

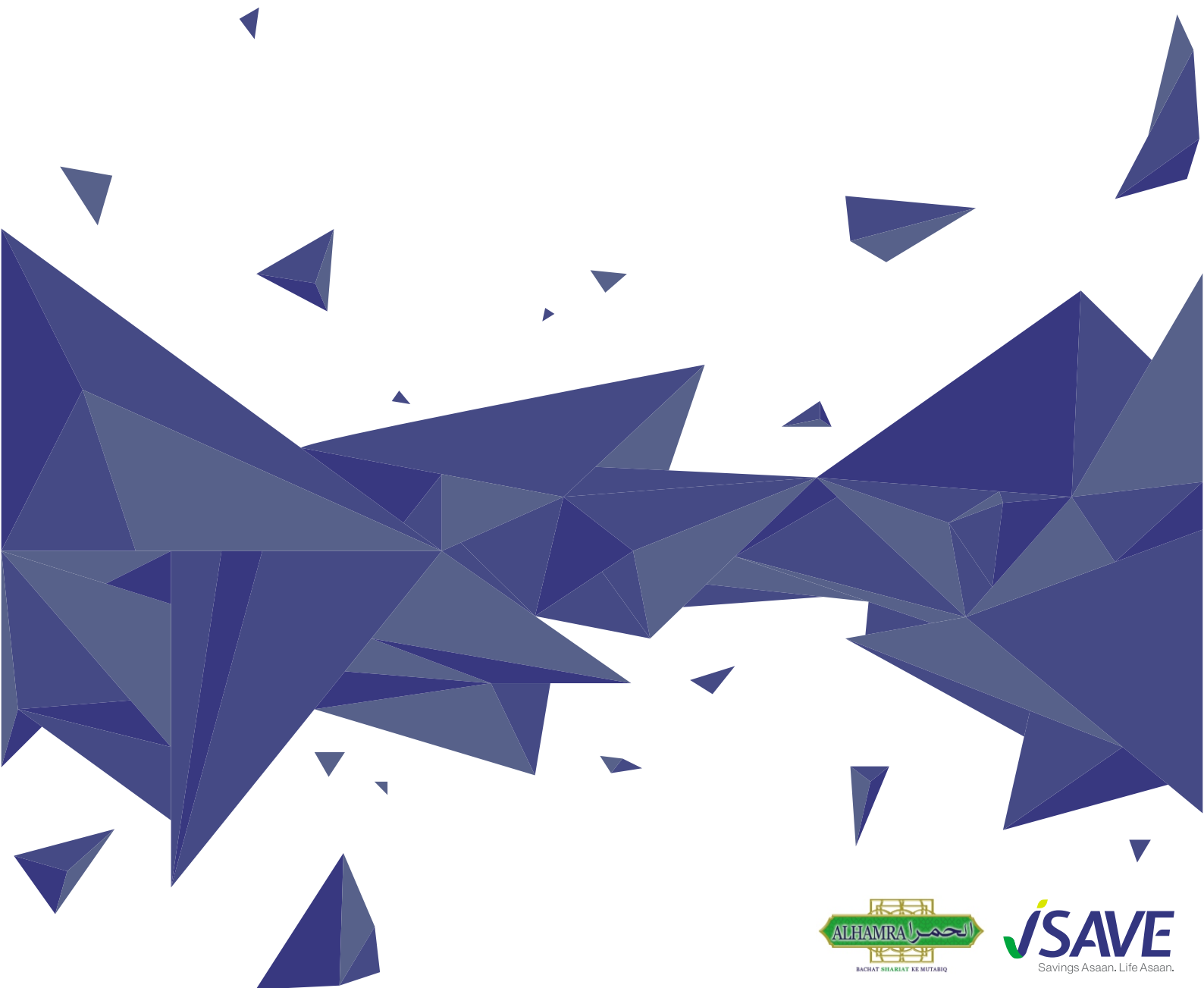


MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2022
(UNAUDITED)

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



**MCB PAKISTAN OPPORTUNITY FUND
DIVIDEND YIELD PLAN**

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FUND'S INFORMATION

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
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 Ahmad Faisal	
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 Habib Metropolitan Limited United Bank Limited Allied Bank Limited Faysal Bank Limited Bank Al-Habib Limited MCB Islamic Bank Limited Habib Bank Limited National Bank of Pakistan Askari Bank Limited Bank Islamic Pakistan Limited Meezan Bank Limited Dubai Islamic Bank Limited Soneri Bank Limited	
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 QUARTER ENDED SEPTEMBER 30, 2022

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB Pakistan Dividend Yield Plan** accounts review for the quarter ended September 30, 2022 (launched on June 29, 2022).

ECONOMY AND MONEY MARKET REVIEW

The new fiscal year started with unprecedented rainfall and added further woes to the already struggling economy of Pakistan. The country witnessed 3 times more rainfall than 30-year average of 135mm which caused considerable damage to the infrastructure, wiped off crops, devastated livestock and resulted in the loss of precious lives. The floods would directly hit our already fragile economy in the shape of higher inflation, worsening Current Account Deficit (CAD), fiscal strain, and lower GDP growth amid the tough global landscape.

The key crop affected by floods are cotton and rice. We expect the cotton imports to increase by 2.5mn bales which translates into an additional import bill of around USD 1.1bn. Similarly, we expect rice export to decrease by 20% leading to a decline in export of USD 500mn. This would worsen our trade deficit by USD 1.6 billion. The inflation could also escalate in the short term as supply chain disruption would lead to increase in price of perishable food products.

Agriculture contributes around 22.7% to the country's GDP with livestock having a weight of 14.0% in the overall pie followed by crops with a weightage of 7.8%. The floods would trim FY23 GDP growth number by 0.4% to 2.0%. On the fiscal front, the government will have to increase its spending to rehabilitate the peoples affected by floods. This could increase risk of fiscal slippage and cause us to miss our target of achieving a primary budget surplus of PKR 153bn (0.2% of GDP) in FY23.

