

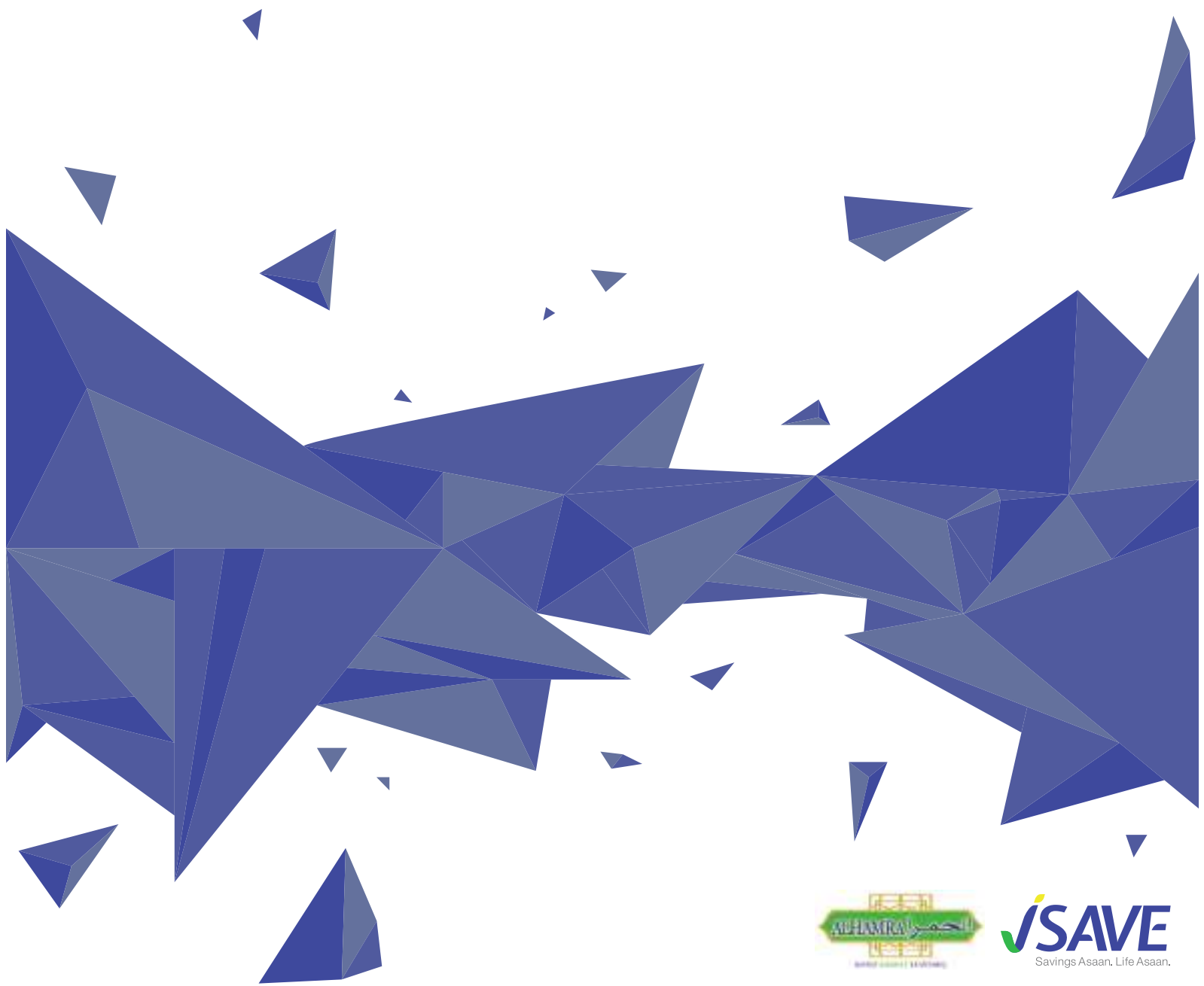


MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

MARCH
2022
(UNAUDITED)

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



MCB PAKISTAN STOCK MARKET FUND

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FUND'S INFORMATION

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| Management Company | MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi. | |
| Board of Directors | 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 |
| Audit Committee | Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain | Chairman Member Member Member Member |
| Human Resource & Remuneration Committee | 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 |
| Chief Executive Officer | Mr. Muhammad Saqib Saleem | |
| Chief Operating Officer & Chief Financial Officer | Mr. Muhammad Asif Mehdi Rizvi | |
| Company Secretary | Mr. Altaf Faisal Ahmad | |
| Trustee | Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com | |
| Bankers | MCB Bank Limited Silk Bank Limited Bank Al Habib Limited Habib Bank Limited Allied Bank Limited Bank Alfalah Limited Habib Metropolitan Bank Limited Standard Chartered Bank Limited United Bank Limited JS Bank Limited National Bank Of Pakistan | |
| Auditors | Ernst & Young Ford Rhodes Chartered Accountants Progressive Plaza, Beaumont Road, P.O.Box 15541 Karachi, Sindh-75530, Pakistan. | |
| Legal Advisor | Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi | |
| Transfer Agent | MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi. | |
| Rating | AM1 Asset Manager Rating assigned by PACRA | |

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2022

Dear Investor,

On behalf of the Board of Directors, we are pleased to present **MCB Pakistan Stock Market Fund** accounts review for the nine months & quarter ended March 31, 2022.

Economy and Money Market Review

Political turmoil in the country has taken the central stage in past few weeks where we witnessed ruling party coalition government lost majority in the National Assembly and overthrown by opposition led coalition. In the backdrop of weak economic environment, the transition resulted in significant volatility in equity, fixed income and exchange rate markets. In heightened political environment, markets will increasingly focus on efforts of the new government on policies and measures taken to stabilize the economy.

The fiscal year (July – June) started on strong note with government's renewed focus on reviving growth through several incentives in fiscal year 2022 (FY22) budget to spur growth. This was in addition to lagged impact of monetary easing and incentives on capital investment at lower rates (TERF), which further supported to growth premise. However, the sharp recovery in domestic demand, coupled with rising international commodity prices, led to a strong pick-up in imports and a commensurate increase in the current account deficit. The start of Russia Ukraine conflict inflicted additional misery as international commodities prices spiked up further to multi-year high.

The country posted a current account deficit of USD 12.1bn in 8MFY22 compared to a surplus of USD 1.0bn in the corresponding period last year. This was the largest CAD since FY18, when country witnessed a deficit of USD 10.6bn in first eight months of the fiscal year. The deterioration came in primarily on the back of higher imports which grew by 49.1% in 8MFY22 compared to export growth of 28.1%. Trade Deficit increased by 70.2% to USD 27.3bn compared to USD 16.0bn in same period last year. The unprecedented increase in imports mainly came from historic high prices of our commodity basket including crude oil, palm oil, coal coupled with one time vaccines imports. As per our estimates, prices contributed more than two-third of the increase in import bill.

Foreign exchange reserves of central bank saw a decrease of USD 5.3bn on account of higher current account deficit and debt repayments. Pakistan was also unable to timely roll over commercial loan of USD 2.2bn from China which put further pressure on reserves. In addition, a USD 900mn penalty payment to settle Reko Dik case further dragged the reserves to 22 months' low of USD 11.3bn, implying an import cover of hardly a couple of months. These outflows coupled with widening current account deficit led PKR to lost ground against USD by 14.1% since start of the fiscal year.

Inflation remained a concern as rising commodities continued to create challenges for policy makers. Headline inflation represented by CPI averaged 10.7% in 9MFY22 compared to 8.4% in 9MFY21. The rise mainly came from higher food prices, elevated energy costs (both electricity and fuel) and second round impact of PKR depreciation, which keeps the prices of imported commodities high. Core inflation as measured by Non Food Non Energy also depicted an upward trend as it increased to 9.5% in March 2022 compared to 6.9% in June 2021. The SBP increased policy rate by a cumulative 525bps to 12.75% in the fiscal year to counter inflationary pressures and slow aggregate demand.

On the fiscal side FBR tax collection increased by 29.1% in 9MFY22 to PKR 4,382bn compared to PKR 3,394bn during same period last year. This exceeded the target of 4,134bn by 248bn. The improved tax collection was primarily on the back of higher custom duty and sales tax collected on import stage.

Secondary markets yields have increased significantly in 9MFY22 as SBP started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average inflation numbers to remain elevated in medium term. Bond yields for tenors of 3 years, 5 years and 10 years witnessed a rise of 2.4%, 2.1% and 1.4%, respectively during the period.

Equity Market Review

The KSE-100 Index posted a negative return of 5.1% (2,427 points drop) in 9MFY22 compared to a positive return of 29.5% in same period last year. Challenging macros (rising interest rates, depreciating PKR and

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2022

widening twin deficits), uncertainty on political front, high commodity prices, and MSCI's decision to downgrade Pakistan from Emerging Market to Frontier Market all weighed heavily on the index during the period under review.

Cement, Technology, and Refinery sector remained the major index dampeners, contributing 1,288 points, 733 points, and 542 points to the index fall, respectively. In the cement sector, unprecedented surge in international coal prices (USD 250/ton compared to an average of USD 72.5/ton last year) created a weak near-term earnings outlook for the sector leading to selling pressure. Moreover, decline in Technology sector was largely on the account of a company specific event which led to a sell-off. In the case of Refinery, delay in approval of refinery policy and continuous accumulation of circular debt led to the decline.

Foreign institutional investors continued their selling spree, adding another USD 271.1 million during the 9MFY22. This amount was absorbed primarily by local individuals and corporates with net inflow of USD 82.3mn and USD 81.1mn, respectively. During the 9 months, average trading volumes saw a decline to 305mn shares compared to 483mn shares same period last year. Similarly, average trading value during 9MFY22 saw a drop of 48% over 9MFY21 to ~ USD 61mn.

FUND PERFORMANCE

During the period, PSM generated a return of -4.87% as compared to a return of -5.13% witnessed by the KSE100 Index. Overall equity exposure stood at 92.5% on March 31, 2022. The fund remained vigilant of the external factors and the investment strategy was maneuvered considering the fundamental developments. The allocation was mainly held in Commercial Banks, Cement and Oil & Gas Exploration Companies.

The Net Assets of the fund as at March 31, 2022 stood at Rs. 10,684 million as compared to Rs. 12,397 million as at June 30, 2021 registering a decrease of 13.82%.

