

Quarterly Report

September 30, 2015
(Unaudited)



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

AM2 Plus by PACRA

**MCB PAKISTAN
STOCK MARKET
FUND**

(Formerly: Pakistan Stock Market Fund)

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings and Investments Limited 8th Floor, Techno City, Corporate Tower, Hasrat Mohani Road, Karachi	
Board of Directors of the Management Company	Mian Mohammad Mansha Mr. Nasim Beg Mr. Yasir Qadri Syed Salman Ali Shah Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib Mr. Mirza Mahmood Ahmad	Chairman Executive Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib	Chairman Member Member
Human Resource & Remuneration Committee	Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Yasir Qadri	Chairman Member Member Member Member
Company Secretary & Chief Financial Officer	Mr. Muhammad Saqib Saleem	
Trustee	Central Depository Company of Pakistan Limited CDC House, 99-B Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal, Karachi-74400	
Bankers	Habib Metropolitan Bank Limited MCB Bank Limited Standard Chartered Bank Pakistan Limited Deutsche Bank United Bank Limited Bank Alfalah Limited Bank Al Habib Limited Summit Bank Limited	
Auditors	Deloitte Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8, KCHSU, Sharae Faisal, Karachi-75350	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area, Phase VI, DHA, Karachi.	
Transfer Agent	MCB-Arif Habib Savings and Investments Limited 8th Floor, Techno City, Corporate Tower, Hasrat Mohani Road, Karachi	
Rating	AM2 + Management Quality Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2015

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB Pakistan Stock Market Fund's (Formerly: Pakistan Stock Market Fund)** accounts review for the first quarter ended September 30th, 2015.

Macro economic review

Benefits of more than 50 percent drop year on year in Crude oil prices are visible in the macroeconomic score card positively nudging the Balance of Payment, Foreign Exchange Reserves, Inflation, Interest rates and the Fiscal deficit. During the first two months, a net benefit of more than USD 1 billion is visible in the trade account during first two months of fiscal year which has offset the otherwise slower exports. In the same period, Balance of Payment Account also remained stable where a near USD 394 million Current Account deficit has been largely offset by Financial and Capital Account Inflows. During the same period last year, the country had a negative balance of payment of near USD 729 million mainly derived from a current account deficit of about USD 1,456 million. With controlled current account deficit, the support of IMF tranche, CSF flows and multilateral flows, reserves remained firm near USD 18.5 billion (Sep-18) mark giving resilience to PKR which underwent relatively lesser depreciation in the fragile environment prevailing in the emerging markets. Although, the local fuel prices were cushioned by increase in taxes, yet the drop in crude oil along with other commodity prices, kept the inflation contribution from food and other sectors at lower levels. During the first quarter, headline inflation average remained near 1.6% which along with strong external account position, created comfortable space for another 50 basis point cut in policy rate in September monetary policy. M2 growth remained mildly negative on FY15 to date basis (18-Sep) which reflects the seasonal adjustment where NDA continually supported by a net govt. borrowing of about PKR 255 billion with a muted contribution from NFA in absence of any major net inflows.

Equities Market Overview

The bourse underperformed during the quarter with KSE 100 Index closing about 6.1% lower at the end of first quarter. The quarter began with the overall positive momentum carried forward through FY-15 on the back of positive macroeconomic direction and stable valuations at KSE. However after crossing 36,000 in early August, the index could not sustain the momentum initially due to political noise while later after showing some recovery, the negative spell that started in global emerging market struck harder at the local bourse. Despite a growing stable macro environment and another 50 basis points cut in policy rate, concerns of foreign selling coupled with speculation and fears of a fall out of wider scope investigations into corruption cases from politicians to defaulted stock market brokers stalled the buying activity from investors. During the quarter, the participation at KSE remained commensurate KSE100 Index direction as the volumes that averaged above 400 million till early August, dropped to below 250 million shares during remaining quarter which fell further to 183 million in September, worst month during the quarter in which KSE 100 index shed more than 7%. Foreign investors withdrew more than USD 105 million during the quarter, about USD 82 million were withdrawn in the first two months while September remained relatively calm mainly due to lack of liquidity and a bigger correction at the local bourse. Oil & Gas, Banks and Telecom with high concentration of foreign investors remained among the key laggards.

Fund Performance

During the period, MCBPSMF delivered return of -8.87% as compared to KSE100 index return of -6.14%. Overall equity exposure of the fund was increased by around 3.9% during the quarter. The fund changed its investment strategy several times during the quarter to cope with various sector and company level fundamental developments. During the quarter fund realigned its sector exposure by reducing allocation in Cement and Oil & Gas Exploration sectors while increasing its allocations in Fertilizer and Paper & Board sectors.

The Net Assets of the Fund as at September 30, 2015 stood at Rs. 6,266 million as compared to Rs. 6,075 million as at June 30, 2015 registering an increase of 3.14%.

The Net Asset Value (NAV) per unit as at September 30, 2015 was Rs. 75.85 as compared to opening NAV of Rs. 83.23 per unit as at June 30, 2015 registering a decrease of Rs. 7.38 per unit.