The country posted a current account deficit of USD 1.9bn in first two months of fiscal year 2023 (2MFY23) compared to a deficit of USD 2.4bn in the corresponding period last year, registering a 20% improvement over last year. Narrowing trade deficit was the major contributor towards improving CAD as an 11.2% jump in exports coupled with 2.1% drop in imports led to 11% contraction in trade deficit. In addition to CAD, debt repayments put further pressure on the FX reserves, which dropped by another USD 1.9 billion to USD 7.9 billion, hardly enough for 6 weeks. This led PKR to lost its ground against the USD by 11% to close the quarter at PKR 227 against a Dollar.

Headline inflation represented by CPI averaged 25.1% during the quarter as compared to 8.6% in the corresponding period last year. Higher food prices as an aftermath of floods coupled with higher electricity tariff and rising petroleum prices were the major contributors towards rising CPI. The inflationary pressure was broad based which is depicted by core inflation increasing to 15.7% compared to 12.3% at the end of last quarter. SBP increased policy rate by a further 125bps in July-22 monetary policy while maintained interest rates in the latest MPS held in Oct-22. On the fiscal side, FBR tax collection increased by 17.1% in 1QFY23 to PKR 1,635 billion compared to PKR 1,396 billion in the same quarter last year. This exceeded the target by 25bn.

Secondary markets yields increased in the quarter on account of monetary tightening and additional bout of inflationary pressure post floods. The 3,6 and 12 Month T-Bills yield increased by 50, 52 and 44 basis points (bps) respectively while 3 and 5 Years Bond yields rose by 38 and 19bps respectively during the quarter.

EQUITY MARKET REVIEW

The KSE-100 index declined by 1.0% to close the quarter at 41,129 points. The period was marked with high volatility whereby initial exuberance on the completion of Pakistan's seventh & eighth review with the IMF and financial support assurances worth ~USD4bn from friendly countries soon vanished due to the catastrophic floods in the country. The quarter also witnessed extreme volatility of Rupee against the greenback, 47-year high inflation reading, continuance depletion of SBP reserves, and political noise which all contributed to dampen investors' sentiments. Foreigners turned net buyers with an inflow of USD 17mn mainly due to the buyback of TRG shares by the associate company, while on the local front Insurance and Mutual Funds remained sellers with net outflow of USD 41mn and USD 35mn, respectively. During the quarter, average trading volumes saw a decline to 218 million shares compared to about 247 million shares during the preceding quarter. Similarly, the average trading value during the quarter saw a drop of 16% over the last quarter to USD 31 million.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Fertilizers, Commercial Banks, Oil & Gas Exploration companies and Automobile Assemblers were the major contributors to the index decline posting -380/-260/-250/-158 points, respectively. Underperformance in Fertilizer and Oil & Gas Exploration companies was due to lower than expected payout from the companies. The decline in the banking sector was due to the negative performance of HBL owing to international scrutiny. Automobile Assembler struggled due to poor volumetric sales on account of restrictions imposed by the SBP. On the flipside, Technology and cement sector added 761 and 276 points respectively to the index.

FUND PERFORMANCE

During the period under review, the fund posted a return of -1.47% against -0.79% for the benchmark. The fund was 76.9% invested in Equities and 20.9% in Cash as at 30th September, 2022.

The Net Assets of the Fund as at September 30, 2022 stood at Rs. 114 million.

The Net Asset Value (NAV) per unit as at September 30, 2022 was Rs. 98.2222.

ECONOMY & MARKET – FUTURE OUTLOOK

Pakistan GDP growth clocked at 6.0% in FY22 with Agricultural, Industrial and Services sector increasing by 4.4%, 7.2% and 6.2% respectively. The GDP growth is projected to decline to 2.0% in FY23 as monetary tightening, rupee devaluation and the recent floods will lead to slowdown in the economy. The loss of cotton and rice crop would trim agriculture growth to 1.2% while industrial growth is expected at clock at -2.5% owing to demand slowdown. The government is taking administrative measures to control imports which will reduce service sector growth to 3.7%.

The international commodities have eased from their recent high but energy prices remain stubbornly high. We expect the government to keep a tight leash on imports and discourage unnecessary dollar outflows. The imports are expected to decrease by 13% YoY to USD 63bn as we may witness volumetric compression in several segments of the economy. Thus we expect the CAD to ease to USD 7.3bn (2.0% of GDP) in FY23, a massive drop, when compared with USD 17.4bn (4.5% of GDP) in FY22.

The successful resumption of IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. In addition, the aid commitment by multilateral agencies should lend support to foreign inflows. However, our external position still remains precarious as we are unlikely to issue international Eurobond or Sukuk owing to the challenging global conditions. The proceeds from FDI and RDA are also likely to remain muted owing to the current economic challenges. Thus we would have to ensure a sustainable current account this year to stave off external concerns.

The rupee has now recovered from its recent low as more clarity has emerged on foreign assistance from multilateral agencies. In addition, the statement given by the new finance minister regarding the overvaluation of dollar curbed speculation in the market. However, materialization of foreign inflows will be crucial to build sufficient reserve and lend support to the currency. We expect USD/PKR to close at 240 by fiscal year end on an assumed REER of 95.

We expect Average FY23 inflation to clock at 24.7% assuming international oil stays around USD 100/bbl. The government has increased petroleum and electricity prices, which will lead to a bout of inflationary pressure. We will also witness the second round impact of the currency devaluation which will keep inflation numbers elevated for remainder of the year. Food inflation is also expected to stay elevated due to the recent floods. SBP has already increased policy rate to 15.0% to cool aggregate demand and deescalate inflationary pressure. Given the significant economic slowdown and demand curtailment we do not rule out a scenario where SBP keeps real interest rates negative.