The Net Asset Value (NAV) per unit as at March 31, 2022 was Rs. 98.5829 as compared to opening NAV of Rs. 103.6294 per unit as at June 30, 2021 registering a decrease of 5.0465 per unit.

Economy & Market – Future Outlook

The ongoing Russia – Ukraine war has kept international commodity prices at elevated levels which have exacerbated fears about the import bill and external outlook going forward. In addition, due to political pressure the government resorted to the populist move to absorb the hike in international energy prices and keep petroleum prices unchanged. This have undermined the structural reform process and put the IMF program on hold. Going forward the new government will have to engage with the IMF and find the right balance of growth and external account sustainability.

We estimate GDP to grow by 4.5% this year, slightly lower than the government target of 4.8%. We expect Agriculture, Industrial and Services sectors to grow by 4.5%, 4.1% and 4.5% respectively. Industrial sector growth is likely to remain robust but below government's target due to demand compression as a result of monetary tightening. Agriculture sector growth on the other hand is likely to exceed government estimates due to growth in wheat and cotton crop. The Covid vaccination roll out has been quite successful which is anticipated to unleash Services growth as this segment was the most affected by the pandemic.

The persistently elevated international commodities prices especially petroleum, palm oil, fertilizers and steel, has led to a strong pick-up in imports and a rise in the current account deficit, which we expect to close the year around USD 19.0bn (5.7% of GDP). This would be the largest current account deficit since fiscal year 2018, when the country posted CAD of USD 19.2bn (6.1% of GDP). Responding to a high CAD, we expect PKR to depreciate further to end the fiscal year near PKR 192 against a dollar.

Successful resumption of the IMF program will be a key prerequisite to keep the financial account in positive zone. The SBP is expected to continue to discourage unnecessary imports and use flexible market determined exchange rate and appropriate monetary policy setting to ensure sustainable external account position. The remittances along with bilateral and multilateral flows would also be crucial in managing our external position.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2022

We expect Average FY22 and FY23 inflation to clock at 11.6% and 13.8% respectively assuming international oil stays above USD 100/bbl. The recent hike in commodity prices and the resultant currency depreciation is likely to keep inflation numbers elevated in near term. In the recent monetary policy held in April-22 SBP increased policy rate by 250bps to 12.25% due to significant uncertainty around outlook for international commodities and global financial condition as result of Russia Ukraine war. As per the SBP the recent rate hike increased forward looking interest rates to mildly positive territory. Thus we may be at the end of monetary tightening cycle.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 13.4%, a discount of 69% from its historical average. Similarly, risk premiums are close to 6.0%, compared to historical average of 1.9% signifying deep discount at which market is trading. We believe a micro view of sectors and stock will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. The market is currently trading at PER of 5.7x, while offering a dividend yield of 8.3%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds yields may continue to remain at elevated levels given inflationary pressure. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

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 20, 2022



Nasim Beg
Director/Vice Chairman
April 20, 2022

ڈائریکٹرز رپورٹ

منافع پیش کیا جا رہا 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 کے منافع جات افراط زر کے دباؤ کے باعث بلند سطحوں پر برقرار رہیں گے۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا پوائنٹس کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

اظہارِ تشکر

بورڈ آف ڈائریکٹرز فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایپیکس کمیشن آف پاکستان اور فنڈ کے ٹرسٹیوں کی مسلسل معاونت و حمایت کے لیے شکرگزار ہے۔ علاوہ ازیں، ڈائریکٹرز انتظامیہ ٹیم کی کوششوں کو بھی خراج تحسین پیش کرتے ہیں۔

من جانب ڈائریکٹرز



نسیم بیگ
ڈائریکٹر اوپن چیئر مین
20 اپریل 2022ء



محمد ثاقب سلیم
چیف ایگزیکٹو آفیسر
20 اپریل 2022ء

ڈائریکٹرز رپورٹ

ہے۔ زراعت، صنعت اور خدمات کے شعبوں میں بالترتیب 4.5 فیصد، 4.1 فیصد اور 4.5 فیصد ترقی متوقع ہے۔ صنعتی شعبے کی ترقی تیز رفتار ہو سکتی لیکن حکومتی ہدف سے کم رہے گی کیونکہ مالیاتی سختی کے نتیجے میں طلب سنکڑ گئی ہے۔ البتہ گندم اور کپاس کی بہتر فصل کی بدولت زراعت کے شعبے کی ترقی حکومتی تخمینوں سے سبقت لے جاسکتی ہے۔ کووڈ ویکسینیشن کا دور کافی کامیاب رہا جس کے نتیجے میں خدمات کے شعبے میں بحالی متوقع ہے کیونکہ یہ شعبہ بقاء سے سب سے زیادہ متاثر ہوا تھا۔

مسلسل بڑھی ہوئی بین الاقوامی اشیائی قیمتوں، خصوصاً پٹرولیم، پام تیل، کھاد اور اسٹیل، کے نتیجے میں درآمدات میں بھرپور بحالی اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا ہے جو اختتام سال پر ہمارے اندازے کے مطابق تقریباً 19.0 بلین ڈالر (جی ڈی پی کا 5.7 فیصد) ہوگا۔ یہ مالی سال 2018ء میں ہونے والے 19.2 بلین ڈالر خسارے (جی ڈی پی کا 6.1 فیصد) کے بعد تاحال سب سے بڑا خسارہ ہوگا۔ اس بلند خسارے کے رد عمل میں ہم سمجھتے ہیں کہ روپے کی قدر میں مزید کمی ہوگی اور مالی سال کے اختتام پر یہ تقریباً 192 روپے بالمقابل ایک ڈالر ہوگا۔

آئی ایم ایف پروگرام کی کامیاب بحالی مالیاتی اکاؤنٹ کو مثبت محل وقوع میں رکھنے کے لیے کلیدی شرط ہوگی۔ اسٹیٹ بینک آف پاکستان متوقع طور پر غیر ضروری درآمدات کی حوصلہ شکنی جاری رکھے گا اور مارکیٹ سے تعین کردہ لچکدار شرح مبادلہ اور موزوں مالیاتی پالیسی کے ذریعے خارجی اکاؤنٹ کے استحکام کو یقینی بنائے گا۔ ترسیلات زریعہ دو جہتی اور کثیر الجہتی آمدات بھی خارجی اکاؤنٹ کو سنبھالنے میں اہم عوامل ثابت ہوں گے۔

افراط زر کا اوسط مالی سال 2022ء میں 11.6 فیصد اور مالی سال 2023ء میں 13.8 فیصد متوقع ہے بشرطیکہ تیل کی بین الاقوامی قیمت 100 ڈالر فی بیرل برقرار رہے۔ اشیائی قیمتوں میں حالیہ اضافہ اور اس کے نتیجے میں ہونے والی روپے کی قدر میں کمی کے باعث افراط زر کے قریب المیعاد میں بلند رہنے کا امکان ہے۔ حالیہ مانیٹری پالیسی منعقدہ اپریل 2022ء میں اسٹیٹ بینک آف پاکستان (ایس بی پی) نے پالیسی شرح میں 250 بی پی ایس اضافہ کر کے اسے 12.25 فیصد کر دیا کیونکہ روس اور یوکرین کے مابین جنگ کے باعث بین الاقوامی اشیائی قیمتوں اور عالمی مالی حالات میں غیر یقینی صورتحال پیدا ہو گئی ہے۔ ایس بی پی کے مطابق شرح میں حالیہ اضافے کے نتیجے میں forward looking شروع سود بڑھ کر معتدل حد تک مثبت محل وقوع میں آگئی ہیں۔ چنانچہ مالیاتی سختی کے دور کا اختتام متوقع ہے۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز کے تناظر سے، اسٹاک کی قیمتوں میں حالیہ تصحیح سے valuation کھل گئی ہے۔ مارکیٹ نے سود کی شرح میں اضافے اور روپے کی قدر میں کمی سے فائدہ اٹھایا ہے۔ مارکیٹ cap کا مجموعی ملکی پیداوار (جی ڈی پی) کے ساتھ تناسب کم ہو کر 13.4 فیصد ہو گیا ہے جو اس کے قدیم اوسط سے 69 فیصد کمی ہے۔ اسی طرح، رسک پریمیئم 6.0 فیصد کے قریب ہیں جو اپنے قدیم اوسط 1.9 فیصد کے مقابلے میں مارکیٹ میں جاری تجارت میں گہری رعایت کی نشاندہی کرتے ہیں۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاک کی خورد تصویراہم 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۔ فی الوقت مارکیٹ میں 5.7 گنا PER پر تجارت ہو رہی ہے جبکہ 8.3 فیصد ڈیویڈنڈ

ڈائریکٹرز رپورٹ

ڈائریکٹرز (گزشتہ سال) نے کونسل کے شعبے کے قریب المیعاد مستقبل کے امکانات کمزور کر دیئے جس کے نتیجے میں اس پرفروخت کا دباؤ پڑا۔ ٹیکنالوجی کے شعبے میں تنزلی کی سب سے بڑی وجہ کمپنی سے متعلق ایک خاص واقعہ تھا جس کے نتیجے میں ایک فروخت ناگزیر ہو گئی۔ ریفرنسز کے شعبے میں ریفرنسز پالیسی کی منظوری میں تاخیر اور گردش قرض کا مسلسل جمع ہونا تنزلی کا سبب بنے۔ غیر ملکی ادارہ جاتی سرمایہ کاروں نے فروخت کا سلسلہ جاری رکھا اور مالی سال 2022ء کے ابتدائی نو ماہ کے دوران مزید 271.1 ملین ڈالر کا اضافہ کیا۔ اس رقم کے بنیادی خریدار مقامی افراد اور کارپوریٹ ادارے تھے۔ جسکی خالص آمدیاں ترتیب 82.3 ملین ڈالر اور 81.1 ملین ڈالر تھی۔ زیر جائزہ مدت کے دوران اوسط تجارتی حجم کم ہو کر 305 ملین حصص ہو گئے، جبکہ گزشتہ سال مماثل مدت میں 483 ملین حصص تھے۔ اسی طرح ابتدائی نو ماہ کے دوران اوسط تجارتی قدر 48 فیصد کم ہو کر 61 ملین ڈالر ہو گئی۔