Future Outlook

Oil prices have improved the economic scorecard significantly particularly the external account and inflation while providing an opportunity to address the chronic energy issues along with fiscal management. Most of the indicators have improved passively however critical indicators which still lack significant improvement include Credit off take and Capital Expenditure along with FDI. Despite conducive macro environment, growth is yet to pick up and we hope the China Pakistan Corridor provides the required growth impetus for investment to pick up. Government still remains significantly dependent on domestic borrowing to fund fiscal deficit and still progress has remained slow on key reforms including energy, privatization and revenue generation. Security situation has also improved which however remains a long and continuing challenge with potential risks to infrastructure plans going forward.

REPORT OF THE DIRECTOR OF MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2015

With stable macro environment and pace expected to pick up on the infrastructure projects, we expect the environment to remain conducive for capital markets. We expect the full year inflation to remain below 4.5% as remainder year inflation is expected to gradually pick up and thus provides a stable interest rate outlook. Budgeted target for economic growth appear achievable while fiscal deficit may marginally exceed due to challenges in revenue collection despite significant reduction in subsidies.

With Policy Rate at 6% and SBP committed to contain the money market volatility and liquidity through continuous OMO support, we expect stable environment for short term papers and medium term bonds while longer dated bonds would respond to further confirmations on external account including trade account and exchange rate which in turn would remain dependent on commodity prices and multilateral flows.

Volatility in global markets particularly emerging equity markets and commodities may affect the short term returns however direct affect remains muted for Pakistan. Global slowdown poses a challenge for exports particularly textiles while significantly lower oil prices can affect the worker remittances from Middle East in particular. Given the steep drop in crude oil prices, the risks remain manageable however sustained degradation shall be a bigger challenge. A disconnect in current improvement in macro economic variables and KSE performance offers an opportunity for investors to add equities which offer higher return potential on risk adjusted basis for long term investors. Improved outlook on GDP growth, Current Account and controlled fiscal balance in a low inflationary environment supports the case for equities where a PE of 9x prospective earnings along with a dividend yield of 6% with a regional valuation discount in excess of 32% affirms case for higher return potential. We expect infrastructure linked sectors including Cements, Steel, Power and Consumption driven sectors to drive returns while Oil & Gas and Banking Sectors remain attractive on long term valuations.

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,



Yasir Qadri
Chief Executive Officer
Dated: October 16, 2015

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT SEPTEMBER 30, 2015

	Unaudited September 30, 2015 (Rupees in '000)	Audited June 30, 2015
Note		
ASSETS		
Balances with banks	120,880	390,276
Investments	6,232,089	5,949,763
Receivable against sale of investments	15,355	60,429
Dividend and profit receivable	72,505	11,089
Advances and security deposits	7,580	7,677
Total assets	6,448,409	6,419,234
LIABILITIES		
Payable to the Management Company	14,100	15,224
Payable to the Central Depository Company of Pakistan Limited - Trustee	711	591
Payable to the Securities and Exchange Commission of Pakistan - annual fee	1,577	4,481
Payable against purchase of investments	-	140,053
Accrued expenses and other liabilities	165,854	183,040
Payable against redemption of units	100	839
Total liabilities	182,342	344,228
NET ASSETS	6,266,067	6,075,006
Unit holders' fund	6,266,067	6,075,006
Contingencies and commitments	9	
	(Number of units)	
NUMBER OF UNITS IN ISSUE	82,606,836	72,988,975
	(Rupees)	
NET ASSETS VALUE PER UNIT	75.85	83.23

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive Officer

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



Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE QUATER ENDED SEPTEMBER 30, 2015

	September 30, 2015	September 30, 2014
Note	(Rupees in '000)	
INCOME		
Capital gain on sale of investments - net	133,169	(9,118)
Dividend income	78,475	33,404
Income from government securities	940	9,523
Profit on bank deposits	4,698	4,138
	<u>217,282</u>	<u>37,947</u>
Unrealised appreciation / (diminution) on re-measurement of investments classified as 'at fair value through profit or loss' - net	<u>23,557</u>	<u>62,848</u>
Total income	<u>240,839</u>	<u>100,795</u>
EXPENSES		
Remuneration of Management Company	33,197	18,697
Sales tax and Federal Excise Duty on remuneration of Management Company	10,703	6,245
Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,179	1,187
Securities and Exchange Commission of Pakistan - annual fee	1,577	888
Settlement and bank charges	4,489	6,042
Fees and subscriptions	70	83
Auditors' remuneration	254	386
Printing and related costs	127	-
Total expenses	<u>52,595</u>	<u>33,528</u>
Net income from operating activities	<u>188,244</u>	<u>67,267</u>
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	25,009	1,244
Arising from other loss	(2,748)	(1,937)
Provision for Workers' Welfare Fund	7.1 -	(1,331)
Net income for the period before taxation	<u>210,505</u>	<u>65,243</u>
Taxation	8 -	-
Net income for the period after taxation	<u>210,505</u>	<u>65,243</u>
Other comprehensive income for the period		
Unrealised diminution in value of investments classified as available for sale' - net	(815,821)	556
Total comprehensive income for the period	<u>(605,316)</u>	<u>65,799</u>
Earnings per unit	<u>-</u>	<u>-</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive Officer

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


Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015

	September 30, 2015 (Rupees in '000)	September 30, 2014
Undistributed income brought forward	2,425,103	748,718
Element of income / (loss) and capital gain / (losses) included in the prices of units issued less those in units redeemed - amount representing unrealised income	315,484	(18,773)
Total comprehensive income for the period	(605,316) (289,832)	65,243 46,470
Undistributed income carried forward	2,135,271	795,188