From capital market perspective, particularly equities, the correction in stock prices has further opened up valuation. The market appears to have priced in the interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 9.4%, a discount of 55% from its historical average. Similarly, risk premiums are close to 7.8%, compared to historical average of 2.2% 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 5.0x, while offering a dividend yield of 10.2%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. We would continue to monitor the data points and capitalize on opportunities to add government bonds in Income Funds at attractive rates to benefit from the expected monetary easing in the medium term.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2022

MUTUAL FUND INDUSTRY REVIEW

The Net Assets of the open end mutual fund industry increased by about 6.3% during 1QFY23 to PKR 1,291bn. Total money market funds grew by about 7.0% since June 2022. Within the money market sphere, the conventional funds showed a growth of 0.6% to PKR 449bn while Islamic funds increased by 19.6% to PKR 270bn. In addition, the total fixed Income funds increased by about 3.3% since June 2022 to PKR 308bn. Equity and related funds declined by 3.6% as market witnessed a decline in 1QFY23 eroding AUMs as concern over macroeconomic factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 55.6%, followed by Income funds with 23.9% and Equity and Equity related funds having a share of 17.2% as at the end of 1QFY23.

MUTUAL FUND INDUSTRY OUTLOOK

The current interest rates would encourage higher flows in the money market funds as they are ideal for investors with a short term horizon and low risk profile. However, a correction in stock prices has opened up valuations and the long term investors may look to add equity exposure at these highly attractive levels. Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the growing number of investors available online.

ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
October 21, 2022



Nasim Beg
Director / Vice Chairman

ڈائریکٹرز رپورٹ

میوچل فنڈ کی صنعت کے مستقبل کا منظر

سوڈ کی موجودہ شرحوں سے Money مارکیٹ فنڈز میں آمدورفت میں اضافے کی حوصلہ افزائی ہوگی کیونکہ یہ مختصر المیعاد سرمایہ کاروں کے لیے موزوں ترین ہیں جو خطرے کی کم سطح پر رہنا چاہتے ہیں۔ تاہم اسٹاک کی قیمتوں میں تصحیح سے تعینات قدر کھل گئی ہیں اور طویل المیعاد سرمایہ کار ان بے حد پُرکشش سطحوں پر ایکویٹی میں مزید پیسہ لگانا چاہیں گے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن کام کرنے والے سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکتے ہیں۔

اظہار تشکر

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کے مسلسل تعاون اور حمایت کے لیے شکر گزار ہے۔ نیز، ڈائریکٹرز انتظامیہ ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز



نسیم بیگ

ڈائریکٹر اوپس چیئر مین



محمد ثاقب سلیم

چیف ایکزیکیوٹو آفیسر

21 اکتوبر 2022ء

ڈائریکٹرز رپورٹ

ڈالر ہو جائیں گی کیونکہ معیشت کے متعدد شعبوں میں خُصمانی سنکیز دیکھا جائے گا۔ چنانچہ مالی سال 2023ء میں سی اے ڈی متوقع طور پر کم ہو کر 7.3 بلین ڈالر (جی ڈی پی کا 2.0 فیصد) ہو جائے گا، جو مالی سال 2022ء (17.4 بلین ڈالر - جی ڈی پی کا 4.5 فیصد) کے مقابلے میں بڑی کمی ہے۔ آئی ایم ایف پروگرام کی کامیابی کا ایک کلیدی مثبت پیش رفت ہے کیونکہ اس کی بدولت ہم دو جہتی اور کثیر الجہتی ذرائع سے رقم حاصل کر سکیں گے۔ علاوہ ازیں، کثیر الجہتی ایجنسیوں کی طرف سے امداد کے وعدے سے غیر منملکی آمدنی بہاؤ کو معاونت حاصل ہوگی۔ تاہم ہماری خارجی حالت اب بھی غیر یقینی ہے کیونکہ دقت طلب عالمی حالات کے باعث اس بات کا امکان کم ہے کہ ہم بین الاقوامی یورو بانڈ یا سنکک جاری کریں۔ FDI اور RDA سے حاصل ہونے والی آمدنیاں بھی موجودہ معاشی مشکلات کے باعث متوقع طور پر رُوکی رہیں گی۔ چنانچہ اس سال ہمیں ایک قابل بقاء کرنٹ اکاؤنٹ یقینی بنانا ہوگا تاکہ خارجی خدشات ختم ہو سکیں۔ روپے کی قدر حالیہ پست سطح سے بحال ہوئی ہے کیونکہ کثیر الجہتی ایجنسیوں سے غیر منملکی امداد کے حوالے سے صورتحال مزید واضح ہوئی ہے۔ علاوہ ازیں، نئے وزیر خزانہ کے ڈالر کی بیش قدری سے متعلق بیان سے بازار میں قیاس آرائی میں کمی ہوئی۔ تاہم خاطر خواہ ذخائر جمع کرنے اور روپے کو سہارا فراہم کرنے کے لیے غیر منملکی آمدنی بہاؤ کا عملی جامہ پہننا بے حذروری ہوگا۔ ہماری توقع کے مطابق مالی سال کے اختتام پر (REER کے 95 ہونے کے مفروضے پر) ڈالر کے مقابلے میں روپے کی قدر 240 ہوگی۔

مالی سال 2023ء میں اوسط مہنگائی 24.7 فیصد متوقع ہے، بشرطیکہ تیل بین الاقوامی سطح پر تقریباً 100 ڈالر فی بیرل پر برقرار رہے۔ حکومت نے پٹرول اور بجلی کی قیمتوں میں اضافہ کیا ہے جس کے نتیجے میں مہنگائی کی دباؤ میں شدت آئے گی۔ روپے کی قدر میں کمی کے اثر کا دوسرا دور بھی دیکھنے میں آئے گا جس کے باعث سال کے بقیہ حصے کے دوران مہنگائی کے عدد بلند سطح پر رہیں گے۔ حالیہ سیلابوں کے سبب ایشیائے خورد و نوش کی قیمتیں بھی بلند رہنے کا امکان ہے۔ اسٹیٹ بینک آف پاکستان نے پہلے ہی پالیسی شرح کو بڑھا کر 15.0 فیصد کر دیا ہے تاکہ مجموعی مانگ اور مہنگائی کے دباؤ سے نمٹا جاسکے۔ معیشت میں اچھی خاصی سست رفتاری اور مانگ میں کمی کے باعث ایس بی پی کے حقیقی شروع سود کو منفی رکھنے کا امکان خارج از بحث نہیں ہے۔