فنڈ کی کارکردگی

اس عرصے کے دوران پی ایس ایم نے کے ایس ای 100 انڈیکس کے ((5.13 فیصد کے منافع کے مقابلے میں ((4.87 فیصد کا منافع حاصل کیا۔ 31 مارچ 2022ء کو مجموعی طور پر ایکویٹی ایکسپوزر 92.5 فیصد رہا۔ فنڈ بیرونی عوامل سے چوکس رہا اور بنیادی پیش رفت کو مد نظر رکھتے ہوئے سرمایہ کاری کی حکمت عملی اپنائی گئی۔ یہ مختص بنیادی طور پر کمرشل بینکوں، سیمنٹ اور تیل اور گیس کی تلاش کرنے والی کمپنیوں میں منعقد کیا گیا تھا۔

31 مارچ 2022ء کو فنڈ کے خالص اثاثے 10,684 ملین روپے رہے جبکہ 30 جون 2021ء کو فنڈ کے خالص اثاثے 12,397 ملین روپے تھے، جو کہ 13.82 فیصد کمی ہے۔

31 مارچ 2022ء تک خالص اثاثہ قدر (این اے وی) فی یونٹ 98.5829 روپے رہی جبکہ 30 جون 2021ء کو (این اے وی) 103.6294 روپے رہی جو کہ 5.0465 روپے فی یونٹ کی کمی درج ہے

معیشت اور بازار - مستقبل کے امکانات

روس اور یوکرین کے مابین جاری جنگ نے بین الاقوامی اشیائی قیمتوں کو بلند سطحوں پر رکھا ہوا ہے جس کے باعث درآمداتی بل اور خارجی جہت کے امکانات سے متعلق اندیشوں میں اضافہ ہوا ہے۔ مزید براں، حکومت نے سیاسی دباؤ کے باعث populist (یعنی عوام کی مملکت کا) قدم اٹھایا تاکہ توانائی کی بین الاقوامی قیمتوں کو جذب کیا جاسکے اور پٹرولیم کی قیمتوں کو غیر تبدیل شدہ رکھا جاسکے۔ اس کے نتیجے میں بنیادی ڈھانچے سے متعلق اصلاح کے عمل میں رکاوٹ پیدا ہوئی اور آئی ایم ایف پروگرام التواء کا شکار ہو گیا ہے۔ مستقبل میں نئی حکومت کو آئی ایم ایف کے ساتھ مربوط ہو کر ترقی اور خارجی اکاؤنٹ کے استحکام کے مابین درست توازن تلاش کرنا ہوگا۔

ہمارے اندازے کے مطابق مجموعی ملکی پیداوار (جی ڈی پی) میں اس سال 4.5 فیصد اضافہ ہوگا، جو حکومتی ہدف 4.8 فیصد سے کچھ کم

ڈائریکٹرز رپورٹ

افراطِ زر باعثِ تشویش بنی رہی کیونکہ بڑھتی ہوئی اشیائی قیمتوں کی وجہ سے پالیسی ساز مشکلات کا شکار رہے۔ مجموعی افراطِ زر، جس کی ترجمانی صارفی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط مالی سال 2022ء کے ابتدائی نو ماہ میں 10.7 فیصد تھا، جبکہ مالی سال 2021ء کے ابتدائی نو ماہ میں 8.4 فیصد تھا۔ اس اضافے کی بنیادی وجوہ اشیائے خورد و نوش کی بڑھتی ہوئی قیمتیں، توانائی (بجلی اور ایندھن، دونوں) کی لاگتوں میں اضافہ، اور پاکستانی روپے کی قدر میں کمی کے دوسرے مرحلے کا اثر تھیں، جس سے درآمد شدہ اشیاء کی قیمتیں بلند رہتی ہیں۔ بنیادی افراطِ زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، میں بھی اضافے کا رجحان رہا اور مارچ 2022ء میں 9.5 فیصد تک جا پہنچی، جبکہ جون 2021ء میں 6.9 فیصد تھی۔ اسٹیٹ بینک آف پاکستان (ایس بی پی) پالیسی شرح میں مجموعی طور پر 525 بیس پوائنٹس (بی پی ایس) کا اضافہ کر کے اسے 12.75 فیصد تک لے گیا تاکہ افراطِ زر کے دباؤ اور مجموعی طلب میں سست روی کا مقابلہ کیا جاسکے۔

مالیاتی جہت میں فیڈرل بورڈ آف ریونیو (ایف بی آر) کی ٹیکس وصولی مالی سال 2022ء کے ابتدائی نو ماہ میں 29.1 فیصد بڑھ کر 4,382 بلین روپے تک پہنچ گئی جو 4,134 بلین روپے کے ہدف سے 248 بلین روپے زیادہ تھی، جبکہ گزشتہ سال مماثل مدت کے دوران 3,394 بلین روپے تھی۔ اس بہتر کارکردگی کی بنیادی وجہ درآمد کے مرحلے پر پہلے سے زیادہ کسٹم ڈیوٹی اور سیلز ٹیکس کی وصولی ہے۔

ثانوی مارکیٹوں کے منافع جات میں مالی سال 2022ء میں قابل ذکر اضافہ ہوا ہے کیونکہ ایس بی پی نے مالیاتی سختی کے دور کا آغاز کر دیا۔ روپے کی قدر میں حالیہ کمی کے ساتھ ساتھ مسلسل بڑھی ہوئی اشیائی قیمتوں سے افراطِ زر پر دباؤ میں اضافہ ہوگا اور افراطِ زر کا اوسط درمیانی مدت میں متوقع طور پر بلند رہے گا۔ تین، پانچ اور دس سالہ بانڈز کے منافع جات میں دوران مدت بالترتیب 2.1، 2.4 اور 1.4 فیصد اضافہ ہوا۔

ایکوئی مارکیٹ کا جائزہ

مالی سال 2022ء کے ابتدائی نو ماہ میں کراچی اسٹاک ایکسچینج (کے ایس ای) 100 انڈیکس نے 5.1 فیصد منفی منافع پوسٹ کیا (2,427 پوائنٹس کمی) جبکہ گزشتہ سال کی مماثل مدت میں 29.5 فیصد مثبت منافع ہوا تھا۔ دقت آمیز مجموعی عوامل (سود کی بڑھتی ہوئی شرحوں، روپے کی گرتی ہوئی قدر اور پھیلتے ہوئے جڑواں خساروں)، سیاسی میدان میں غیر یقینی صورتحال، بلند اشیائی قیمتوں، اور MSCI کے پاکستان کی درجہ بندی کو امر جنگ مارکیٹ (اُبھرتی ہوئی مارکیٹ) سے کم کر کے 'فونڈیشن مارکیٹ' (متوسط درجے کی مارکیٹ) کرنے کے فیصلے، تمام نے زیر جائزہ مدت کے دوران انڈیکس پر شدید بوجھ ڈالا۔

سیمینٹ، ٹیکنالوجی اور ریفرنسری کے شعبوں نے بالترتیب 1,288 پوائنٹس، 733 پوائنٹس، اور 542 پوائنٹس کمی کے ساتھ انڈیکس کو سب سے زیادہ متاثر کیا۔ کونسل کی بین الاقوامی قیمتوں میں فقید المثال اضافے (250 ڈالر فی ٹن سال رواں بالمقابل اوسطاً 72.5

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی پاکستان اسٹاک مارکیٹ فنڈ کے گوشواروں کا جائزہ برائے نومبر اور سہ ماہی مختتمہ 31 مارچ 2022ء پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

گزشتہ کچھ ہفتوں کے دوران ملک میں سیاسی افراتفری توجہ کا مرکز بنی رہی۔ حکمران جماعت نے قومی اسمبلی میں اکثریت کھودی اور حزب اختلاف کی قیادت میں بننے والے اتحاد کے ہاتھوں حکومت کا تختہ الٹ گیا۔ یہ تبدیلی پہلے سے ہی کمزور معاشی ماحول کے پس منظر میں ایکویٹی، مقررہ آمدنی اور شرح مبادلہ کی مارکیٹوں میں عدم استحکام کا باعث بنی۔ اس مضطرب سیاسی ماحول میں مارکیٹیں نئی حکومت کی معیشت کو مستحکم کرنے کی پالیسیوں اور اقدام کی منتظر ہیں۔

مالی سال (جولائی-جون) کا آغاز مضبوط نوٹ کے ساتھ ہوا جس میں حکومت کی جانب سے مالی سال 2022 (FY22) کے بجٹ میں کئی مراعات کے ذریعے ترقی کی بحالی پر نئی توجہ مرکوز کی گئی۔ یہ مالیاتی تسہیل کے تاخیری اثر اور کم شرحوں (TERF) پر سرمایہ کاری کی ترغیبات پر مستزاد تھا جس سے ترقی کو مزید معاونت حاصل ہوئی۔ تاہم مقامی طلب میں تیز رفتار بحالی اور اس کے ساتھ ساتھ بڑھتی ہوئی بین الاقوامی اشیائی قیمتوں کے نتیجے میں درآمدات میں بھی بھرپور بحالی ہوئی اور کرنٹ اکاؤنٹ خسارے میں متناسب اضافہ ہوا۔ روس اور یوکرین کے مابین تنازعے کے باعث مشکلات میں اضافہ ہوا کیونکہ بین الاقوامی اشیائی قیمتیں کئی برسوں کی بلند ترین سطح پر پہنچ گئیں۔

مالی سال 2022ء کے ابتدائی آٹھ ماہ میں ملک کا کرنٹ اکاؤنٹ خسارہ 12.1 بلین ڈالر تھا، جبکہ گزشتہ سال کی مماثل مدت میں 1.0 بلین ڈالر فاضل (منافع) تھا۔ یہ مالی سال 2018ء کے ابتدائی آٹھ ماہ میں ہونے والے 10.6 بلین ڈالر خسارے سے تاحال سب سے زیادہ خسارہ تھا۔ اس کی بنیادی وجہ ابتدائی آٹھ ماہ درآمدات میں 49.1 فیصد اضافہ تھی، جبکہ برآمدات میں اضافہ 28.1 فیصد تھا۔ تجارتی خسارہ 70.2 فیصد بڑھ کر 27.3 بلین ڈالر ہو گیا، جبکہ گزشتہ سال کی مماثل مدت میں 16.0 بلین ڈالر تھا۔ درآمدات میں یہ فقید المثال اضافہ ہماری اشیائی basket کی قدیم بلند قیمتوں کی بدولت ہوا، بشمول خام تیل، پام تیل، کونڈے اور اس کے ساتھ ساتھ ویکسین کی یکبار درآمد۔ ہمارے اندازے کے مطابق درآمداتی بل میں قیمتوں کا دو تہائی حصہ تھا۔