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


 Chief Executive Officer


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


 Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

	September 30, 2015	September 30, 2014
	(Rupees in '000)	
Net assets at beginning of the year	6,075,006	3,729,868
Issue of 18,296,157 (2014: 6,623,686) units	1,513,735	399,350
Redemption of 8,678,297 (2014: 7,944,836) units	(695,096)	(489,581)
	818,639	(90,231)
	6,893,645	3,639,637
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed :		
- amount representing accrued (income) / loss and capital (gains) / losses transferred to the Income Statement		
Arising from capital gain and unrealised gain	(25,009)	(1,244)
Arising from other loss	2,748	1,937
- amount representing unrealised capital (gains) / losses and capital (gains) / losses that forms part of the unit holders' fund transferred to distribution statement	(315,484)	18,773
	(337,745)	19,466
Net income for the period transferred from the distribution statement		
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - amount representing unrealized income	315,484	(18,773)
Capital gain on sale of investments - net	133,169	(9,118)
Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss' - net	23,557	62,848
Other net income for the period	53,779	11,512
	210,505	65,242
Net unrealised appreciation on re-measurement of investment classified as 'available for sale'	(815,821)	556
Net assets at end of the period	6,266,067	3,706,128

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive Officer

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



Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUATER ENDED SEPTEMBER 30, 2015

	September 30, 2015	September 30, 2014
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period	210,505	65,243
Adjustments for:		
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	(25,009)	(1,244)
Arising from other loss	2,748	1,937
Provision for Workers' Welfare Fund	-	(1,331)
Preference shares received as dividend income	(27,791)	
Unrealised (appreciation) on re-measurement of investments classified		
as 'at fair value through profit or loss'	(23,557)	(62,848)
	136,896	1,757
(Increase) / Decrease in assets		
Investments	(1,046,800)	(293,030)
Receivable against sale of investments	45,074	64,222
Dividend and profit receivable	(61,416)	(21,772)
Advances and security deposits	97	43,710
	(1,063,045)	(206,870)
(Decrease) / Increase in liabilities		
Payable to Management Company	(1,124)	1,977
Payable to Central Depository Company of Pakistan Limited - Trustee	120	12
Payable to Securities and Exchange Commission of Pakistan - annual fee	(2,904)	(1,965)
Payable against purchase of investments	(140,053)	(2,817)
Accrued expenses and other liabilities	(17,186)	675
Payable against redemption of units	(739)	-
	(161,886)	(2,118)
Net cash (used in) operating activities	(1,088,035)	(207,231)
CASH FLOW FROM FINANCING ACTIVITIES		
Cash received from units sold	1,513,735	399,350
Cash paid on units redeemed	(695,096)	(489,581)
Net cash generated from / (used in) financing activities	818,639	(90,231)
Net (Decrease) in cash and cash equivalents during the period	(269,396)	(297,462)
Cash and cash equivalents at beginning of the period	390,276	385,178
Cash and cash equivalents at end of the period	120,880	87,716

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.



Chief Executive Officer

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



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUATER ENDED SEPTEMBER 30, 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB Pakistan Stock Market Fund (formerly 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)]. The name of the Fund has been changed from Pakistan Stock Market Fund to MCB Pakistan Stock Market Fund with effect from 13 March 2015.

The Board of Directors of the Management Company, in their meeting held on 17 September 2013, decided to merge the MCB Dynamic Stock Fund and Pakistan Premier Fund with and into Pakistan Stock Market Fund. Securities and Exchange Commission of Pakistan vide its letter SCD/AMCW/MCB-AHSIL/967/2014 dated 24 April 2014 approved the merger with effect from 3 May 2014. The Management Company has fulfilled all the conditions as outlined by SECP in its letter. The whole of the undertakings of the MCB Dynamic Stock Fund and Pakistan Premier Fund have been transferred to and vests in Pakistan Stock Market Fund from 3 May 2014 and all units representing the Fund stood cancelled as at the effective date of merger and the existing unit holders were provided with units of Pakistan Stock Market Fund at the swap ratio of 157.2435 and 17.79 units of Pakistan Stock Market Fund for each 100 units of MCB Dynamic Stock Fund and Pakistan Premier Fund respectively.

- 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 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, 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 to the Fund. The units are listed on the Karachi Stock Exchange.
- 1.4 The Fund primarily invests in listed equity securities. It also invest in cash instruments and treasury bills not exceeding 90 days in maturities.
- 1.5 Pakistan Credit Rating Agency (PACRA) has assigned Management quality rating of AM2+ to the management company and 3-Star as stability rating to the Fund.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations, 2008) and directives issued by the SECP. Wherever, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, and the said directives differ with the requirements of these standards, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, and the said directives shall prevail.

This condensed interim financial information does not include all the information and disclosures required for full annual financial statement and should be read in conjunction with the financial statement for the year ended 30 June 2015.

The disclosure made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 2.1.4: "Interim Financial Reporting." This condensed interim financial information are unaudited. The Directors of the asset management company declare that this condensed interim financial information give a true and fair view of the Fund.

The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2015 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2015, 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 quarter ended 30 September 2014.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

2.2 Basis of preparation

These condensed financial information have been prepared under the historical cost convention except for certain investments which have been marked to market and carried at fair value in accordance with the requirements of International Accounting Standard (IAS) 39: 'Financial Instruments' : Recognition and Measurement'.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund.