کپیٹل مارکیٹ، خصوصاً ایکویٹی، کے نقطہ نظر سے اسٹاک کی قیمتوں میں تصحیح سے تعین قدر مزید کھل گئی ہے۔ مارکیٹ نے بظاہر شرح سود میں اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہے۔ مارکیٹ cap جی ڈی پی کے ساتھ تناسب کم ہو کر 9.4 فیصد ہو گیا ہے جو اس کے قدیم اوسط سے 55 فیصد کمی ہے۔ اسی طرح، خطرات کے پیمائش 7.8 فیصد کے قریب ہیں، اور ان کے قدیم اوسط 2.2 فیصد سے موازنہ کرنے پر اُس بھر پور کمی کا پتہ چلتا ہے جس پر مارکیٹ میں تجارت ہو رہی ہے۔ ہم سمجھتے ہیں کہ اسٹاک اور شعبہ جات کا مجموعی تناظر اہم رہے گا اور سرمایہ کاری کے انتخاب کے لیے اُن کمپنیز پر توجہ مرکوز کی جانی چاہیے جو اپنی اندرونی قدر میں بھر پور کمی پر تجارت کرتی ہیں۔ موجودہ طور پر مارکیٹ میں 5.0x PER پر تجارت ہو رہی ہے جبکہ ڈیویڈنڈ کی سطح 10.2 فیصد پر ہے۔ حاملین قرض کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ ہم ڈیٹا پوائنٹس کی نگرانی، اور پُرکشش شرحوں پر اہم فنڈز میں حکومتی بانڈز شامل کرنے کے مواقع سے استفادہ جاری رکھیں گے تاکہ درمیانی مدت میں متوقع مالیاتی تسہیل سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ صنعت کا جائزہ

اوپن اینڈ میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2023ء کی پہلی سہ ماہی کے دوران تقریباً 6.3 فیصد بڑھ کر 1,291 بلین روپے ہو گئے۔ مجموعی Money مارکیٹ فنڈز میں جون 2022ء سے اب تک تقریباً 7.0 فیصد اضافہ ہوا ہے۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز تقریباً 0.6 فیصد بڑھ کر 449 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 19.6 فیصد بڑھ کر 270 بلین روپے ہو گئے۔ مزید برآں، مجموعی فلسفہ اہم فنڈز جون 2022ء سے اب تک تقریباً 3.3 فیصد بڑھ کر 308 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز 3.6 فیصد کم ہو گئے جس کی وجہ مالی سال 2023ء کی پہلی سہ ماہی میں مارکیٹ میں انحطاط اور اثاثہ جات تحت الانتظامیہ میں کمی ہے کیونکہ مجموعی معاشی عوامل سے متعلق خدشات سرمایہ کاروں کی حوصلہ شکنی کا سبب بنے۔ شعبہ جاتی اعتبار سے مالی سال 2023ء کی پہلی سہ ماہی کے اختتام پر Money مارکیٹ فنڈز تقریباً 55.6 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ دوسرے نمبر پر اہم فنڈز تھے جن کا 23.9 فیصد حصہ تھا، اور تیسرے نمبر پر ایکویٹی اور ایکویٹی سے متعلقہ فنڈز تھے جن کا 17.2 فیصد حصہ تھا۔

ڈائریکٹر رپورٹ

ایکویٹی مارکیٹ کا جائزہ

کراچی اسٹاک ایکسچینج KSE-100 انڈیکس اختتام سہ ماہی کے قریب 1.0 فیصد کم ہو کر 41,129 پوائنٹس ہو گیا۔ زیر جائزہ مدت شدید غیر یقینی صورتحال کا شکار رہی کیونکہ آئی ایم ایف کے ساتھ پاکستان کے ساتویں اور آٹھویں جائزے کی تکمیل کے حوالے سے ابتدائی جوش و خروش، اور دوست ممالک سے 4 بلین ڈالر تک کے مالی تعاون کی یقین دہانیاں، ملک میں تباہ کن سیلابوں کے باعث جلد ہی منظر عام سے غائب ہو گئیں۔ علاوہ ازیں، دوران مدت ڈالر کے مقابلے میں روپے کی قدر بھی غیر یقینی صورتحال کا شکار رہی، گزشتہ 47 برسوں کی سب سے زیادہ مہنگا بنید کیھنے میں آئی، اسٹیٹ بینک آف پاکستان کے ذخائر میں مسلسل کمی ہوتی رہی، اور سیاسی دھماچو کڑی ہوتی رہی، اور ان تمام عوامل نے سرمایہ کاروں کی گرم جوشی پر پانی پھیرنے میں کردار ادا کیا۔ غیر ملکی افراد net خریدار بن کر سامنے آئے اور 17 ملین ڈالر آمد آتی بہاؤ کا سبب بنے، جس کی بنیادی وجہ یہ تھی کہ ایسوسی ایٹ کمپنی نے TRG کے حصص واپس خرید لیے، جبکہ مقامی سطح پر بیمہ اور میوچل فنڈ فروخت کار رہے اور بالترتیب 41 ملین ڈالر اور 35 ملین ڈالر کے اخراجات بہاؤ کا سبب بنے۔ دوران سہ ماہی اوسط تجارتی حجم میں 218 ملین حصص کی کمی ہوئی، جبکہ سابقہ سہ ماہی میں تقریباً 247 ملین حصص کمی ہوئی تھی۔ اسی طرح، دوران سہ ماہی اوسط تجارتی قدر گزشتہ سہ ماہی کے مقابلے میں 16 فیصد کم ہو کر 31 ملین ڈالر ہو گئی۔ انڈیکس میں کمی میں اہم ترین کردار کھاد، کمرشل بینکوں، تیل اور گیس کی دریافت کی کمپنیوں اور گاڑیوں کی اسمبلنگ کے شعبوں نے ادا کیا جنہوں نے بالترتیب 380-، 260-، 250- اور 158- پوائنٹس پوسٹ کیے۔ کھاد، اور تیل اور گیس کی دریافت، کی کمپنیوں کی ناقص کارکردگی کی وجہ کمپنیوں سے متوقع سے کم تر payout ہے۔ بینکاری کے شعبے میں تنزل کا سبب HBL کی منفی کارکردگی بوجہ بین الاقوامی جانچ پڑتال تھی۔ گاڑیوں کی اسمبلنگ کا شعبہ اسٹیٹ بینک آف پاکستان کی عائد کردہ پابندیوں کے نتیجے میں ناقص حُجّمانی فروخت کے باعث مشکلات کا شکار رہا۔ دوسری جانب ٹیکنالوجی اور سیمینٹ کے شعبے نے انڈیکس میں بالترتیب 761 اور 276 پوائنٹس کا اضافہ کیا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا منافع (1.47) فیصد تھا، جبکہ مقررہ معیار کا منافع (0.79) فیصد تھا۔ 30 ستمبر 2022ء فنڈ کو ایکویٹی میں 76.9 فیصد اور نقد میں شمولیت 20.9 فیصد تھی۔
30 ستمبر 2022ء کو فنڈ کے net اثاثہ جات 114 ملین روپے تھے۔
30 ستمبر 2022ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 98.2222 روپے تھی۔