مرکزی بینک کے زیر مبادلہ کے ذخائر میں 5.3 بلین ڈالر کمی ہوئی جس کی وجہ کرنٹ اکاؤنٹ کا بلند تر خسارہ اور ادائیگی و قرض میں اضافہ تھا۔ علاوہ ازیں، پاکستان چین سے 2.2 بلین ڈالر کے تجارتی قرض کی بروقت تجدید نہیں کر سکا جس کے باعث ذخائر پر مزید دباؤ پڑا۔ مزید برآں، ریکوڈک معاملے کو نمٹانے کے لیے 900 ملین ڈالر جرمانے کی ادائیگی کے باعث ذخائر گزشتہ 22 ماہ کی پست ترین سطح 11.3 بلین ڈالر پر پہنچ گئے، یعنی بمشکل کچھ ماہ کا درآمداتی cover۔ یہ اخراجات بمع پھیلنے ہوئے کرنٹ اکاؤنٹ خسارے کے نتیجے میں روپے کی ڈالر کے مقابلے میں قدر مالی سال کے آغاز سے 14.1 فیصد کم ہو گئی۔

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2022**

| | (Un-audited) March 31, 2022 | (Audited) June 30, 2021 |
|---|-----------------------------------|-------------------------------|
| Note | ----- (Rupees in '000) ----- | |
| ASSETS | | |
| Balances with banks | 5. 522,936 | 265,332 |
| Investments | 6. 10,122,239 | 11,903,844 |
| Receivable against sale of investments | 205,018 | 499,859 |
| Dividend and profit receivables | 73,053 | 16,830 |
| Advances, deposits and other receivables | 17,713 | 74,522 |
| Total assets | 10,940,959 | 12,760,387 |
| LIABILITIES | | |
| Payable to Management Company | 56,154 | 63,617 |
| Payable to Trustee | 1,085 | 1,258 |
| Payable to the Securities and Exchange Commission of Pakistan | 1,751 | 2,286 |
| Payable against purchase of investments | 117,894 | 24,138 |
| Accrued expenses and other liabilities | 7. 80,013 | 202,766 |
| Payable against redemption of units | 386 | 69,140 |
| Total liabilities | 257,283 | 363,204 |
| NET ASSETS | 10,683,676 | 12,397,182 |
| Unit holders' fund (as per statement attached) | 10,683,676 | 12,397,182 |
| Contingencies and Commitments | 8. | |
| | ----- (Number of units) ----- | |
| NUMBER OF UNITS IN ISSUE | 108,372,550 | 119,629,978 |
| | ----- (Rupees) ----- | |
| NET ASSET VALUE PER UNIT | 98.5829 | 103.6294 |

The annexed notes 1 to 15 form an integral part of these interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2022**

| | Note | Nine months ended | | Quarter ended | |
|--|------|-------------------|------------------|-----------------|----------------|
| | | March 31, | | March 31, | |
| | | 2022 | 2021 | 2022 | 2021 |
| ----- (Rupees in '000) ----- | | | | | |
| INCOME | | | | | |
| (Loss) / gain on sale of investments - net | | (594,619) | 2,080,432 | (211,386) | 979,074 |
| Dividend income | | 578,976 | 332,507 | 209,158 | 195,537 |
| Income from Government securities | | 279 | 1,380 | - | - |
| Profit on balances with banks | | 23,840 | 10,847 | 8,508 | 2,044 |
| Unrealised (loss) / gain on revaluation of investments classified as 'at fair value through profit or loss' - net | 6.1 | (319,539) | 619,535 | 65,798 | (848,665) |
| Other income | | 108 | 101 | 44 | 44 |
| Total income | | (310,955) | 3,044,802 | 72,122 | 328,034 |
| EXPENSES | | | | | |
| Remuneration of the Management Company | | 172,954 | 169,465 | 51,779 | 58,150 |
| Sindh Sales Tax on remuneration of the Management Company | | 22,484 | 22,030 | 6,731 | 7,559 |
| Remuneration of the Trustee | | 9,507 | 9,225 | 2,944 | 3,155 |
| Sindh Sales Tax on remuneration of the Trustee | | 1,236 | 1,199 | 383 | 410 |
| Annual fee of the Securities and Exchange Commission of Pakistan | | 1,751 | 1,695 | 539 | 582 |
| Allocated expenses | | 8,756 | 8,473 | 2,697 | 2,907 |
| Selling and marketing expenses | | 113,822 | 110,151 | 35,059 | 37,797 |
| Auditors' remuneration | | 916 | 716 | 300 | 272 |
| Securities transaction cost | | 39,782 | 70,016 | 12,393 | 28,491 |
| Settlement and bank charges | | 2,989 | 4,212 | 967 | 2,232 |
| Legal and professional charges | | 513 | 101 | 42 | 33 |
| Fees and subscriptions | | 20 | 33 | 6 | 7 |
| (Reversal) / provision for Sindh Workers' Welfare Fund | | (120,605) | 52,950 | - | 3,729 |
| Total expenses | | 254,125 | 450,266 | 113,840 | 145,324 |
| Net (loss) / income for the period before taxation | | (565,080) | 2,594,535 | (41,719) | 182,710 |
| Taxation | 9. | - | - | - | - |
| Net (loss) / income for the period | | (565,080) | 2,594,535 | (41,719) | 182,710 |
| Earnings per unit | 10. | | | | |
| Allocation of net income for the period after taxation | | | | | |
| Net (loss) / income for the period | | | 2,594,535 | | |
| Income already paid on units redeemed | | | (575,174) | | |
| | | | <u>2,019,361</u> | | |
| Accounting income available for distribution: | | | | | |
| - Relating to capital gains | | | 2,019,361 | | |
| - Excluding capital gains | | | - | | |
| | | | <u>2,019,361</u> | | |

The annexed notes 1 to 15 form an integral part of these interim financial statements.


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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2022**

| | Nine months ended | | Quarter ended | |
|---|------------------------------|-----------|-------------------|---------|
| | March 31, 2022 | 2021 | March 31, 2022 | 2021 |
| | ----- (Rupees in '000) ----- | | | |
| Net (loss) / income for the period | (565,080) | 2,594,535 | (41,719) | 182,710 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive (loss) / income for the period | (565,080) | 2,594,535 | (41,719) | 182,710 |

The annexed notes 1 to 15 form an integral part of these interim financial statements.

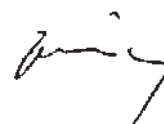
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

| | Nine Months Ended March 31, 2022 | | | Nine Months Ended March 31, 2021 | | |
|---|----------------------------------|------------------|--------------------|----------------------------------|----------------------|-------------------|
| | Capital Value | income / (loss) | Total | Capital Value | Undistributed income | Total |
| Net assets at the beginning of the period | 7,165,600 | 5,231,582 | 12,397,182 | 5,894,800 | 2,909,097 | 8,803,897 |
| Issuance of 38,287,611 (2021: 87,744,064) units: | | | | - | | |
| - Capital value (at net asset value per unit at the beginning of the period) at Rs.103.6294 | 3,967,722 | - | 3,967,722 | 6,793,413 | - | 6,793,413 |
| - Element of income | (112,362) | - | (112,362) | 1,456,894 | - | 1,456,894 |
| | 3,855,360 | - | 3,855,360 | 8,250,307 | - | 8,250,307 |
| Redemption of 49,545,039 (2021: 85,513,085) units: | | | | | | |
| - Capital value (at net asset value per unit at the beginning of the period) at Rs.103.6294 | (5,134,322) | - | (5,134,322) | (6,620,684) | - | (6,620,684) |
| - Element of (loss) / income | 130,536 | - | 130,536 | (930,475) | (575,174) | (1,505,649) |
| | (5,003,787) | - | (5,003,787) | (7,551,159) | (575,174) | (8,126,333) |
| Total comprehensive income for the period | - | (565,080) | (565,080) | - | 2,594,534 | 2,594,534 |
| Net income for the period less distribution | - | (565,080) | (565,080) | - | 2,594,534 | 2,594,534 |
| Net assets as at the end of the period | 6,017,174 | 4,666,502 | 10,683,676 | 6,593,948 | 4,928,458 | 11,522,405 |
| Undistributed income brought forward comprising of: | | | | | | |
| - Realised | | 4,508,639 | | | 3,417,678 | |
| - Unrealised | | 722,943 | | | (508,581) | |
| | | 5,231,582 | | | 2,909,097 | |
| Accounting income available for distribution: | | | | | | |
| - Relating to capital gains | | - | | | 2,019,361 | |
| - Excluding capital gains | | - | | | - | |
| | | - | | | 2,019,361 | |
| Net income for the period | | (565,080) | | | - | |
| Undistributed income carried forward | | 4,666,502 | | | 4,928,458 | |
| Undistributed income carried forward comprising of: | | | | | | |
| - Realised | | 4,986,041 | | | 4,308,923 | |
| - Unrealised | | (319,539) | | | 619,535 | |
| | | 4,666,502 | | | 4,928,458 | |
| | | | (Rupees) | | | (Rupees) |
| Net assets value per unit as at beginning of the period | | 103.6294 | | | | 77.4230 |
| Net assets value per unit as at end of the period | | 98.5829 | | | | 99.3803 |

The annexed notes 1 to 15 form an integral part of these interim financial statements.


