited	-	2,300	-	-	-	2,300	276	253	-23	-
						2,300	276	253	-23	-
-----										
Leather & Tanneries										
Bata Pakistan Limited	4,380	-	-	-	-	4,380	5,883	8,690	2,807	0.01
Service Industries	17,468	-	4,367	-	21,750	85	56	95	39	-
						4,465	5,939	8,785	2,846	0.01
-----										
Miscellaneous										
Shifa International Hospitals	28,000	-	-	-	28,000	-	-	-	-	-
Tri-Pak Films	-	47,500	-	-	-	47,500	7,719	7,960	241	0.01
						47,500	7,719	7,960	241	0.01
-----										
Oil & Gas Exploration Companies										
Mari Petroleum Company Limited	12,020	13,000	-	-	1,200	23,820	30,538	36,476	5,938	0.04
Oil & Gas Development Company Limited	429,900	80,000	-	-	312,700	197,200	21,476	20,038	-1,438	0.02
Pakistan Oilfields Limited	40,540	66,100	-	-	43,549	63,091	24,516	23,968	-548	0.03
Pakistan Petroleum Limited	487,055	90,000	-	-	340,900	236,155	20,970	20,623	-347	0.02
						520,266	97,500	101,105	3,605	0.11
										0.05

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

Name of the Investee Company	Note	Number of shares				Balance as at March 31, 2021				Market value as a % of the capital of the investee company
		As at July 01, 2020	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at March31, 2021	Carrying Value	Market value (Rupees in '000')	Unrealised gain / (loss)	
----- (Number of shares) -----										
----- (%) -----										
<b>Oil And Gas Marketing Companies</b>										
Attock Petroleum Limited	22,000	30,000	-	-	52,000	16,897	17,005	108	0.02	0.05
Pakistan State Oil Company Limited.	-	144,500	-	19,000	125,500	24,885	28,944	4,059	0.03	0.03
Sui Northern Gas Pipelines Limited	323,700	-	-	323,700	-	-	-	-	-	-
					<b>177,500</b>	<b>41,782</b>	<b>45,949</b>	<b>4,167</b>	<b>0.05</b>	<b>0.08</b>
<b>Paper And Board</b>										
Century Paper & Board Mills Limited	-	70,000	-	70,000	-	-	-	-	-	-
Packages Limited	-	34,100	-	-	34,100	17,543	17,247	-296	0.02	0.04
Security Papers Limited	35,000	10,000	-	40,400	4,600	675	610	-65	-	0.01
					<b>38,700</b>	<b>18,218</b>	<b>17,857</b>	<b>-361</b>	<b>0.02</b>	<b>0.05</b>
<b>Pharmaceuticals</b>										
Abbott Laboratories (Pakistan) Limited	40,000	20,500	-	30,750	29,750	19,240	21,566	2,326	0.03	0.03
Agp Limited	-	184,900	-	114,500	70,400	8,789	8,035	-754	0.01	0.03
Glaxosmithkline Pakistan	-	35,000	-	35,000	-	-	-	-	-	-
Ibl Healthcare Limited	1,095	89,000	-	90,094	1	-	-	-	-	-
The Searle Company Limited	144	94,160	4,160	66,143	32,321	8,656	7,984	-672	0.01	0.01
					<b>132,472</b>	<b>36,685</b>	<b>37,585</b>	<b>900</b>	<b>0.05</b>	<b>0.07</b>
<b>Power Generation &amp; Distribution</b>										
Hub Power Company Limited	464,502	100,000	-	52,000	512,502	38,337	41,584	3,247	0.05	0.04
Kot Addu Power Co. Limited	145,000	250,000	-	395,000	-	-	-	-	-	-
					<b>512,502</b>	<b>38,337</b>	<b>41,584</b>	<b>3,247</b>	<b>0.05</b>	<b>0.04</b>
<b>Sugar &amp; Allied Industries</b>										
Faran Sugar Mills Limited	38,000	-	-	38,000	-	-	-	-	-	-
					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Technology &amp; Communications</b>										
Avanceon Limited	5,670	280,000	-	205,670	80,000	4,419	7,070	2,651	0.01	0.04
Trig Pakistan	-	283,000	-	147,500	135,500	11,534	20,349	8,815	0.02	0.02
					<b>215,500</b>	<b>15,953</b>	<b>27,419</b>	<b>11,466</b>	<b>0.03</b>	<b>0.06</b>
<b>Textile Composite</b>										
Gul Ahmed Textile Mills Limited	278,800	500,000	-	428,500	350,300	16,470	16,569	99	0.02	0.08
Interloop Limited	-	360,000	-	45,000	315,000	21,864	20,828	-1,036	0.02	0.04