2.4 The Directors of the asset management company declare the condensed interim financial information give true and fair view of the fund

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDEMENTS

3.1 The accounting policies adopted for the preparation of these condensed interim financial statemet are the same as those applied in the preparation of the annual publised condensed interim financial statemet of the Fund for the period ended 30 June 2015.

3.2 Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not result in change to the Fund's operation or a change in accounting policies of the Fund.

4. ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2015.

5. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2015.

6. INVESTMENTS

		(Unaudited) September 30, 2015 (Rupees in '000)	(Audited) June 30, 2015
'At fair value through profit or loss' - held for trading			
Listed equity securities	6.1	592,946	792,898
		592,946	792,898
Available for sale			
Listed equity securities	6.2	5,611,353	5,129,077
Preference shares - unlisted	9	27,791	27,788
		6,232,089	5,949,763

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

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

Name of the investee company	Number of shares				Balance as at September 30, 2015						
	As at July 01, 2015	Purchases during the period	Bonus / right issue during the period	Sales during the period	As at September 30, 2015	Carrying value	Market value	Appreciation/ (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments	Market Value as a percentage of the Paid up capital of the investee company
									%	%	%
----- (Rupees in 000) -----											
Shares of listed companies - fully paid ordinary shares of Rs. 10 each unless stated otherwise											
AUTOMOBILE, PARTS AND ACCESSORIES											
THAL LIMITED *	104,100	-	-	-	104,100	29,713	26,338	(3,376)	0%	0%	0.13
						29,713	26,338	(3,376)	0%	0%	0.13
COMMERCIAL BANKS											
HABIB METROPOLITAN BANK	3,050,000	-	-	400,000	2,650,000	79,500	76,665	(2,836)	1%	1%	0.25
SONERI BANK LIMITED	460,500	-	-	-	460,500	5,724	6,125	401	0%	0%	0.04
						85,224	82,789	(2,435)	1%	1%	0.29
CABLE & ELECTRICAL GOODS											
PAK ELEKTRON	976,000				976,000	80,754	70,360	(10,394)	1%	1%	0.25
						80,754	70,360	(10,394)	1%	1%	0.25
ENGINEERING											
CRESCENT STEEL & ALLIED PROD	1,498,500	2,500	-	2,500	1,498,500	77,959	124,405	46,446	2%	2%	2.41
CRESCENT STEEL & ALLIED PROD(R)	-	-	374,625	-	374,625	-	11,580	11,580	0%	0%	0.00
						77,959	135,985	58,026	2%	2%	2.41

(Rupees in 000)

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

Name of the investee company	Number of shares				Balance as at September 30, 2015						
	As at July 01, 2015	Purchases during the period	Bonus/ right issue during the period	Sales during the period	As at September 30, 2015	Carrying value	Market value	Appreciation/ (diminution)	Market value as a percentage of net assets %	Market value as a percentage of total investments %	Market Value as percentage of total Paid up capital of the investee company %
Shares of listed companies - fully paid ordinary shares of Rs. 10 each unless stated otherwise											
----- (Rupees in 000) -----											
INSURANCE											
IGI INSURANCE LIMITED	178,067	-	-	-	178,067	36,484	38,938	2,454	1%	1%	0.15
PAKISTAN REINSURANCE COMPANY LIMITED	125	-	-	-	125	4	4	0	0%	0%	0.00
						36,488	38,942	2,454	1%	1%	0.15
OIL & GAS EXPLORATION COMPANIES											
PAKISTAN PETROLEUM LTD	32	-	-	-	32	5	4	(1)	0%	0%	0.00
ATTOCK PETROLEUM LIMITED	552	-	-	-	552	313	276	(37)	0%	0%	0.00
						318	280	(38)	0%	0%	0.00
FOOD PRODUCERS											
ENGRO FOODS LIMITED	-	150,000	-	-	150,000	25,047	22,104	(2,943)	0%	0%	0.02
						25,047	22,104	(2,943)	0%	0%	0.02
AUTOMOBILE ASSEMBLER											
MILLAT TRACTORS LIMITED	17,097	-	-	-	17,097	11,725	10,680	(1,045)	0%	0%	0.04
PAK SUZUKI MOTOR COMPANY LIMITED	309,500	-	-	-	309,500	134,914	128,309	(6,605)	2%	2%	0.38
						146,640	138,990	(7,650)	2%	2%	0.42
CEMENT											
MAPLE LEAF CEMENT FACTORY LTD	3,322,500	-	-	2,529,500	793,000	62,298	54,352	(7,946)	1%	1%	0.15
						62,298	54,352	(7,946)	1%	1%	0.15
FERTILIZER											
ENGRO CORPORATION LIMITED	51,700	50,000	-	50,000	51,700	15,833	15,426	(406)	0%	0%	0.01
						15,833	15,426	(406)	0%	0%	0.01
LEATHER & TANNERIES											
BATA PAKISTAN LIMITED	2,340	-	-	-	2,340	8,736	6,950	(1,786)	0%	0%	0.03
						8,736	6,950	(1,786)	0%	0%	0.03
PAPER AND BOARD											
CHERAT PACKAGING	2,000	-	-	-	2,000	377	430	53	0%	0%	0.01
						377	430	53	0%	0%	0.01
Total as at September 30, 2015						569,388	592,946	23,558	9%	10%	3.87
Total as at June 30, 2015						582,641	792,898	210,257			