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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

| | Nine Months ended | |
|--|------------------------------|------------------|
| | March 31, | |
| Note | 2022 | 2021 |
| | ----- (Rupees in '000) ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | (565,080) | 2,594,535 |
| Adjustments for non cash and other items: | | |
| Unrealised (gain) / loss on revaluation of investments classified as 'at fair value through profit or loss' - net | <u>319,539</u> | <u>(619,535)</u> |
| | (245,541) | 1,975,000 |
| (Increase) / decrease in assets | | |
| Investments - net | 1,462,066 | (2,158,349) |
| Receivable against sale of investments | 294,841 | (68,462) |
| Dividend and profit receivable | (56,223) | (79,640) |
| Advances, deposits and receivables | 56,809 | (25,860) |
| | 1,757,493 | (2,332,311) |
| (Decrease) / Increase in liabilities | | |
| Payable to Management Company | (7,463) | 16,427 |
| Payable to Trustee | (173) | 324 |
| Payable to the Securities and Exchange Commission of Pakistan | (535) | (75) |
| Payable against purchase of investments | 93,756 | (91,477) |
| Accrued expenses and other liabilities | (122,753) | 53,268 |
| Payable against redemption of units | (68,754) | - |
| | (105,922) | (21,533) |
| Net cash generated from/ (used) in operating activities | <u>1,406,030</u> | <u>(378,844)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amount received on issuance of units | 3,855,360 | 8,250,307 |
| Amount paid on redemption of units | (5,003,787) | (8,126,333) |
| Net cash (used) in / generated from financing activities | (1,148,426) | 123,974 |
| Net Increase / (Decrease) in cash and cash equivalents during the period | <u>257,604</u> | <u>(254,870)</u> |
| Cash and cash equivalents at the beginning of the period | 265,332 | 351,866 |
| Cash and cash equivalents at the end of the period | <u>522,936</u> | <u>96,996</u> |

The annexed notes 1 to 15 form an integral part of these interim financial statements.

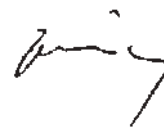
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB Pakistan Stock Market Fund (the Fund) was established under a Trust Deed executed between 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 Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 12, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 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 2nd Floor, Adamjee House, I.I. Chundrigar 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 them to the Fund. The units are listed on the Pakistan Stock Exchange. The Fund primarily invests in listed equity securities. However, it also invests in cash instruments and treasury bills not exceeding 90 days in maturities.
- 1.4 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 06, 2021 to the Management Company.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2. BASIS OF PREPARATION

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Such standards 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;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984;
 - The NBFC rules, the Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed of Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC rules, the NBFC Regulations and requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2021. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2022 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2021, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2022.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022

2.3 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.

2.4 This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

3. ACCOUNTING POLICIES AND ESTIMATES

3.1 The accounting policies applied 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, 2021.

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, 2021.

4. FINANCIAL RISK MANAGEMENT

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, 2021.

| 5. BALANCES WITH BANKS | Note | (Un-audited) March 31, 2022 ----- (Rupees in '000) ----- | (Audited) June 30, 2021 |
|------------------------|------|---|-------------------------------|
| In current accounts | 5.1 | 19,348 | 21,217 |
| In savings accounts | 5.2 | 503,588 | 244,115 |
| | | <u>522,936</u> | <u>265,332</u> |

5.1 These include a balance of Rs.9.901 (June 30, 2021: Rs.11.768) million maintained with MCB Bank Limited, a related party.

5.2 These carry profits at the rates ranging from 5.50% to 10.45% (June 30, 2021: 5.50% to 7.83%) per annum and include Rs.477,647 (June 30, 2021: Rs.207.336) million maintained with MCB Bank Limited, a related party which carries profit at the rate of 8.25% (June 30, 2021: 5.50%) per annum.

| 6. INVESTMENTS | Note | (Un-audited) March 31, 2022 ----- (Rupees in '000) ----- | (Audited) June 30, 2021 |
|---|------|---|-------------------------------|
| At fair value through profit or loss | | | |
| Listed equity securities | 6.1 | 10,122,239 | 11,903,844 |
| Government securities | 6.2 | - | - |
| | | <u>10,122,239</u> | <u>11,903,844</u> |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

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

| Name of the investee company | No. of shares | | | | As at March 31, 2022 | | | Market value as a % of net assets of the Fund | % of paid-up capital of the investee company |
|---|---------------------|-----------------------------|---------------------------------------|------------------------|----------------------|----------------|-----------------------------------|---|--|
| | As at July 01, 2021 | Purchased during the period | Bonus / right issue during the period | Sold during the period | As at March 31, 2022 | Carrying Value | Market value as at March 31, 2022 | | |
| | | | | | | | | | (Rupees in '000) |
| Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise | | | | | | | | | |
| Automobile Assembler | | | | | | | | | |
| Ghandhara Nissan Limited | - | 226,600 | - | 226,600 | - | - | - | - | 0.00% |
| Honda Atlas Cars (Pakistan) Limited | 486,300 | 120,000 | - | 383,700 | 222,600 | 64,289 | 46,129 | (18,160) | 0.43% |
| Indus Motors Company Limited | 179,790 | - | - | 179,790 | - | - | - | - | 0.00% |
| Millat Tractors Limited | 90,000 | - | - | 90,000 | - | - | - | - | 0.00% |
| Pak Suzuki Motors Company Limited | 265,000 | 611,300 | - | 573,200 | 303,100 | 88,781 | 68,419 | (20,362) | 0.64% |
| | | | | | | 153,070 | 114,548 | (38,522) | 1.07% |
| Automobile Parts & Accessories | | | | | | | | | |
| Agriauto Indusires Limited | - | 95,800 | - | - | 95,800 | 16,251 | 16,334 | 83 | 0.15% |
| Atlas Battery Limited | - | 13,900 | - | - | 13,900 | 2,312 | 2,407 | 95 | 0.02% |
| Ghandhara Tyre & Rubber Company Limited | - | 1,032,000 | - | - | 1,032,000 | 55,590 | 44,407 | (11,183) | 0.42% |
| Panther Tyres Limited | 2,065,504 | 504,500 | 230,000 | 2,311,504 | 488,500 | 22,896 | 16,702 | (6,194) | 0.16% |
| Thal Limited * | 633,300 | - | - | 262,400 | 370,900 | 156,809 | 135,479 | (21,330) | 1.27% |
| | | | | | | 253,858 | 215,328 | (38,530) | 2.02% |
| Cable & Electrical Goods | | | | | | | | | |
| Pak Elektron Limited **** | - | 6,122,000 | - | 5,722,000 | 400,000 | 11,061 | 6,612 | (4,449) | 0.06% |
| PAK ELEKTRON(R3) | - | - | 2,232,000 | - | 2,232,000 | - | 4,285 | 4,285 | 0.04% |
| | | | | | | 11,061 | 10,897 | (163) | 0.10% |
| Cement | | | | | | | | | |
| Bestway Cement Limited | - | 855,600 | - | 279,200 | 576,400 | 86,037 | 80,915 | (5,122) | 0.76% |
| Cherat Cement Company Limited | 48,000 | 3,254,140 | - | 1,648,600 | 1,653,540 | 245,083 | 232,951 | (12,132) | 2.18% |
| D.G. Khan Cement Company Limited **** | 1,851,480 | 6,111,925 | - | 2,954,826 | 5,008,579 | 417,410 | 380,902 | (36,508) | 3.57% |
| Fauji Cement Company Limited | - | 25,464,000 | - | 3,243,500 | 22,220,500 | 424,374 | 402,635 | (21,738) | 3.77% |
| Gharibal Cement Ltd | - | 104,000 | - | - | 104,000 | 2,652 | 2,668 | 16 | 0.02% |
| Kohat Cement Company Limited | 1,583,670 | 145,000 | - | 1,017,500 | 711,170 | 143,418 | 122,250 | (21,168) | 1.14% |
| Lucky Cement Limited | 946,003 | 445,000 | - | 541,911 | 849,092 | 664,273 | 540,320 | (123,954) | 5.06% |
| Maple Leaf Cement Factory Limited | 9,075,771 | 12,232,288 | - | 7,681,918 | 13,626,141 | 516,395 | 491,222 | (25,173) | 4.60% |
| Pioneer Cement Limited | 2,502,000 | 2,865,400 | - | 5,367,400 | - | - | - | - | 0.00% |
| Power Cement Limited **** | 7,193,000 | - | - | 7,193,000 | - | - | - | - | 0.00% |
| | | | | | | 2,499,642 | 2,253,863 | (245,778) | 21.10% |
| Chemicals | | | | | | | | | |
| Archroma Pakistan Limited | 113,850 | 101,200 | - | 115,050 | 100,000 | 56,637 | 60,500 | 3,863 | 0.57% |
| Dynea Pakistan Limited | - | 25,400 | - | 3,800 | 21,600 | 3,795 | 3,926 | 131 | 0.04% |
| Engro Polymer and Chemicals Limited | 4,999,655 | 1,569,500 | - | 6,569,155 | - | - | - | - | 0.00% |
| ICI Pakistan Limited | - | 92,150 | - | 53,850 | 38,300 | 29,517 | 29,827 | 310 | 0.28% |
| Loite Chemical Pakistan Limited | 8,650,000 | 1,276,500 | - | 8,926,500 | 1,000,000 | 15,274 | 15,040 | (234) | 0.07% |
| Sitara Chemical Industries | - | 54,000 | - | 54,000 | - | - | - | - | 0.00% |
| | | | | | | 105,222 | 109,292 | 4,071 | 1.02% |
| | | | | | | 2,499,642 | 2,253,863 | (245,778) | 21.10% |
| | | | | | | 56,637 | 60,500 | 3,863 | 0.57% |
| | | | | | | 3,795 | 3,926 | 131 | 0.11% |
| | | | | | | - | - | - | 0.00% |
| | | | | | | 29,517 | 29,827 | 310 | 0.04% |
| | | | | | | 15,274 | 15,040 | (234) | 0.14% |
| | | | | | | - | - | - | 0.00% |
| | | | | | | 105,222 | 109,292 | 4,071 | 1.02% |
| | | | | | | 2,499,642 | 2,253,863 | (245,778) | 21.10% |
| | | | | | | 56,637 | 60,500 | 3,863 | 0.57% |
| | | | | | | 3,795 | 3,926 | 131 | 0.11% |
| | | | | | | - | - | - | 0.00% |
| | | | | | | 29,517 | 29,827 | 310 | 0.04% |
| | | | | | | 15,274 | 15,040 | (234) | 0.14% |
| | | | | | | - | - | - | 0.00% |
| | | | | | | 105,222 | 109,292 | 4,071 | 1.02% |
| | | | | | | 2,499,642 | 2,253,863 | (245,778) | 21.10% |
| | | | | | | 56,637 | 60,500 | 3,863 | 0.57% |
| | | | | | | 3,795 | 3,926 | 131 | 0.11% |
| | | | | | | - | - | - | 0.00% |
| | | | | | | 29,517 | 29,827 | 310 | 0.04% |
| | | | | | | 15,274 | 15,040 | (234) | 0.14% |
| | | | | | | - | - | - | 0.00% |
| | | | | | | 105,222 | 109,292 | 4,071 | 1.02% |
| | | | | | | 2,499,642 | 2,253,863 | (245,778) | 21.10% |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