معیشت اور بازار - مستقبل کے امکانات

مالی سال 2022ء میں پاکستان کی مجموعی ملکی پیداوار (ج ڈی پی) کی ترقی 6.0 فیصد تھی۔ زراعت، صنعت اور خدمات کے شعبوں نے بالترتیب 4.4 فیصد، 7.2 فیصد اور 6.2 فیصد ترقی کی۔ مالی سال 2023ء میں جی ڈی پی کی ترقی میں 2.0 فیصد کمی متوقع ہے کیونکہ مالیاتی سختی، روپے کی قدر میں کمی اور حالیہ سیلابوں کے نتیجے میں معیشت سست رفتاری کا شکار ہوگی۔ کپاس اور چاول کی فصل میں نقصان کے باعث زرعی ترقی سنکڑ کر 1.2 فیصد ہو جائے گی جبکہ صنعتی ترقی (مانگ میں سست رفتاری کے باعث) (2.5) فیصد متوقع ہے۔ حکومت درآمدات پر قابو پانے کے لیے انتظامی اقدامات کر رہی ہے جس سے خدمات کے شعبے کی ترقی سنکڑ کر 3.7 فیصد ہو جائے گی۔

بین الاقوامی اشیاء کی قیمتیں حالیہ بلند سطح سے نیچے آئی ہیں لیکن توانائی کی قیمتیں ابھی تک آسمان سے باتیں کر رہی ہیں۔ ہم اُمید کرتے ہیں کہ حکومت درآمدات پر مضبوط لگام ڈالے رکھے گی اور ڈالر کے غیر ضروری اخراجات بہاؤ کی حوصلہ شکنی کرے گی۔ درآمدات متوقع طور پر 13 فیصد سال در سال (YoY) کم ہو کر 63 بلین

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

منجانب بورڈ آف ڈائریکٹرز ایم سی بی پاکستان ڈیویڈنڈ ییلڈ پلان-1 کے اکاؤنٹس کا جائزہ برائے سہ ماہی مختتمہ 30 ستمبر 2022ء پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

نئے مالی سال کا آغاز فقید المثل برسات سے ہوا جس نے پاکستان کی مسائل میں گھری معیشت کو مزید مشکلات سے دوچار کر دیا۔ ملک میں گزشتہ تیس برسوں کی اوسط بارش 135mm سے تین گنا زیادہ بارشیں ہوئیں جس کے نتیجے میں انتظامی ڈھانچے کو گھمبیر نقصان پہنچا، فصلوں کا صفایا ہو گیا، مویشی ہلاک ہوئے اور قیمتی جانیں ضائع ہوئیں۔ سیلاب ہماری پہلے سے خستہ حال معیشت پر براہ راست وار کریں گے جو مہنگائی میں اضافے، کرنٹ اکاؤنٹ خسارے (سی اے ڈی) میں مزید بگاڑ، مالیاتی تناؤ، اور عالمی سطح پر مشکلات کے نتیجے میں مجموعی ملکی پیداوار (جی ڈی پی) کی ترقی میں کمی کی صورت میں ظاہر ہوگا۔

سیلابوں سے سب سے زیادہ متاثر ہونے والی فصلیں کپاس اور چاول ہیں۔ کپاس کی درآمد میں 2.5 ملین گانٹھیں اضافہ متوقع ہے جس کا مطلب درآمداتی بل میں تقریباً 1.1 بلین ڈالر اضافہ ہے۔ اسی طرح، چاول کی درآمد میں 20 فیصد کمی متوقع ہے جس کے نتیجے میں برآمدات میں 500 ملین ڈالر کمی آئے گی۔ جسکے باعث خسارہ میں 1.6 بلین ڈالر اضافہ ہوگا۔ مہنگائی میں بھی مختصر میعاد میں اضافہ ہو سکتا ہے کیونکہ زنجیر رسد میں بگاڑ کے نتیجے میں جلد خراب ہو جانے والی اشیائے خورد و نوش کی قیمتیں بڑھ جائیں گی۔

زراعت کا جی ڈی پی میں حصہ تقریباً 22.7 فیصد ہے جس میں مویشیوں کا حصہ 14.0 فیصد اور فصلوں کا حصہ 7.8 فیصد ہے۔ سیلابوں کے باعث مالی سال 2023ء میں ترقی کی شرح 0.4 فیصد کم ہو کر 2.0 فیصد رہ جائے گی۔ مالیاتی جہت میں حکومت کو سیلاب متاثرین کی بحالی کے لیے زیادہ رقم خرچ کرنا ہوگی۔ اس کے نتیجے میں مالیاتی اعتبار سے پھسلنے کا خطرہ بڑھ جائے گا اور مالی سال 2023ء میں 153 بلین روپے (جی ڈی پی کا 0.2 فیصد) پر انٹری بجٹ surplus کا ہمارا ہدف چوک سکتا ہے۔