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

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

6.2 Listed equity securities - 'Available for sale'

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

Name of the Investee Company	As at July 01, 2015	Purchases during the period	Bonus/Right issue during the period	Sales during the period	As at September 30, 2015	Cost	Market Value	Diminution	Market value as percentage of net assets %	Market value as percentage of total investments %	Market value as percentage of total Paid up capital of the investee company %
(Rupees in 000)											
AUTOMOBILE ASSEMBLER											
INDUS MOTORS COMPANY LIMITED	114,400	-	-	-	114,400	122,940	114,560	(8,380)	2%	2%	0.15
PAK SUZUKI MOTOR COMPANY LIMITED	223,700	-	-	-	223,700	92,778	92,739	(38)	1%	1%	0.29
						215,718	207,299	(8,418)	3%	3%	0.42
AUTOMOBILE PARTS & ACCESSORIES											
THAL LIMITED *	-	465,800	-	-	465,800	143,051	117,847	(25,204)	2%	2%	0.57
						143,051	117,847	(25,204)	2%	2%	0.57
CABLE & ELECTRICAL GOODS											
PAK ELEKTRON	2,897,500	1,925,000	-	1,525,000	3,297,500	244,822	237,717	(7,105)	4%	4%	0.83
						244,822	237,717	(7,105)	4%	4%	0.83
CEMENT											
CHERAT CEMENT	-	100,000	-	-	100,000	8,902	8,622	(280)	0%	0%	0.06
D.G KHAN CEMENT	1,517,000	-	-	1,505,000	12,000	1,584	1,644	60	0%	0%	0.00
FAUJI CEMENT CO LTD	3,459,500	1,300,000	-	2,224,500	2,535,000	90,758	84,872	(5,886)	1%	1%	0.19
LUCKY CEMENT	50,000	211,000	-	-	261,000	134,279	137,469	3,189	2%	2%	0.08
MAPLE LEAF CEMENT FACTORY LTD	1,156,500	-	-	1,156,000	500	26	34	8	0%	0%	0.00
PIONEER CEMENT LTD	2,612,000	-	-	586,500	2,025,500	181,916	175,692	(6,224)	3%	3%	0.89
						417,465	408,333	(9,132)	7%	7%	1.22
CHEMICAL											
ICI PAKISTAN LIMITED	327,850	-	-	-	327,850	131,331	157,791	26,460	3%	3%	0.35
LINDE PAKISTAN	41,900	-	-	-	41,900	8,524	4,500	(4,023)	0%	0%	0.17
						139,855	162,291	22,437	3%	0	0.52
COMMERCIAL BANKS											
ALLIED BANK LIMITED	-	250,000	-	-	250,000	25,797	23,250	(2,547)	0%	0%	0.02
HABIB BANK LIMITED	614,688	626,000	-	1,237,000	3,688	782	729	(53)	0%	0%	0.00
HABIB METROPOLITAN BANK	1,100,000	-	-	-	1,100,000	40,774	31,823	(8,951)	1%	1%	0.1
JS BANK LIMITED	9,047,500	4,000,000	-	50,000	12,997,500	100,052	89,943	(10,109)	1%	1%	1.21
UNITED BANK LIMITED	450,000	2,980,000	-	1,657,000	1,773,000	296,037	260,135	(35,902)	4%	4%	0.14
						463,442	405,879	(57,563)	6%	7%	1.47