| Name of the investee company | No. of shares | | | | Balance as at March 31, 2022 | | | Market value as a % of net assets of the Fund | % of paid-up capital of the investee company | | |
|---|---------------------|-----------------------------|---------------------------------------|------------------------|------------------------------|----------------|-----------------------------------|---|--|--------------------------|-------|
| | As at July 01, 2021 | Purchased during the period | Bonus / right issue during the period | Sold during the period | As at March 31, 2022 | Carrying Value | Market value as at March 31, 2022 | | | Unrealised gain / (loss) | |
| Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise | | | | | | | | | | | |
| Commercial Banks | | | | | | | | | | | |
| Allied Bank Limited | 62,100 | 500,000 | - | 562,100 | - | - | - | - | 0.00% | 0.00% | |
| Bank Al Habib Limited | 4,268,538 | 992,990 | - | 5,261,528 | - | - | - | - | 0.00% | 0.00% | |
| Bank Alfalah Limited | 6,586,952 | 7,279,501 | - | 4,356,219 | 9,510,234 | 313,068 | 322,587 | 9,519 | 3.02% | 0.54% | |
| Bank Of Punjab | - | 820,000 | - | 820,000 | - | - | - | - | 0.00% | 0.00% | |
| Bankislami Pakistan Limited | - | 3,057,500 | - | - | 3,057,500 | 37,525 | 38,739 | 1,214 | 0.36% | 0.28% | |
| Faysal Bank Limited | - | 9,969,500 | - | 650,000 | 9,319,500 | 205,861 | 245,289 | 39,428 | 2.30% | 0.61% | |
| Habib Bank Limited | 4,148,266 | 3,391,276 | - | 2,099,734 | 5,439,808 | 659,191 | 614,208 | (44,983) | 5.75% | 0.37% | |
| Habib Metropolitan Bank Limited | 1,842,500 | 4,088,000 | - | 719,500 | 5,211,000 | 220,460 | 231,890 | 11,429 | 2.17% | 0.50% | |
| MCB Bank Limited **** | - | 1,275,259 | - | 1,275,259 | - | - | - | - | 0.00% | 0.00% | |
| Meezan Bank Limited | 2,959,978 | 1,847,791 | 414,214 | 630,506 | 4,591,477 | 516,655 | 601,300 | 84,644 | 5.63% | 0.28% | |
| Samba Bank Limited | 5,215,500 | - | - | 5,215,500 | - | - | - | - | 0.00% | 0.00% | |
| United Bank Limited | 5,044,022 | 2,551,421 | - | 3,780,058 | 3,815,385 | 475,964 | 520,380 | 44,416 | 4.87% | 0.31% | |
| | | | | | | 2,428,725 | 2,574,393 | 145,668 | | 24.10% | 2.89% |
| Engineering | | | | | | | | | | | |
| AGHA STEEL IND. LTD | - | 2,998,500 | 64,350 | 3,062,850 | - | - | - | - | 0.00% | 0.00% | |
| Aisha Steel Mills Limited | 4,389,000 | 7,287,309 | - | 7,740,000 | 3,936,309 | 60,242 | 56,053 | (4,189) | 0.52% | 0.43% | |
| Amreli Steels Limited | - | 4,498,500 | - | 1,197,500 | 3,301,000 | 139,245 | 107,910 | (31,336) | 1.01% | 1.11% | |
| International Industries Limited | 612,700 | 196,300 | - | 382,200 | 426,800 | 77,211 | 50,862 | (26,349) | 0.48% | 0.32% | |
| International Steels Limited | - | 537,050 | - | 417,731 | 119,319 | 7,112 | 7,776 | 664 | 0.07% | 0.03% | |
| Mughal Iron & Steel Industries Limited | - | 1,409,797 | 82,500 | 1,492,297 | - | - | - | - | 0.00% | 0.00% | |
| | | | | | | 283,810 | 222,601 | (61,210) | | 2.08% | 1.89% |
| Fertilizer | | | | | | | | | | | |
| Engro Corporation Limited | 982,598 | 557,811 | - | 765,468 | 774,941 | 228,673 | 207,374 | (21,299) | 1.94% | 0.13% | |
| Engro Fertilizer Limited | - | 3,800,000 | - | 1,615,055 | 2,184,945 | 175,458 | 200,512 | 25,054 | 1.88% | 0.16% | |
| Fauji Fertilizer Bin Qasim Limited | 6,848,000 | 5,631,500 | - | 8,180,500 | 4,299,000 | 102,154 | 97,114 | (5,040) | 0.91% | 0.33% | |
| Fauji Fertilizer Company Limited | - | 100,000 | - | - | 100,000 | 10,761 | 11,372 | 611 | 0.11% | 0.01% | |
| | | | | | | 517,047 | 516,373 | (674) | | 4.83% | 0.63% |
| Food & Personal Care Products | | | | | | | | | | | |
| Al Shaheer Corporation | 5,223,000 | 1,627,000 | - | 6,850,000 | - | - | - | - | 0.00% | 0.00% | |
| AT-TAHUR LIMITED | - | 973,500 | - | - | 973,500 | 23,050 | 23,364 | 314 | 0.22% | 0.49% | |
| Fauji Foods Limited | 3,055,500 | - | - | 3,055,500 | - | - | - | - | 0.00% | 0.00% | |
| Murree Brewery Company | 202,000 | - | - | 14,550 | 187,450 | 109,058 | 79,664 | (29,394) | 0.75% | 0.68% | |
| Nestle Pakistan Limited | 3,033 | - | - | 3,020 | 13 | 75 | 76 | 0 | 0.00% | 0.00% | |
| The Organic Meat Company Limited | 3,488,000 | 1,340,500 | 189,500 | 2,388,000 | 2,630,000 | 85,812 | 74,376 | (11,436) | 0.70% | 2.14% | |
| Unity Foods Limited | - | 760,000 | - | 760,000 | - | - | - | - | 0.00% | 0.00% | |
| | | | | | | 217,996 | 177,480 | (40,516) | | 1.66% | 3.31% |
| Glass & Ceramics | | | | | | | | | | | |
| Shabir Tiles & Ceramics Limited * | 542,500 | 1,513,000 | - | 196,000 | 1,859,500 | 38,533 | 32,616 | (5,918) | 0.31% | 0.57% | |
| Tariq Glass Industries | - | 1,057,500 | - | 392,500 | 665,000 | 71,843 | 84,635 | 12,792 | 0.79% | 0.48% | |
| | | | | | | 110,376 | 117,250 | 6,874 | | 1.10% | 1.05% |
| Insurance | | | | | | | | | | | |
| Adamjee Insurance Company Limited **** | 1,034,500 | 65,000 | - | 1,099,500 | - | - | - | - | 0.00% | 0.00% | |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

| Name of the investee company | No. of shares | | | | Balance as at March 31, 2022 | | | Market value as a % of net assets of the Fund | % of paid-up capital of the investee company | |
|---|------------------------------|-----------------------------|---------------------------------------|------------------------|------------------------------|----------------|-----------------------------------|---|--|--------------------------|
| | As at July 01, 2021 | Purchased during the period | Bonus / right issue during the period | Sold during the period | As at March 31, 2022 | Carrying Value | Market value as at March 31, 2022 | | | Unrealised gain / (loss) |
| | (Rupees in '000) | | | | | | | | | |
| Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise | | | | | | | | | | |
| ADAMJEE LIFE ASSURANCE COMPANY LIMITED **** | - | 2,276,604 | - | 816,000 | 1,460,604 | 40,897 | 28,599 | (12,298) | 0.27% | 0.00% |
| Jubilee Life Insurance Company Limited | - | 223,100 | - | 48,100 | 175,000 | 43,969 | 35,000 | (8,969) | 0.33% | 0.20% |
| | | | | | | 84,866 | 63,599 | (21,268) | 0.60% | 0.20% |
| Inv.Banks/Inv.Com./S ecurities Cos. | | | | | | | | | | |
| Arif Habib Limited | 68,000 | - | - | 68,000 | - | - | - | - | 0.00% | 0.00% |
| Leather & Tanneries | | | | | | | | | | |
| Bata Pakistan Limited | 4,040 | 35,160 | - | 13,000 | 26,200 | 45,107 | 63,572 | 18,465 | 0.60% | 0.35% |
| Service Global Footwear Limited | 36 | 60,500 | - | 60,536 | - | - | - | - | 0.00% | 0.00% |
| Service Industries | 403 | 55,200 | - | 55,603 | - | - | - | - | 0.00% | 0.00% |
| | | | | | | 45,107 | 63,572 | 18,465 | 0.60% | 0.35% |
| Miscellaneous | | | | | | | | | | |
| Pakistan Aluminium Beverage Cans Limited | - | 1,150,500 | - | 265,000 | 885,500 | 25,388 | 26,707 | 1,319 | 0.25% | 0.25% |
| Shifa International Hospitals | 329,600 | 1,053,700 | 20,860 | 1,200 | 1,402,960 | 280,853 | 270,771 | (10,082) | 2.53% | 2.22% |
| Synthetic Products Limited | - | 1,764,500 | 58,000 | 1,388,500 | 434,000 | 7,275 | 7,087 | (188) | 0.07% | 0.22% |
| Tri-Pak Films | 781,000 | - | - | 781,000 | - | - | - | - | 0.00% | 0.00% |
| | | | | | | 313,516 | 304,565 | (8,951) | 2.85% | 2.69% |
| OIL & GAS EXPLORATION COMPANIES | | | | | | | | | | |
| Mari Petroleum Company Limited | 388,960 | 163,580 | - | 73,083 | 479,457 | 755,393 | 848,409 | 93,016 | 7.94% | 0.36% |
| Oil & Gas Development Company Limited | 5,139,277 | - | - | 2,691,311 | 2,447,966 | 232,630 | 203,499 | (29,131) | 1.90% | 0.06% |
| Pakistan Oilfields Limited | 652,561 | 125,200 | - | 491,262 | 286,499 | 112,813 | 106,772 | (6,041) | 1.00% | 0.10% |
| Pakistan Petroleum Limited | 3,734,120 | 844,910 | - | 2,684,120 | 1,894,910 | 160,230 | 137,949 | (22,281) | 1.29% | 0.07% |
| | | | | | | 1,261,066 | 1,296,630 | 35,564 | 12.14% | 0.59% |
| Oil And Gas Marketing Companies | | | | | | | | | | |
| Attock Petroleum Limited | 620,700 | - | - | 379,200 | 241,500 | 77,529 | 72,851 | (4,678) | 0.68% | 0.24% |
| Hi-Tech Lubricants Limited | - | 920,500 | 59,000 | 844,000 | 135,500 | 5,222 | 5,740 | 518 | 0.05% | 0.10% |
| Pakistan State Oil Company Limited | 1,586,305 | 50,000 | - | 1,636,305 | - | - | - | - | 0.00% | 0.00% |
| Shell (Pakistan) Limited | 701,500 | 237,800 | - | 939,300 | - | - | - | - | 0.00% | 0.00% |
| Sui Northern Gas Pipelines Limited | 1,150,244 | 1,570,897 | - | 2,721,141 | - | - | - | - | 0.00% | 0.00% |
| | | | | | | 82,751 | 78,591 | (4,160) | 0.74% | 0.34% |
| Paper And Board | | | | | | | | | | |
| Century Paper & Board Mills Limited | - | 390,000 | - | 25,500 | 364,500 | 26,706 | 25,643 | (1,063) | 0.24% | 0.18% |
| Cherat Packaging Limited | - | 144,000 | - | 144,000 | - | - | - | - | 0.00% | 0.00% |
| Packages Limited | 581,400 | 130,750 | - | 155,500 | 556,650 | 294,639 | 245,110 | (49,529) | 2.29% | 0.62% |
| Security Papers Limited | - | 577,600 | - | - | 577,600 | 73,438 | 65,130 | (8,308) | 0.61% | 0.97% |
| | | | | | | 394,783 | 335,882 | (58,900) | 3.14% | 1.77% |
| Pharmaceuticals | | | | | | | | | | |
| Abbott Laboratories (Pakistan) Limited | 376,450 | - | - | 376,450 | - | - | - | - | 0.00% | 0.00% |
| Agp Limited | - | 328,900 | - | 128,900 | 200,000 | 16,309 | 18,016 | 1,707 | 0.17% | 0.07% |
| Citi Pharma limited | - | 4,676,500 | - | - | 4,676,500 | 164,475 | 167,045 | 2,569 | 1.56% | 2.05% |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