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

Name of the Investee Company	Note	Number of shares					Balance as at March 31, 2021			Market value as a % of net assets of the sub-fund	Market value as a % of the paid up capital of the investee company	
		As at July 01, 2020	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at March 31, 2021	Carrying Value	Market value	Unrealised gain / (loss)			
(Number of shares)										(Rupees in '000')		(%)
Kohinoor Textile Mills Limited		190,800	-	-	55,000	135,800	4,822	8,330	3,508	0.01	0.05	
						801,100	43,156	45,727	2,571	0.05	0.17	

**Transport**

Pakistan International Bulk Terminal Limited

-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

**Total as at March 31, 2021 (Un-Audited)**

Total as at June 30, 2020 (Audited)

<b>746,053</b>	<b>825,262</b>	<b>79,209</b>
<b>684,387</b>	<b>637,124</b>	<b>-47,258</b>

\* These have a face value of Rs.5 per share.

**5.1.1 Following shares have been pledged**

	(Un-audited)		(Audited)		(Un-audited)		(Audited)	
	March 31, 2021	June 30, 2021	March 31, 2020	June 30, 2020	March 31, 2021	June 30, 2021	March 31, 2020	June 30, 2020
----- (Number of shares) ----- (Rupees in '000') -----								
Oil & Gas Development Company Limited	100,000	100,000	100,000	10,900	10,161	10,161	10,900	10,900
Bank Alfalah Limited	50,000	-	-	-	1,524	1,524	-	-
The Hub Power Company Limited	110,995	110,995	110,995	8,047	9,006	9,006	8,047	8,047
	<b>260,995</b>	<b>210,995</b>	<b>210,995</b>	<b>18,947</b>	<b>20,691</b>	<b>20,691</b>	<b>18,947</b>	<b>18,947</b>

5.1.2 As at March 31, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs.0.392 million (June 30, 2020: Rs.0.464 million).

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

**5.2 Government securities - at fair value through profit or loss**

**Debt Sub-Fund**

Name of security	Issue date	Face value			Balance as at March 31, 2021		Market value as % of net assets of sub-funds
		As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021	Carrying Value	
----- (Rupees in '000') -----							
Pakistan Investment Bonds							
Pakistan Investment Bonds - 3 years	18-Jun-20	-	225,000	-	225,000	225 653	224,955 (698) 45.40%
Pakistan Investment Bonds - 5 years	19-Sep-19	-	100,000	100,000	-	-	- 0.00%
Pakistan Investment Bonds - 5 years	15-Oct-20	-	100,000	100,000	-	-	- 0.00%
Pakistan Investment Bonds - 5 years	12-Jul-18	-	150,000	100,000	50,000	49,292	49,081 (211) 9.90%
Pakistan Investment Bonds - 15 years	31-Oct-06	3,500	-	-	3,500	3,555	3,543 (12) 0.71%
Pakistan investment bonds - 20 years	10-Jun-04	1,900	-	-	1,900	2,005	1,930 (75) 0.39%
						280,505	279,509 (996) 56.40%
Treasury Bills							
Market Treasury Bills - 3 months							
	2-Jul-20	-	75,000	75,000	-	-	- 0.00%
	16-Jul-20	-	75,000	75,000	-	-	- 0.00%
	8-Oct-20	-	50,000	50,000	-	-	- 0.00%
	19-Nov-20	-	100,000	100,000	-	-	- 0.00%
	3-Dec-20	-	500,000	500,000	-	-	- 0.00%
	14-Jan-21	-	500,000	500,000	-	-	- 0.00%
Market Treasury Bills - 6 months							
	4-Jun-20	135,000	-	135,000	-	-	- 0.00%
	2-Jul-20	-	75,000	75,000	-	-	- 0.00%
	16-Jul-20	-	75,000	75,000	-	-	- 0.00%
Market Treasury Bills - 12 months							
	21-Nov-19	-	50,000	50,000	-	-	- 0.00%
	19-Dec-19	-	50,000	50,000	-	-	- 0.00%
	12-Mar-20	50,000	-	50,000	-	-	- 0.00%
	9-Apr-20	50,000	-	50,000	-	-	- 0.00%
	13-Feb-21		80,000	80,000	-	-	- 0.00%
Total as at March 31, 2021 (Un-audited)						231,213	279,509 (785)
Total as at June 30, 2020 (Audited)						228,653	231,827 3,174