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

Name of the Investee Company	As at July 01, 2015	Purchases during the period	Bonus/Right issue during the period	Sales during the period	As at September 30, 2015	Cost	Market Value	Diminution	(Rupees in 000)		
									Market value as percentage of net assets	Market value as percentage of total investments	Market value as percentage of total Paid up capital of the investee company
									%	%	%
ENGINEERING											
CRESCENT STEEL & ALLIED PROD	300,000	103,000	-	125,000	278,000	16,391	23,080	6,689	0%	0%	0.45
CRESCENT STEEL & ALLIED PROD(R)	-	-	69,500	-	69,500	-	2,148	2,148	0%	0%	0.00
INTERNATIONAL STEELS LTD	1,261,000	51,000	-	-	1,312,000	36,798	34,401	(2,398)	1%	1%	0.3
MUGHAL IRON & STEEL	1,568,000	-	-	-	1,568,000	80,517	101,873	21,356	2%	2%	1.43
						133,706	161,501	27,796	3%	3%	1.47
FERTILIZER											
DAWOOD HERCULES CORPORATION	-	1,606,200	-	-	1,606,200	204,900	169,229	(35,670)	3%	3%	0.33
ENGRO FERTILIZER LIMITED	-	3,156,000	-	-	3,156,000	303,030	283,409	(19,621)	5%	5%	0.24
ENGRO CORPORATION LIMITED	1,326,700	98,000	-	1,055,400	369,300	107,728	110,192	2,464	2%	2%	0.07
FATIMA FERTILIZER COMPANY	78,000	2,421,000	-	-	2,499,000	122,998	115,654	(7,344)	2%	2%	0.12
FAUJI FERTILIZER BIN QASIM LTD	-	1,028,500	-	248,500	780,000	47,606	46,917	(689)	1%	1%	0.08
FAUJI FERTILIZER COMPANY LTD	1,987,800	-	-	-	1,987,800	271,245	245,394	(25,851)	4%	4%	0.11
						1,057,506	970,794	(86,711)	15%	16%	1
FOOD & PERSONAL CARE PRODUCTS											
AL-SHAHEER CORPORATION	-	581,000	-	61,500	519,500	45,187	42,651	(2,536)	1%	1%	0.57
ENGRO FOODS LIMITED	-	399,300	-	-	399,300	65,814	58,841	(6,973)	1%	1%	0.05
QUICE FOOD INDUSTRIES	4,897,500	-	-	2,500,000	2,397,500	19,768	21,074	1,306	0%	0%	2.43
						130,769	122,566	(8,203)	2%	2%	3.05
GLASS & CERAMICS											
GHANI GLASS LTD	451,500	-	-	-	451,500	30,891	45,150	14,259	1%	1%	0.37
TARIQ GLASS INDUSTRIES	115,000	200,500	-	-	315,500	21,165	22,858	1,693	0%	0%	0.43
						52,056	68,008	15,952	1%	1%	0.8
INSURANCE											
ADAMJEE INSURANCE CO. LTD	-	450,000	-	-	450,000	24,164	23,432	(732)	0%	0%	0.13
IGI INSURANCE LIMITED	231,100	244,600	-	-	475,700	106,375	104,021	(2,353)	2%	2%	0.39
						130,538	127,453	(3,086)	2%	2%	0.52
LEATHER & TANNERIES											
BATA PAKISTAN LIMITED	280	-	-	-	280	1,014	832	(183)	0%	0%	0.00
						1,014	832	(183)	0%	0%	0
OIL & GAS EXPLOARATION COMPANIES											
MARI PETROLEUM COMPANY	316,850	-	-	-	316,850	185,288	115,074	(70,214)	2%	2%	0.29
OIL & GAS DEVELOPMENT CO LTD	2,862,300	898,000	-	375,000	3,385,300	580,013	422,045	(157,967)	7%	7%	0.08
PAKISTAN OILFIELDS LIMITED	997,100	475,000	-	700,000	772,100	250,580	226,943	(23,637)	4%	4%	0.33
PAKISTAN PETROLEUM LTD	1,629,000	-	-	382,900	1,246,100	212,030	148,460	(63,569)	2%	2%	0.06
ATTOCK PETROLEUM LIMITED	-	88,550	-	-	88,550	51,694	44,297	(7,397)	1%	1%	0.11
						1,279,604	956,820	(322,784)	15%	15%	0.28

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

Name of the Investee Company	As at July 01, 2015	Purchases during the period	Bonus/Right issue during the period	Sales during the period	As at September 30, 2015	Cost	Market Value	Diminution	Market value as percentage of net assets %	Market value as percentage of total investments %	Market value as percentage of total Paid up capital of the investee company %
(Rupees in 000)											
OIL & GAS MARKETING COMPANIES											
PAKISTAN STATE OIL CO LTD.	639,500	127,800	-	-	767,300	299,803	221,282	(78,521)	4%	4%	0.28
SUI NORTHERN GAS	-	4,366,000	-	-	4,366,000	155,279	137,223	(18,056)	2%	2%	0.69
						455,082	358,505	(96,577)	6%	6%	0.92
PAPER AND BOARD											
CHERAT PACKAGING PACKAGES LIMITED	507,300	22,000	-	-	529,300	99,707	113,800	14,092	2%	2%	1.92
	510,000	351,250	-	-	861,250	490,991	459,477	(31,514)	7%	7%	0.97
						590,698	573,277	(17,421)	9%	9%	2.89
PHARMACEUTICALS											
SEARLE COMPANY	-	324,800	-	200,000	124,800	48,406	49,960	1,554	1%	1%	0.15
						48,406	49,960	1,554	1%	1%	0.15
POWER GENERATION & DISTRIBUTION											
HUB POWER COMPANY LTD	99,000	1,066,500	-	1,164,000	1,500	152	147	(4)	0%	0%	0.00
KOT ADDU POWER CO. LTD	-	115,500	-	-	115,500	10,992	10,944	(49)	0%	0%	0.01
K-ELECTRIC LTD	-	18,371,000	-	-	18,371,000	153,284	129,699	(23,585)	2%	2%	0.07
LALPIR POWER	6,050,000	2,349,000	-	-	8,399,000	281,561	244,999	(36,562)	4%	4%	2.21
PAKGEN POWER LIMITED	5,667,500	-	-	-	5,667,500	174,163	158,407	(15,756)	3%	3%	1.52
						620,152	544,196	(75,956)	9%	9%	3.81
SUGAR & ALLIED INDUSTRIES											
HABIB SUGAR *	163,000	28,000	-	153,000	38,000	1,587	1,502	(84)	0%	0%	0.03
						1,587	1,502	(84)	0%	0%	0.03
TECHNOLOGY & COMMUNICATION											
HUM NETWORK **	-	2,651,000	-	-	2,651,000	47,379	43,264	(4,115)	1%	1%	0.28
SYSTEMS LIMITED	1,178,250	234,000	-	-	1,412,250	62,150	93,307	31,157	1%	1%	1.28
						109,529	136,572	27,042	2%	2%	1.56
Total as at September 30, 2015											
						6,235,000	5,611,353	(623,648)	90%	90%	21%
Total as at June 30, 2015											
						4,936,924	5,129,077	192,153	84%	86%	

The above include shares with a market value aggregating to Rs. 119.14 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 the SECP.