مالی سال 2023ء کے پہلے دو ماہ میں کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) 1.9 بلین ڈالر تھا، جو گزشتہ سال مماثل مدت میں 2.4 بلین ڈالر کے مقابلے میں 20 فیصد بہتری ہے۔ اس کا اہم ترین سبب تجارتی خسارے میں 11 فیصد کمی ہے جو برآمدات میں 11.2 فیصد اضافے اور درآمدات میں 2.1 فیصد کمی کا مجموعی نتیجہ ہے۔ سی اے ڈی کے علاوہ قرضوں کی ادائیگیوں نے بھی زرمبادلہ کے ذخائر پر مزید دباؤ ڈالا، جو مزید 1.9 بلین ڈالر کم ہو کر 7.9 بلین ڈالر رہ گئے ہیں، اور یہ 6 ہفتوں کے لیے بھی بمشکل کافی ہوں گے۔ چنانچہ ڈالر کے مقابلے میں روپے کی قدر 11 فیصد گھٹ کر اختتام سہ ماہی پر 227 روپے فی ڈالر رہ گئی۔

ہیڈ لائن مہنگائی، جس کی ترجمانی CPI سے ہوتی ہے، کا اوسط دوران سہ ماہی 25.1 فیصد تھا جبکہ گزشتہ سال مماثل مدت میں 8.6 فیصد تھا۔ سیلابوں کے نتیجے میں اشیائے خورد و نوش کی قیمتوں کے ساتھ ساتھ بجلی کے نرخ میں اضافہ اور پٹرول کی بڑھتی ہوئی قیمتیں CPI میں اضافے کے اہم ترین اسباب تھے۔ مہنگائی کا دباؤ وسیع پیمانے پر تھا جس کا اظہار core مہنگائی سے ہوتا ہے۔ جس میں 15.7 فیصد ہوا جو گزشتہ سہ ماہی کے اختتام پر 12.3 فیصد تھا۔ اسٹیٹ بینک آف پاکستان نے پالیسی شرح میں جولائی 2022ء کی مانیٹری پالیسی میں مزید 125 بیسیس پوائنٹس (bps) کا اضافہ کیا جبکہ اکتوبر 2022ء میں منعقدہ تازہ ترین MPS میں سود کی شرحوں کو برقرار رکھا۔ مالیاتی جہت میں فیڈرل بورڈ آف ریونیو کی ٹیکس وصولی میں مالی سال 2023ء کی پہلی سہ ماہی میں 17.1 فیصد اضافہ ہوا اور 1,635 بلین روپے ٹیکس جمع ہوا، جبکہ گزشتہ سال مماثل سہ ماہی میں 1,396 بلین روپے تھے۔ اس طرح ہدف سے 25 بلین روپے زیادہ ٹیکس وصول ہوا۔

ثانوی مارکیٹوں کی پیداوار میں دوران سہ ماہی اضافہ ہوا جس کے اسباب مالیاتی سختی اور بعد از سیلاب مہنگائی کے دباؤ کی نئی لہر ہیں۔ دوران سہ ماہی 3، 6 اور 12 ماہانہ ٹریڈری بلنز (ٹی-بلنز) کے منافع جات میں بالترتیب 50، 52 اور 44 بی پی ایس، جبکہ 3 اور 5 سالہ بانڈز کے منافع جات میں بالترتیب 38 اور 19 بی پی ایس کا اضافہ ہوا۔

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2022

	(Un-Audited) Sep 30, 2022	(Audited) June 30, 2022	
	'-----Rupees-----'		
ASSETS			
Bank balances	24,046,147	110,019,463	
Investments	88,421,545	-	
Markup receivable	264,826	73,842	
Other receivable	2,184,387	10,000	
Total assets	114,916,904	110,103,305	
LIABILITIES			
Payable to the Management Company	107,135	33,395	
Payable to the Trustee	21,427	679	
Payable to the Securities and Exchange Commission of Pakistan	5,668	60	
Accrued expenses and other liabilities	829,675	413,350	6
Total liabilities	963,905	447,484	
NET ASSETS	113,952,999	109,655,821	
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	113,952,999	109,655,821	
Contingencies and Commitments			7
		'(Number of units)'	
NUMBER OF UNITS IN ISSUE	1,160,156	1,100,000	
NET ASSET VALUE PER UNIT	98.2222	99.6871	

The annexed notes 1 to 14 form an integral part of these financial statements.

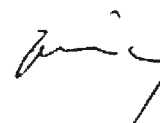
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Quarter ended September 30,
	2022 '---- (Rupees) ----'
INCOME	
Markup on bank balance	1,096,870
- Government securities	
Dividend income	3,708,683
Capital gain / (loss) on sale of investments	578,609
Net Unrealised gain / (loss) on re-measurement of investments classified as at fair value through profit or loss - net Other income	(6,167,277)
Total Income	(783,115)
EXPENSES	
Remuneration of the Management Company	283,408
Sindh Sales Tax on remuneration of the Management Company	36,843
Remuneration of the Trustee	56,681
Sindh Sales Tax on remuneration of the Trustee	7,369
Annual fee of the Securities and Exchange Commission of Pakistan	5,668
Auditors' remuneration	157,609
Legal and professional charges	95,370
Printing charges	25,208
Bank charges	11,977
FEE / SUBSCRIPTIONS	119,722
Brokerage and Settlement Charges	261,040
Total expenses	1,060,895
Net loss for the period before taxation	
Taxation	-
Net loss for the period after taxation	(1,844,011)
Allocation of net loss for the period	
Net loss for the period after taxation	-
Income already paid on units redeemed	-
	-
Accounting loss available for distribution	
- relating to capital gains	-
- excluding capital gains	-
	-
Earnings per unit	13

The annexed notes 1 to 14 form an integral part of these financial statements.