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

**Money Market Sub-Fund**

	Issue Date	Face value			Balance as at March 31, 2021			Market value as % of net assets of sub-funds %
		As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021	Carrying Value	Market value	
Treasury Bills								
Market Treasury Bills - 3 months	9-Apr-20	50,000	-	50,000	-	-	-	0.00%
	23-Apr-20	65,000	-	65,000	-	-	-	0.00%
	2-Jul-20	-	75,000	75,000	-	-	-	0.00%
	16-Jul-20	-	75,000	75,000	-	-	-	0.00%
	8-Oct-20	-	130,000	130,000	-	-	-	0.00%
	17-Dec-20	-	125,000	125,000	-	-	-	0.00%
	19-Nov-20	-	6,000	6,000	-	-	-	0.00%
	25-Feb-21	-	100,000	-	100,000	99,045	99,034	18.82%
	5-Nov-20	-	2,000	2,000	-	-	-	0.00%
	14-Jan-21	-	500,000	250,000	250,000	249,663	249,658	47.46%
Market Treasury Bills - 6 months	9-Apr-20	150,000	-	150,000	-	-	-	0.00%
	2-Jul-20	-	75,000	75,000	-	-	-	0.00%
	16-Jul-20	-	75,000	75,000	-	-	-	0.00%
Market Treasury Bills - 12 months	10-Oct-19	-	80,000	80,000	-	-	-	0.00%
	24-Oct-19	-	10,000	10,000	-	-	-	0.00%
	19-Dec-19	-	195,000	195,000	-	-	-	0.00%
	13-Feb-20	-	100,000	100,000	-	-	-	0.00%
	27-Feb-20	-	110,000	110,000	-	-	-	0.00%
Total as at March 31, 2021 (Un-audited)					348,708	348,692	(16)	
Total as at June 30, 2020 (Audited)					260,790	261,976	1,185	

**5.3 Debt securities - Term finance certificates / Sukuks - at fair value through profit or loss**

**Debt Sub-Fund**

Name of security	Issue date	Number of certificates			Balance as at March 31, 2021			Market value as % of net assets of sub-funds %
		As at July 01, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Carrying Value	Market value	
(Number of certificates)								
(Rupees in '000')								
<b>Term finance certificates</b>								
Habib Bank Limited	19-Feb-16	150	-	150	-	-	-	0.00%
The Bank of Punjab	23-Dec-16	50	-	-	50	4,898	4,960	1.00%
Jahangir Siddiqui & Co. Ltd.	18-Jul-17	5,000	-	-	5,000	11,608	11,914	2.40%
<b>Sukuks</b>								
Aspin Pharma (Private) Limited	30-Nov-17	130	-	-	130	7,222	7,133	1.44%
Dawood Hercules Corporation Limited	16-Nov-17	72	-	72	-	-	-	0.00%
Meezan Bank Limited	9-Jan-20	35	-	5	30	30,331	31,125	6.28%
<b>Total as at March 31, 2021 (Un-audited)</b>						<b>54,059</b>	<b>55,132</b>	<b>1,073</b>
Total as at June 30, 2020 (Audited)						108,482	108,234	(248)