* Par value at Rs. 5 each

** Par value at Rs. 1 each

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

		(Un-audited) September 30, 2015	(Audited) June 30, 2015
7	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Provision for Workers' Welfare Fund	7.1 107,634	107,634
	Federal excise duty payable on management fee	7.2 35,050	28,299
	Unclaimed dividend	10,002	10,002
	Brokerage payable	7,878	6,889
	Auditors' remuneration	212	554
	Printing and related expenditure	495	368
	Zakat payable	577	575
	Capital gain tax payable	1,056	26,287
	Federal excise duty payable on sale load	2,776	2,203
	Others	174	229
		165,854	183,040

7.1 Provision for workers welfare fund

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance), whereby the definition of 'Industrial Establishment' has been made applicable to any establishment to which West Pakistan Shops and Establishment Ordinance, 1969 applies. As a result of this amendment, all Collective Investment Schemes (CISs) I mutual funds whose income exceeds Rs.0.5 million in a tax year have been brought within the scope of the WWF Ordinance thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain Collective Investment Schemes (CISs) through their trustees in the Honourable Sindh High Court (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In 2011, a single judge of the Lahore High Court (LHC) issued a judgment in response to a petition in similar case whereby the amendments introduced in WWF Ordinance through Finance Acts, 2006 and 2008 have been declared unconstitutional and therefore struck down. However in 2013, the Larger Bench of SHC issued a judgment in response to a petition in another similar case in which it is held that the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 do not suffer from any constitutional or legal infirmity. In 2014, the Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the Constitution.

The Finance Act 2015 incorporated an amendment in WWF Ordinance by excluding Collective Investment Schemes (CIS) from the definition of Industrial Establishment, and consequently CIS are no more liable to pay contribution to WWF with effect from July 01, 2015. Owing to the fact that the decision of SHC on the applicability of WWF (till June 30, 2015) to the CISs is currently pending for adjudication, the Management Company has decided to make and retain provision of WWF in its books of account and financial statements till June 30, 2015 which aggregates to Rs. 107.63 million. Had the said provision of WWF not been recorded in the books of account of the Fund, the NAV of the Fund would have been lower by Rs. 1.30 per unit.

7.2 Federal excise duty and related tax payable

The Finance Act 2013 introduced an amendment to Federal Excise Act 2005 whereby, with effect from June 13, 2013, Federal Excise Duty (FED) has been imposed at the rate of 16% of the services rendered by assets management companies. The Management Company is of the view that since the remuneration and sales load are already subject to provincial sales tax at the rate of 15%, further levy of FED may result in double taxation, which does not appear to be the spirit of the law. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the Honourable Sindh High Court (SHC), challenging the levy of Federal Excise Duty on Asset Management Company services after the eighteenth amendment in the Constitution of Pakistan. In this respect, the SHC has issued a stay order against the recovery of FED and the hearing of the petition is still pending. The management, as a matter of abundant caution, has decided to retain and continue with the provision of FED and related additional taxes in the books of account aggregating to Rs. 37.83 million as at September 30, 2015. In case, the suit is decided against the Fund the same would be paid to the Management Company, which will be responsible for submitting the same to the taxation authorities. Had the said provision of FED and related additional taxes were not been recorded in the books of account of the Fund, the NAV of the Fund would have been higher by Rs. 0.46 per unit as at September 30, 2015.

8 TAXATION

The Fund's income is exempt from Income Tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance) subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised, is distributed amongst the unit holders. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Ordinance. As the management intends to distribute at least 90% of income earned by the year end to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
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The income tax returns till the tax year 2014 have been filed and are deemed to be assessed under section 120 of the Income Tax Ordinance except for tax years 2008 and 2012 for which Order under section 122(5A) of the Ordinance has been received that the fund is not entitled to the exemption from income tax on the basis that the distribution of bonus shares should not be included in calculation of distribution of 90% of declared profit required to claim exemption from income tax. The issue involved has also been raised by the department in other mutual funds. The Fund filed a petition in the Sindh High Court (SHC) against the demands raised in this respect and have obtained a stay order against the payment of tax demand. The Mutual Funds are also contesting the same at different appellate forums of Federal Board of Revenue. The management based on the tax advice obtained by Mutual Funds Association of Pakistan from various tax advisors and under legal guidance of more than one legal counsels, is confident that the case would ultimately be decided in favor of the Fund and therefore no provision is required to be made in these condensed interim financial information.

9. DETAILS OF NON-COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA AS SPECIFIED BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with Clause (i) and (ii) of the investment criteria laid down for 'Equity Scheme' in Circular no. 7 of 2009, the Fund is required to invest atleast 70% of its net assets in listed equity securities and the remaining net assets shall be invested in cash and/or near cash instuments. In the last financial year, the Fund has received 2,779,083 unlisted preference shares of Mari Petroleum Limited amounting to Rs. 27.79 million as dividend income. The management is of the view that the Fund has not purchased / invested in these unlisted preference shares, rather these have been received in the form of dividend. However, the company has redeemed the said security subsequent to the reporting date and the payment against the same has been credited in the bank account. Furthermore, in addition to the amount mentioned above, the company has also paid an additional dividend on preference shares amounting to Rs. 0.68 million which has also been credited in our bank account.