| Name of the investee company | No. of shares | | | Balance as at March 31, 2022 | | | Market value as a % of net assets of the Fund | % of paid-up capital of the investee company | | |
|---|---------------------|-----------------------------|---------------------------------------|------------------------------|----------------------|----------------|---|--|-----------------------------------|--------------------------|
| | As at July 01, 2021 | Purchased during the period | Bonus / right issue during the period | Sold during the period | As at March 31, 2022 | Carrying Value | | | Market value as at March 31, 2022 | Unrealised gain / (loss) |
| Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise | | | | | | | | | | |
| Glaxosmithkline Consumer Healthcare Pakistan Limited | - | 207,700 | - | 33,700 | 174,000 | 43,627 | 44,099 | 472 | 0.41% | 0.15% |
| Glaxosmithkline Pakistan | - | 307,400 | - | 307,400 | - | - | - | - | 0.00% | 0.00% |
| Highnoon Laboratories Limited | 135,200 | - | - | 44,650 | 90,550 | 54,330 | 56,999 | 2,669 | 0.53% | 0.24% |
| The Searle Company Limited | 458,000 | 1,081,055 | - | 1,414,055 | 125,000 | 17,824 | 15,499 | (2,326) | 0.15% | 0.04% |
| | | | | | | 296,566 | 301,657 | 5,091 | 2.82% | 2.55% |
| Power Generation & Distribution | | | | | | | | | | |
| Altern Energy Limited | 327,000 | - | - | 327,000 | - | - | - | - | 0.00% | 0.00% |
| Hub Power Company Limited | 5,148,540 | - | - | 3,248,640 | 1,899,900 | 151,365 | 135,995 | (15,370) | 1.27% | 0.15% |
| K-Electric Limited *** | 22,488,000 | - | - | 22,488,000 | - | - | - | - | 0.00% | 0.00% |
| Laipir Power Limited **** | 7,202,500 | - | - | 7,202,500 | - | - | - | - | 0.00% | 0.00% |
| Nishat Power Limited **** | 969,000 | 700,000 | - | 1,669,000 | - | - | - | - | 0.00% | 0.00% |
| | | | | | | 151,365 | 135,995 | (15,370) | 1.27% | 0.15% |
| Refinery | | | | | | | | | | |
| Attock Refinery Limited | 481,400 | 230,439 | - | 711,839 | - | - | - | - | 0.00% | 0.00% |
| Energycoc PK Limited | - | 7,000,000 | - | 7,000,000 | - | - | - | - | 0.00% | 0.00% |
| National Refinery Limited | 105,000 | 25,000 | - | 130,000 | - | - | - | - | 0.00% | 0.00% |
| Pakistan Refinery Limited | 2,463,500 | - | - | 2,463,500 | - | - | - | - | 0.00% | 0.00% |
| | | | | | | - | - | - | 0.00% | 0.00% |
| Technology & Communications | | | | | | | | | | |
| Air Link Communication Ltd | - | 2,649,000 | - | - | 2,649,000 | 162,234 | 142,861 | (19,374) | 1.34% | 0.67% |
| Avanceon Limited | - | 935,000 | - | 935,000 | - | - | - | - | 0.00% | 0.00% |
| Hum Network Limited ** | - | 12,450,000 | - | 2,500,000 | 9,950,000 | 70,676 | 67,262 | (3,414) | 0.63% | 1.05% |
| Octopus Digital Limited | - | 734,799 | - | 534,799 | 200,000 | 13,097 | 15,110 | 2,013 | 0.14% | 0.15% |
| Pakistan Telecommunication Company Limited | - | 3,729,500 | - | 3,729,500 | - | - | - | - | 0.00% | 0.00% |
| Systems Limited | 250,000 | 137,687 | 290,000 | 140,187 | 537,500 | 163,659 | 203,643 | 39,984 | 1.91% | 0.39% |
| TRG Pakistan Limited | 500,000 | 3,765,000 | - | 3,721,000 | 544,000 | 55,076 | 42,350 | (12,726) | 0.40% | 0.10% |
| | | | | | | 464,742 | 471,226 | 6,484 | 4.41% | 2.36% |
| Textile Composite | | | | | | | | | | |
| AZGARD NINE LTD | - | 500,000 | - | 500,000 | - | - | - | - | 0.00% | 0.00% |
| Gul Ahmed Textile Mills Limited | 2,780,256 | 3,209,300 | - | 4,531,500 | 1,458,056 | 70,425 | 69,185 | (1,241) | 0.65% | 0.24% |
| Interloop Limited | 2,808,110 | 1,253,585 | 102,963 | 3,579,655 | 585,003 | 39,910 | 43,232 | 3,322 | 0.40% | 0.07% |
| Kohinoor Textile Mills Limited | 1,375,718 | 1,057,000 | - | 343,500 | 2,089,218 | 147,617 | 130,054 | (17,563) | 1.22% | 0.70% |
| Nishat (Chunian) Limited **** | - | 7,688,753 | - | 2,141,446 | 5,547,307 | 272,486 | 288,238 | 15,752 | 2.70% | 2.31% |
| Nishat Mills Limited **** | - | 3,151,785 | - | 884,500 | 2,267,285 | 184,885 | 194,261 | 9,376 | 1.82% | 0.64% |
| | | | | | | 715,324 | 724,969 | 9,645 | 6.79% | 3.96% |
| Textile Spinning | | | | | | | | | | |
| Gadoon Textile | - | 29,000 | - | - | 29,000 | 8,281 | 8,046 | (235) | 0.08% | 0.00% |
| Transport | | | | | | | | | | |
| Pakistan International Bulk Terminal Limited | - | 7,015,500 | - | 3,015,500 | 4,000,000 | 42,603 | 25,480 | (17,123) | 0.24% | 0.00% |
| Total as at March 31, 2022 (Un-audited) | 10,441,778 | 10,122,239 | (319,539) | | | | | | | |
| Total as at June 30, 2021 (Audited) | 11,180,903 | 11,903,844 | 722,943 | | | | | | | |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

| Name of the investee company | No. of shares | | Balance as at March 31, 2022 | | Market value as a % of net assets of the Fund | % of paid-up capital of the investee company |
|------------------------------|---------------------|-----------------------------|---------------------------------------|----------------------|---|--|
| | As at July 01, 2021 | Purchased during the period | Bonus / right issue during the period | As at March 31, 2022 | | |

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

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

** These have a face value of Rs.1 per share.

*** These have a face value of Rs.3.5 per share.

**** These are related parties transactions.

6.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) security against settlement of the Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by SECP:

| | (Un-audited) March 31, 2022 | (Audited) June 30, 2021 | (Un-audited) March 31, 2022 | (Audited) June 30, 2021 |
|---------------------------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|
| Oil & Gas Development Company Limited | 1,000,000 | 1,000,000 | 83,130 | 159,340 |
| The Hub Power Company Limited | 1,500,000 | 2,000,000 | 107,370 | 95,030 |
| D.G. Khan Cement Company Limited | 2,000,000 | - | 152,100 | - |
| | 4,500,000 | 3,000,000 | 342,600 | 254,370 |

6.1.2 There is no change in the status of matter related to bonus shares as reported in the annual financial statements of the Fund for the year ended June 30, 2021. As at March 31, 2022, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs.4,601 million (June 30, 2021: Rs.4.59 million).