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

		March 31, 2021 (Un-audited)			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	Total
		(Rupees in '000')			
Note					
<b>6. ACCRUED EXPENSES AND OTHER LIABILITIES</b>					
Provision for Sindh Workers' Welfare Fund	6.1	7,476	4,366	2,076	13,918
Provision for Federal Excise Duty on remuneration of Pension Fund Manager	6.2	2,420	2,405	1,151	5,976
Brokerage payable		191	1	1	193
Withholding tax payable		434	289	477	1,200
Auditors' remuneration		103	68	62	233
Payable against redemption of units		-	-	22	22
Others		-	122	-	122
		<b>10,624</b>	<b>7,251</b>	<b>3,789</b>	<b>21,664</b>

		June 30, 2020 (Audited)			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	Total
		(Rupees in '000')			
Provision for Sindh Workers' Welfare Fund		3,993	3,928	1,661	9,582
Provision for Federal Excise Duty on remuneration of Pension Fund Manager		2,420	2,405	1,151	5,976
Brokerage payable		183	3	1	187
Withholding tax payable		872	870	43	1,785
Auditors' remuneration		144	132	102	378
Payable against redemption of units		3,207	2,706	22	5,935
Others		-	117	22	139
		<b>10,819</b>	<b>10,161</b>	<b>3,002</b>	<b>23,982</b>

## 6.1 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the SWWF as reported in the audited annual financial statements of the Fund for the year ended June 30, 2020. Had the provision not been made, the net assets value per unit of the Fund would have been higher by Rs.2.63 per unit in respect of Equity Sub-Fund, Rs.2.47 per unit in respect of Debt Sub-Fund and Re.0.87 per unit in respect of Money Market Sub-Fund as at March 31, 2021 (June 30, 2020: Rs.2.74 per unit in respect of Equity Sub-Fund, Re.2.10 per unit in respect of Debt Sub-Fund and Re.0.84 per unit in respect of Money Market Sub-Fund).

## 6.2 Provision for Federal Excise Duty on remuneration of Pension Fund Manager

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. Had the provision not been made, the net assets value per unit of the Fund would have been higher by Rs.1.59 (June 30, 2020: Rs.1.66) per unit in respect of Equity Sub-Fund, Rs.1.51 (June 30, 2020: Rs.1.29) per unit in respect of Debt Sub-Fund, Re.0.60 (June 30, 2020: Re.0.58) per unit in respect of Money Market Sub-Fund as at March 31, 2021.

## 7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 (June 30, 2020: Nil).

## 8. TAXATION

The income of Pakistan Pension Fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further through Finance Act, 2011, effective from July 01, 2011, pension funds are included in the list of entities on which the provisions of section 113 regarding minimum tax shall not apply.

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

## 9. CONTRIBUTION TABLE

	March 31, 2021 (Un-audited)							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	(Rupees)	Units	(Rupees)	Units	(Rupees)	Units	(Rupees)
Issuance of units	316,567	160,690	370,144	112,977	596,280	161,483	1,282,991	435,150
Redemption of units	(253,113)	(135,466)	(653,210)	(198,993)	(661,994)	(177,933)	(1,568,317)	(512,392)

	March 31, 2020 (Un-audited)							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	(Rupees)	Units	(Rupees)	Units	(Rupees)	Units	(Rupees)
Issuance of units	302,693	135,898	807,545	217,783	847,168	208,973	1,957,406	562,654
Redemption of units	(510,446)	(229,150)	(800,222)	(215,762)	(369,208)	(91,233)	(1,679,876)	(536,145)

## 10. NUMBER OF UNITS IN ISSUE

	March 31, 2021 (Un-audited)		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	----- (Number of units) -----		
Total units outstanding at beginning of the period	1,455,861	1,872,146	1,972,139
Units issued during the period	316,567	370,144	596,280
Units redeemed during the period	(253,113)	(653,210)	(661,994)
Total units in issue at end of the period	1,519,315	1,589,080	1,906,425

	June 30, 2020 (Audited)		
	----- (Number of units) -----		
Total units outstanding at the beginning of the year	1,668,870	2,022,000	1,339,095
Units issued during the year	455,429	938,985	1,095,899
Units redeemed during the year	(668,438)	(1,088,839)	(462,855)
Total units in issue at the end of the year	1,455,861	1,872,146	1,972,139

## 11. EARNINGS PER UNIT

Earnings per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company the determination of the same is not practicable.