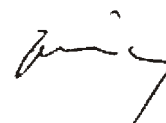
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Quarter ended September 30, 2022 --- (Rupees) ---
Net loss for the period after taxation	(1,844,011)
Other comprehensive income for the period	-
Total comprehensive loss for the period	<u>(1,844,011)</u>

The annexed notes 1 to 14 form an integral part of these 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 UNITHOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Quarter ended		
	September 30, 2022		
	Capital value	Undistributed income / (loss)	Total
	----- (Rupees) -----		
Net assets at the beginning of the period	110,000,000	(344,179)	109,655,821
Issuance of 61,842.44 units:			
- Capital value (at net asset value per unit at the beginning of the period) at Rs. 100	6,164,894	-	6,164,894
- Element of income / (loss)	145,280	-	145,280
	6,310,173	-	6,310,173
Redemption of 1,686.8096 units:			
- Capital value (at net asset value per unit at the beginning of the period) at Rs. Nil	168,153	-	168,153
- Element of income / (loss)	831	-	831
	168,984	-	168,984
Total comprehensive loss for the period	-	(1,844,011)	(1,844,011)
Distributions during the period	-	-	-
Net loss for the period less distribution	-	(1,844,011)	(1,844,011)
Net assets as at the end of the period	116,141,189	(2,188,190)	113,952,999
Undistributed income / (loss) brought forward comprising of:			
- Realised		(344,179)	
- Unrealised		-	
		<u>(344,179)</u>	
Accounting income available for distribution:			
- Relating to capital gains		-	
- Excluding capital gains		-	
		-	
Net loss for the period after taxation		(1,844,011)	
Distribution during the period		-	
Undistributed loss carried forward		<u><u>(2,188,190)</u></u>	
Undistributed income / (loss) carried forward:			
- Realised		2,188,190	
- Unrealised		(6,167,277)	
		<u><u>(2,188,190)</u></u>	
			-- (Rupees) --
Net assets value per unit at beginning of the period			<u>99.6871</u>
Net assets value per unit at end of the period			<u>98.2222</u>

The annexed notes 1 to 14 form an integral part of these 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 FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Quarter ended September 30, 2022 ----- (Rupees) -----
CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss for the period before taxation	(1,844,011)
Adjustments for non cash and other items:	
Markup on bank balances	-
Unrealised (gain) / loss on re-measurement of investments classified as at fair value through profit or loss - net	6,167,277
Gain on sale of investments - net	-
Dividend Income	(3,708,683)
Bank charges	-
	614,584
Increase in asset	
Investments	(94,588,822)
Profit receivable on bank deposit	(190,984)
Other receivable	(1,099,449)
	(95,879,254)
Increase in liabilities	
Payable to the Management Company	73,740
Payable to the Trustee	20,748
Payable to the Securities and Exchange Commission of Pakistan	5,608
Accrued expenses and other liabilities	416,325
	516,421
Dividend received	2,633,745
Financial income received	-
Financial Charges Paid	-
Net cash generated from operating activities	(92,114,505)
Net sale proceed on investment	-
CASH FLOWS FROM FINANCING ACTIVITIES	
Amount received on issuance of units	6,310,173
Amount paid on redemption of units	(168,984)
Net cash generated from financing activities	6,141,189
Net increase in cash and cash equivalents during the period	(85,973,316)
Cash and cash equivalents at the beginning of the period	110,019,463
Cash and cash equivalents at the end of the period	24,046,147

The annexed notes 1 to 14 form an integral part of these financial statements.

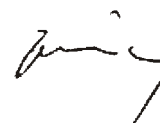
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB Pakistan Opportunity Fund (the Fund) has been established through the Trust Deed (the Deed) dated 10th day of March, 2022 under the Sindh Act, 2020 entered into and between MCB-Arif Habib Savings and Investments Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee and is authorised under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the "Rules") and Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations"). The Securities and Exchange Commission of Pakistan (SECP) has authorised the offer of Units of MCB Pakistan Opportunity Fund and has registered the fund as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations") vide letter No SCD/AMCW/MPOF/344/2022 dated May 19, 2022. SECP has approved the Offering Document under the Regulations vide its Letter No. SCD/AMCW/MPOF/378/2022 dated June 16, 2022.
- 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 located at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The duration of the fund is perpetual. The Fund is an open-end collective investment scheme categorised as a "Asset Allocation Scheme". The management company has launched its first plan under MCB Pakistan Opportunity Fund on June 29, 2022 i.e. IPO date of the Plan (MCB Pakistan Dividend Yield plan). Therefore, there is no comparative information disclosed in these financial statements, as the same is not applicable.
- 1.4 The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of listed equities belonging to equity securities.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of AM1 dated October 06, 2022 to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1.1 Statement of compliance

This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement of the 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.

- 2.1.2 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, 2022.
- 2.1.3 The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2022 have been extracted from the audited financial statements of the Fund for the year ended 30 June, 2022.
- 2.1.4 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

- 2.1.5** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.
- 2.1.6** This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

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

- 3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022. 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, 2022.

		Sep 30, 2022	June 30, 2022
	Note	----- (Rupees)-----	'----- (Rupees)-----
4. BALANCES WITH BANKS			
In savings accounts	4.1	<u>24,046,147</u>	<u>110,019,463</u>
		<u>24,046,147</u>	<u>110,019,463</u>
4.1	These carry profit at rates ranging between 12.25% to 13.50% (June 30, 2022: 12.25%) per annum.		