6.2 Government securities - at fair value through profit or loss

| Name of security | Issue date | Face value | | Balances as at March 31, 2022 | | Unrealised gain / (loss) |
|--|-------------|---------------------|-----------------------------|-------------------------------|----------------|--------------------------|
| | | As at July 01, 2021 | Purchased during the period | As at March 31, 2022 | Carrying Value | |
| Treasury Bills | | | | | | |
| Market Treasury Bills - 3 months | 2-Jul-2021 | - | 500,000 | - | - | - |
| | 15-Jul-2021 | - | 500,000 | - | - | - |
| | 29-Jul-2021 | - | 500,000 | - | - | - |
| | 12-Aug-2021 | - | 5,500,000 | - | - | - |
| | 26-Aug-2021 | - | 3,500,000 | - | - | - |
| | 9-Sep-2021 | - | 6,000,000 | - | - | - |
| | 23-Sep-2021 | - | 1,000,000 | - | - | - |
| | 7-Oct-2021 | - | 850,000 | - | - | - |
| | 27-Jan-2022 | - | 500,000 | - | - | - |
| Market Treasury Bills - 6 months | 22-Apr-2021 | - | 6,000,000 | - | - | - |
| Total as at March 31, 2022 (Un-audited) | | | | | | |
| Total as at June 30, 2021 (Audited) | | | | | | |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

| | (Un-audited) March 31, 2022 | (Audited) June 30, 2021 |
|--|-----------------------------------|-------------------------------|
| Note | ----- (Rupees in '000) ----- | |
| 7. ACCRUED EXPENSES AND OTHER LIABILITIES | | |
| Provision for Sindh Workers' Welfare Fund | 7.1. - | 120,605 |
| Federal Excise Duty payable on management remuneration | 7.2 54,774 | 54,774 |
| Federal Excise Duty payable on sales load | 3,933 | 3,933 |
| Unclaimed dividends | 9,722 | 9,722 |
| Brokerage payable | 9,440 | 9,821 |
| Auditors' remuneration | 419 | 624 |
| Withholding tax payable | 898 | 3,113 |
| Printing and related charges payable | 35 | 40 |
| Payable to legal advisor | 520 | 130 |
| Others | 272 | 5 |
| | 80,013 | 202,766 |

7.1. Sindh Revenue Board (SRB) through its letter dated August 12, 2021 received on August 13, 2021 has intimated Mutual Funds Association of Pakistan's (MUFAP) that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the Sindh Workers' Welfare Fund (SWWF) contributions. This development was discussed at MUFAP level and was also been taken up with the Securities and Exchange Commission of Pakistan (SECP). All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds till August 12, 2021 on August 13, 2021.

SECP has also given its concurrence for recording reversal of provision of SWWF on the day letter was received by MUFAP. This reversal of provision has contributed towards an unusual increase in NAV of the Fund on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

Going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

7.2 There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty, as reported in the annual financial statements of the Fund for the year ended June 30, 2020. Had the provision for FED not been recorded in the condensed interim financial statements of the Fund, the net assets value of the Fund as at March 31, 2022 would have been higher by Re.0.542 (2020: Re.0.4724) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at the March 31, 2022 (June 30, 2021: Nil).

9. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. 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 Income Tax Ordinance, 2001. The Fund has not recorded any tax liability in respect of income relating to current period as the Management Company intends to distribute in cash the required minimum percentage of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unitholders in the form of cash.

10. 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.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2022

11. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund is 4.28% as on March 31, 2022 (March 31, 2021: 5.32%) and this includes 0.3% (March 31, 2021: 0.92%) representing Government Levy, Sindh Workers' Welfare Fund (SWWF) and SECP fee.

12. TRANSACTIONS WITH RELATED PARTIES / 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 Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations and constitutive documents of the Fund respectively.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

12.2 Transactions during the period:

| | (Un-audited) | |
|--|------------------------------|-----------|
| | Nine Months ended | |
| | March 31, | |
| | 2022 | 2021 |
| | ----- (Rupees in '000) ----- | |
| MCB - Arif Habib Savings and Investments Limited - Management Company | | |
| Remuneration of the Management Company including indirect taxes | 195,438 | 191,495 |
| Marketing and Selling expense | 113,822 | 110,151 |
| Allocated Expenses | 8,756 | 8,473 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration of the Trustee (including indirect taxes) | 10,743 | 10,424 |
| Central Depository Service charges | 957 | 1,808 |
| Arif Habib Capital Limited - Brokerage House | | |
| Brokerage expense* | 2,212 | 3,651 |
| MCB Bank Limited | | |
| Bank charges | 83 | 168 |
| Profit on balances with banks | 18,131 | 5,821 |
| Dividend income | 4 | 7,893 |
| Sale of securities Nil (2021: 2,500 Million) | - | 2,463,278 |
| Purchase of 1,275,259 (2021: 2,269,357) shares | 201,531 | 398,702 |
| Sale of 1,275,259 (2021: 4,681,812) shares | 209,278 | 841,552 |
| Adamjee Insurance Company Limited | | |
| Dividend Income | 1,552 | 4,694 |
| Purchase of 65,000 (2021: 2,434,500) shares | 2,146 | 105,102 |
| Sale of 1,099,500 (2021: 5,055,000) shares | 41,040 | 218,019 |
| Adamjee Life Assurance Company Limited | | |
| Purchase of 2,276,604 (2021: Nil) shares | 63,745 | - |
| Sale of 816,000 (2021: Nil) shares | 20,077 | - |
| Aisha Steel Mills Limited | | |
| Dividend Income | 3,700 | - |
| Purchase of 7,287,309 (2021: 21,123,500) shares | 109,945 | 349,621 |
| Sale of 7,740,000 (2021: 12,795,000) shares | 148,785 | 257,184 |
| Arif Habib Limited | | |
| Sale of 68,000 (2021: Nil) shares | 6,121 | - |
| D.G. Khan Cement Company Limited | | |
| Dividend Income | 1,888 | - |
| Purchase of 6,111,925 (2021: 6,356,080) shares | 490,204 | 720,019 |
| Sale of 2,954,826 (2021: 4,038,600) shares | 271,016 | 442,583 |
| Fatima Fertilizer Company Limited | | |
| Sale of Nil (2021: 4,141,500) shares | - | 117,015 |
| Lalpir Power Limited | | |
| Dividend Income | 7,191 | 13,267 |
| Purchase of Nil (2021: 8,668,000) shares | - | 118,011 |
| Sale of 7,202,500 (2021: 5,365,500) shares | 111,248 | 76,452 |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

| | | |
|---|----------------|---------|
| Nishat Chunian Limited | | |
| Dividend Income | 32,344 | - |
| Purchase of 7,688,753 (2021: 1,300,000) shares | 374,260 | 60,765 |
| Sale of 2,141,446 (2021: 1,300,000) shares | 103,132 | 64,527 |
| Nishat Chunian Power Limited | | |
| Purchase of Nil (2021: 500,000) shares | - | 9,368 |
| Sale of Nil (2021: 476,000) shares | - | 9,522 |
| Nishat Mills Limited | | |
| Dividend Income | 398 | 5,844 |
| Purchase of 3,151,785 (2021: 4,636,500) shares | 262,514 | 482,362 |
| Sale of 884,500 (2021: 4,636,500) shares | 80,806 | 506,036 |
| Nishat Power Limited | | |
| Dividend Income | 4,504 | - |
| Purchase of 700,000 (2021: 1,016,500) shares | 14,760 | 29,499 |
| Sale of 1,669,000 (2021: 13,000) shares | 31,945 | 313 |
| Pak Elektron Limited | | |
| Purchase of 6,122,000 (2021: 10,153,000) shares | 175,264 | 429,461 |
| Sale of 5,722,000 (2021: 11,053,000) shares | 120,350 | 379,054 |
| Pakgen Power Limited | | |
| Purchase of Nil (2021: 602,000) shares | - | 14,483 |
| Sale of Nil (2021: 602,000) shares | - | 16,576 |
| Power Cement Limited | | |
| Purchase of Nil (2021: 18,966,500) shares | - | 202,327 |
| Sale of 7,193,000 (2021: 4,549,000) shares | 63,266 | 43,655 |

12.3 Balances outstanding at period end:

| | (Un-audited) March 31, 2022 | (Audited) June 30, 2021 |
|---|-----------------------------------|-------------------------------|
| | ----- (Rupees in '000) ----- | |
| Management Company | | |
| MCB - Arif Habib Savings and Investment Limited - Management Company | | |
| Remuneration payable | 17,496 | 20,619 |
| Sindh sales tax payable on remuneration | 2,275 | 2,681 |
| Sales load payable including related taxes | 450 | 848 |
| Payable against allocated expense | 875 | 1,031 |
| Payable against marketing and selling expenses | 35,058 | 38,437 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration payable | 960 | 1,113 |
| Sindh sales tax payable on remuneration | 125 | 145 |
| Security deposit | 500 | 500 |
| Group / associated companies | | |
| MCB Bank Limited | | |
| Bank balance | 487,548 | 219,105 |
| Profit receivable on bank balances | 2,572 | 680 |

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

| | | |
|--|----------------|---------|
| Adamjee Insurance Company Limited Nil shares (2021: 1,034,500 shares) | - | 42,901 |
| Adamjee Life Assurance Company Limited 1,460,604 shares (2021: Nil shares) | 28,599 | - |
| Aisha Steel Limited 3,936,309 shares (2021: 4,389,000 shares) | 56,053 | 109,330 |
| Arif Habib Limited Nil shares (2021: 68,000 shares) | - | 5,516 |
| D.G. Khan Cement Company Limited 5,008,579 shares (2021: 1,851,480 shares) | 380,902 | 218,327 |
| Lalpir Power Limited Nil shares (2021: 7,202,500 shares) | - | 128,637 |
| Nishat Chunian Limited 5,547,307 shares (2021: Nil shares) | 288,238 | - |
| Nishat Mills Limited 2,267,285 shares (2021: Nil shares) | 194,261 | - |
| Nishat Power Limited Nil shares (2021: 969,000 shares) | - | 19,041 |
| Pak Elektron Limited 400,000 shares (2021: Nil shares) | 6,612 | - |
| Power Cement Limited Nil shares (2021: 7,193,000 shares) | - | 69,125 |
| Arif Habib Limited - Brokerage House Brokerage payable * | 587 | 776 |

* 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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022**

13 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).

14 GENERAL

14.1 Prior period's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.

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

15 DATE OF AUTHORISATION FOR ISSUE

These interim financial statement were authorised for issue by the Board of Directors of the Management Company in the meeting held on April 20, 2022.

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



Chief Executive Officer



Chief Financial 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)

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