## 12. CASH AND CASH EQUIVALENTS

	Note	March 31, 2021 (Un-audited)				June 30, 2020 (Audited)
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
		----- (Rupees in '000) -----				
Balances with banks - savings accounts		12,166	160,836	180,759	353,761	390,143
Treasury Bill maturing within 3 months	5.2	-	-	-	-	114,801
Term deposit receipts		-	-	-	-	-
Commercial papers		-	-	-	-	123,113
		12,166	160,836	180,759	353,761	628,057

## 13. TRANSACTIONS WITH CONNECTED PERSONS

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provision of the VPS Rules and constitutive documents of the Fund respectively.



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

**13.3 Unit Holders' Fund**

**FOR THE NINE MONTHS ENDED MARCH 31, 2021 (Un-audited)**

	As at July 01, 2020	Issued for cash	Redeemed	As at March 31, 2021	As at July 01, 2020	Issued for cash	Redeemed	As at March 31, 2021
	(Units)				(Rupees in '000')			

**MCB Arif Habib Savings and**

**Investments Limited -**

**Pension Fund Manager**

- Pakistan Pension Fund - Equity	252,196	-	-	252,196	111,135	-	-	139,462
- Pakistan Pension Fund - Debt	253,109	-	-	253,109	75,518	-	-	78,927
- Pakistan Pension Fund - Money Market	300,000	-	-	300,000	79,587	-	-	82,788

**Key management personnel**

- Pakistan Pension Fund - Equity	4,832	5,958	2,882	7,908	2,129	3,140	1,504	4,373
- Pakistan Pension Fund - Debt	3,683	1,319	3,403	1,599	1,099	406	1,027	499
- Pakistan Pension Fund - Money Market	996	347	959	384	264	95	257	106

**FOR THE NINE MONTHS ENDED MARCH 31, 2020 (Un-audited)**

	As at July 01, 2019	Issued for cash	Redeemed	As at March 31, 2020	As at July 01, 2019	Issued for cash	Redeemed	As at March 31, 2020
	(Units)				(Rupees in '000')			

**MCB Arif Habib Savings and**

**Investments Limited -**

**Pension Fund Manager**

- Pakistan Pension Fund - Equity	252,196	-	-	252,196	109,024	-	-	92,589
- Pakistan Pension Fund - Debt	253,109	-	-	253,109	65,158	-	-	73,505
- Pakistan Pension Fund - Money Market	300,000	-	-	300,000	71,022	-	-	77,640

**Key management personnel**

- Pakistan Pension Fund - Equity	4,358	5,047	5,418	3,987	1,884	2,303	1,456	1,464
- Pakistan Pension Fund - Debt	664	3,123	666	3,121	171	946	81	906
- Pakistan Pension Fund - Money Market	45	834	13	866	-	228	12	224

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

### 14 GENERAL

**14.1** Figures have been rounded off to the nearest thousand rupee unless otherwise stated.

**14.2** Certain prior period's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are material re-arrangements / re-classifications to report.

### 15 COVID-19

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, stay-at-home or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic.

The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic activity and continuity of business operations. However, to reduce the impact on the economy and business, regulators / government across the country have introduced a host of measures on both the fiscal and economic fronts from time to time.

The management of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.

The Management Company of the Fund expects that going forward these uncertainties would reduce as the impact of COVID-19 on overall economy subsides and have concluded that there is no impact on current financial statements of the Fund.

### 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e., period end. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognized at fair value based on:

Level 1 : quoted prices in active markets for identical assets or liabilities;

Level 2 : those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 : those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

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**17 DATE OF AUTHORISATION FOR ISSUE**

These interim financial statements were authorised for issue on April 16, 2021 by the Board of Directors of the Pension Fund Manager.

MCB-Arif Habib Savings and Investments Limited  
(Pension Fund Manager)



Chief Executive Officer



Director

## **MCB-Arif Habib Savings and Investments Limited**

**Head Office:** 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi

**UAN:** (+92-21) 11-11-622-24 (11-11-MCB-AH)

**URL:** [www.mcbah.com](http://www.mcbah.com), **Email:** [info@mcbah.com](mailto:info@mcbah.com)