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

5. Listed equity securities - 'At fair value through profit or loss'

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

Name of the Investee Company	Number of shares					Balance as at September 30, 2022			Market value		Market value of shares held as a percentage of total paid-up capital of the investee company
	As at July 01, 2022	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2022	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments	
						----- (Rupees in '000) -----			----- % -----		
Chemicals											
Engro Polymer and Chemicals Limit	-	43,500	-	-	43,500	3,276	2,385	(891)	0.00%	2.70%	0.03%
Archroma Pakistan Limited	-	6,900	-	-	6,900	3,795	3,754	(41)	0.00%	4.25%	1.10%
		50,400			50,400	7,071	6,139	(932)			
Commercial Banks											
Bank Alfalah Limited	-	327,744	-	-	327,744	10690	10,206	(484)	0.01%	11.54%	0.06%
Habib Metropolitan Bank Limited	-	85,000	-	-	85,000	3292	2,896	(396)	0.00%	3.28%	0.03%
MCB Bank Limited	-	87,800	-	12,300	75,500	9333	9,023	(310)	0.01%	10.20%	0.08%
United Bank Limited	-	94,900	-	-	94,900	10878	10,903	25	0.01%	12.33%	0.09%
		595,444		12,300	583,144	34,192	33,028	(1,164)			
Fertilizer											
Engro Fertilizer Limited	-	122,500	-	-	122,500	10894	9,557	(1,336)	0.01%	10.81%	0.07%
Engro Corporation Limited	-	43,400	-	-	43,400	10536	10,048	(488)	0.01%	11.36%	0.17%
Fauji Fertilizer Bin Qasim Limited	-	137,000	-	137,000	-	0	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Company Limited	-	79,000	-	-	79,000	8718	8,003	(715)	0.01%	9.05%	0.06%
		381,900		137,000	244,900	30,148	27,609	(2,539)			
REAL ESTATE INVESTMENT TRUST (REIT)											
Dolmen City REIT	-	193,500	-	-	193,500	2,722	2,684	(39)	0.00%	3.04%	0.01%
		193,500			193,500	2,722	2,684	(39)			
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	-	6,299	-	50	6,249	10,839	9,778	(1,061)	0.01%	11.06%	0.73%
Pakistan Oilfields Limited	-	13,750	-	-	13,750	5,495	4,800	(695)	0.00%	5.43%	0.17%
		20,049		50	19,999	16,334	14,579	(1,755)			
Oil And Gas Marketing Companies											
Attock Petroleum Limited	-	16,800	2,750	5,800	13,750	3,570	3,835	265	0.00%	4.34%	0.31%
		16,800	2,750	5,800	13,750	3,570	3,835	265			
Paper And Board											
Security Papers Limited	-	4,800	-	-	4,800	551	548	(3)	0.00%	0.62%	0.09%
		4,800			4,800	551	548	(3)			
Power Generation & Distribution											
Nishat Power Limited	-	103,000	-	103,000	-	-	-	-	0.00%	0.00%	0.00%
		103,000		103,000	-	-	-	-			
Textile Composite											
Nishat (Chunian) Limited	-	27,500	-	27,500	-	-	-	-	0.00%	0.00%	0.00%
		27,500		27,500	-	-	-	-			
Total as at September 30, 2022 (Unaudited)		1,393,393	2,750	285,650	1,110,493	94,589	88,422	(6,167)			

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Note	Sep 30, 2022	June 30, 2022
		----- (Rupees) -----	
6. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration		514,009	356,400
Printing charges payable		59,445	40,000
Payable to legal advisor		30,395	16,950
Other payable		225,826	30,000
		<u>829,675</u>	<u>443,350</u>

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2022 & June 30, 2022.

8. TAXATION

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

9. TOTAL EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 3.73% and this includes 0.16% representing government levy, SECP fee etc.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

10. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

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 owning 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 year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Sep 30, 2022			
	As at June 30, 2022	As at Sep 30, 2022	As at June 30, 2022	As at Sep 30, 2022
10.1 Unit Holders' Fund	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out
	Units ----- (Rupees) -----			
MCB-Arif Habib Savings and Investments Limited - Management Company *	600,000	48,812	59,812,266	5,000,000
Group / associated companies Adamjee Life Assurance Company Limited - IMF *	500,000	-	49,843,555	-
	<u>1,100,000</u>	<u>1,148,811</u>	<u>59,812,266</u>	<u>112,838,801</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	For the Quarter ended from Sep 30, 2022 ---- (Rupees) ----	
10.2 Transactions during the year:		
MCB Arif Habib Savings and Investments Limited - Management Company		
Remuneration of the Management Company	283,408	
Sindh Sales Tax on remuneration of the Trustee	36,843	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	56,681	
Sindh Sales Tax on remuneration of the Trustee	7,369	
MCB Bank Limited		
Purchase of 87,800 shares	10,872,609	
Sale of 12,300 shares	1,617,040	
Dividend Income	226,000	
Nishat Chunian Limited		
Purchase of 27,500 shares	1,130,875	
Sale of 27,500 shares	990,807	
Nishat Power Limited		
Purchase of 103,000 shares	2,190,420	
Sale of 103,000 shares	2,421,680	
Dolmen City Reit		
Purchase of 193,500 shares	2,722,405	
Dividend Income	79,335	
	For the Quarter ended Sep 30, 2022 ---- (Rupees) ----	June 30, 2022 ---- (Rupees) ----
10.3 Balances outstanding at year end:		
MCB Arif Habib Savings and Investments Limited - Management Company		
Remuneration payable	94,810	3,004
Sindh sales tax payable on remuneration	12,325	391
Other payable	835,343	30,000
Other receivable	2,184,387	10,000
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	18,962	601
Sindh sales tax payable on remuneration	2,465	78
MCB Bank Limited		
75,500 shares held by the fund	9,023,005	-
Dolmen City Reit		
193,500 shares held by the fund	2,683,845	-

11 FAIR VALUE MEASUREMENTS

Fair value is 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. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

FAIR VALUE MEASUREMENTS

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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

12 GENERAL

12.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

12.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. However, no significant rearrangements or reclassifications were made in these condensed interim financial statements to report.

13 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.

14 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 21, 2022 by the Board of Directors of the Management Company.

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

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