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2015 and June 30, 2015

11. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons of the Fund include the Management Company, other collective investment schemes being managed by the Management Company, MCB Bank Limited being the holding company of the Management Company, the Trustee, directors and key management personnel, other associated undertaking and unit holders holding more than 10% units of the Fund. Remuneration to the Management Company and Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed of the Fund. All other transactions with connected persons are in the normal course of business and are carried out on agreed terms.

Details of transactions with connected persons and balances with them at year end are as follows:

	September 30, 2015	September 30, 2014
	(Rupees in '000)	
11.1 Details of the transaction with related parties / connected persons		
MCB - Arif Habib Savings and Investments limited - Management Company		
Remuneration including indirect taxes	43,899	24,942
Issue of 256,591 units (2014: 81,626 units)	19,980	4,996
Payment of conversion cost	1,136	1,136
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	2,179	1,187
CDS charges	6	5
Arif Habib Limited		
Brokerage *	679	383
Next Capital Limited		
Brokerage *	410	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

	September 2015	September 2014
	(Rupees in '000)	
MCB Bank Limited		
Markup income	2,717	3,255
Dividend income	-	1,598
Bank charges	33	-
Adamjee Insurance Company Limited		
Issue of 2,904,613 units (2014: 966,074 units)	250,000	59,916
Issue of Nil bonus units (2014: 3,585,631 units)	-	277,600
Dividend income	-	3
Mandate Under Discretionary Portfolio Services		
Issue of 34,892 units (2014: 576,182 units)	3,020	36,254
Redemption of 690,066 units (2014: 176,355 units)	58,193	10,747
Directors and executives of the Management Company		
Issue of 163,653 units (2014: 60,814 units)	13,443	3,748
Redemption of 63,478 units (2014: 72,377 units)	5,141	4,445
11.2 Amounts outstanding as at the period end	(Unaudited)	(Audited)
	September 30,	June 30,
	2015	2015
MCB - Arif Habib Savings and Investments limited - Management Company		
Remuneration payable	10,738	10,056
Sales tax payment on management fee	1,503	2,205
Legal and Professional Charges Payable	100	100
Sales load payable	1,214	1,182
Conversion cost payable	545	1,681
Central Depository Company of Pakistan Limited-Trustee		
Security deposit	500	500
Remuneration payable	711	591
Summit Bank Limited		
Balance with Bank	3,513	3,514
MCB Bank Limited		
Balance with Bank	825	323,734
Accrued markup	239	672
Adamjee Insurance Company Limited		
6,993,006 units held as at September 30, 2015 (2015: 4,088,393 units)	530,419	340,277
MCB Employees Provident Fund		
4,189,296 units held as at September 30, 2015 (2015: 4,189,296 units)	317,758	348,675
MCB Employees Pension Fund		
3,210,371 units held as at September 30, 2015 (2015: 3,210,371 units)	243,507	267,199
MCB Arif Habib Savings and Investments Limited		
1,244,828 units held as at September 30, 2015 (2015: 988,237 units)	94,420	82,251
D.G Khan Cement Company Limited Employees Provident Fund Trust		
131,642 units held as at September 30, 2015 (2015: 131,642 units)	9,985	10,957
Mandate Under Discretionary Portfolio Services		
5,150,673 units held as at September 30, 2015 (2015: 5,805,847 units)	390,678	483,221

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)
FOR THE QUATER ENDED SEPTEMBER 30, 2015**

	(Unaudited) September 30, 2015	(Audited) June 30, 2015
Directors and executives of the Management Company		
278,130 units held as at September 30, 2015 (2015: 165,455 units)	22,967	32,705
Arif Habib Limited		
Brokerage payable	538	509
Next Capital Limited		
Brokerage payable	140	382
D.G Khan Cement Company Limited		
12,000 shares held as at 30 September 2015 (2015: 1,517,000 shares)	1,644	216,582
Fatima Fertilizer Company Limited		
2,499,000 shares held as at 30 September 2015 (2015: 78,000 shares)	115,654	3,047
Pakgen Power Limited		
5,667,500 shares held as at 30 September 2015 (2015: 5,667,500 shares)	158,407	170,082
Lalpir Power Limited		
8,399,000 shares held as at 30 September 2015 (2015: 6,050,000 shares)	244,999	184,525

* The amount disclosed represents the amount of brokerage paid 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.


12. RECLASSIFICATION

Following reclassification have been made in this condensed interim financial information in order to give a better and more appropriate presentation:

	From	To	June 30, 2015 (Rupees in '000)
Conversion cost	Accrued expenses and other liabilities	Payable to Management Company	1,681
Sale load payable	Accrued expenses and other liabilities	Payable to Management Company	1,182
Federal excise duty payable on management fee	Federal excise duty and related tax payable	Provision for Federal Excise Duty on sales load	2,203

13. DATE OF AUTHORIZATION OF ISSUE

These condensed interim financial statement were authorised for issue by the Board of Directors of the Management Company on **October 16, 2015**.



Chief Executive Officer

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



Director

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MCB-Arif Habib Savings and Investments Limited

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