

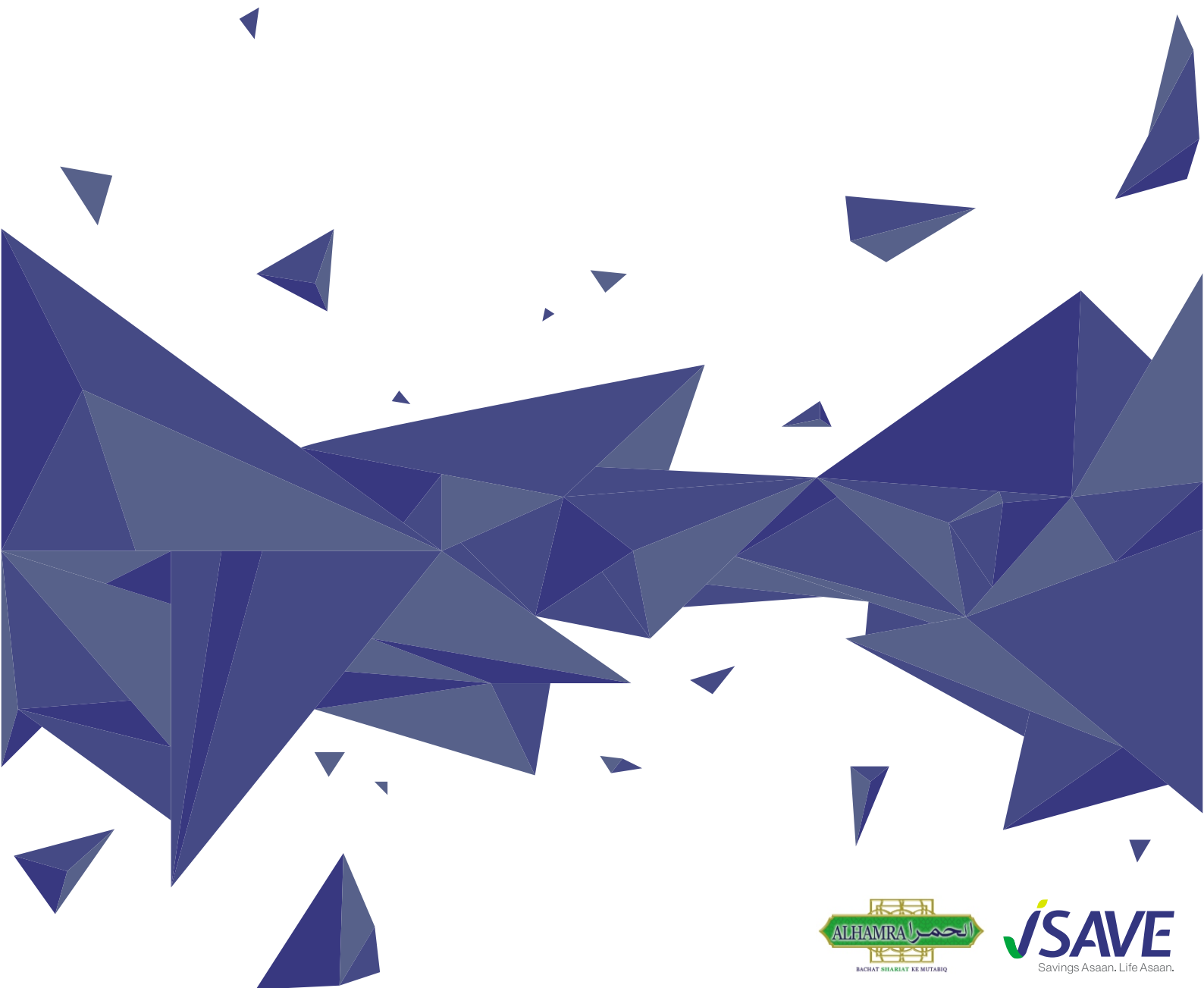


**MCB-ARIF HABIB**  
Savings and Investments Limited

# QUARTERLY REPORT

SEPTEMBER  
**2022**  
(UNAUDITED)

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



# **PAKISTAN CASH MANAGEMENT FUND**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
<b>Human Resource &amp; Remuneration Committee</b>	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
<b>Chief Executive Officer</b>	Mr. Muhammad Saqib Saleem	
<b>Chief Operating Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Digital Custodian Company Limited</b> 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.com	
<b>Bankers</b>	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited Zarai Traqiati Bank Limited Habib Bank Limited Faysal Bank Limited	
<b>Auditors</b>	<b>A. F. Ferguson &amp; Co.</b> Chartered Accountants (A Member Firm of PWC Network) Sate Life Building 1-C I.I. Chundrigar Road, Karachi.	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Transfer Agent</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	

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

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Pakistan Cash Management Fund** accounts review for the quarter ended September 30, 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.

### **FUND PERFORMANCE**

During the period under review, the fund generated an annualized return of 14.94% as against its benchmark return of 14.61%.

The fund's exposure remained majorly tilted towards Cash at the quarter-end due to attractive rates offered by the commercial banks.

The Net Assets of the Fund as at September 30, 2022 stood at Rs. 18,119 million as compared to Rs. 5,705 million as at June 30, 2022 registering an increase of 217.59%.

The Net Asset Value (NAV) per unit as at September 30, 2022 was Rs. 50.4678 which is same as of opening NAV of Rs. 50.4678 per unit as at June 30, 2022.

### **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

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

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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.

### **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.

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

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### 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



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**Muhammad Saqib Saleem**  
Chief Executive Officer  
October 21, 2021



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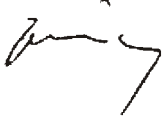
**Nasim Beg**  
Director / Vice Chairman

## ڈائریکٹرز رپورٹ

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 اوپن چیئر مین



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

121 اکتوبر 2022ء



## ڈائریکٹرز رپورٹ

کیپیٹل 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 مدنظر رکھا ہے۔ مارکیٹ cap کا 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 پریئم 7.8 فیصد کے قریب ہیں، اور ان کے قدیم اوسط 2.2 فیصد سے موازنہ کرنے پر اس بھرپور 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 ان کمپنیز پر توجہ مرکوز کی جانی چاہیے جو اپنی اندرونی قدر میں بھرپور 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 انکم 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

اپن 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 انکم 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 الانظامیہ 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 انکم 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۔

### میوچل فنڈ کی صنعت کے مستقبل کا منظر

سود 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۔

## ڈائریکٹر رپورٹ

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 14.94 فیصد تھا، جبکہ مقررہ معیار کا منافع 14.61 فیصد تھا۔  
فنڈ کی زیادہ تر شمولیت نقد میں رہی جس کی وجہ کمرشل بینکوں کی پیش کردہ پُرکشش شرحیں تھیں۔

30 ستمبر 2022ء کو فنڈ کے net اثاثہ جات 18,119 ملین روپے تھے جو 30 جون 2022ء کی سطح 5,705 ملین روپے کے مقابلے میں 217.59 فیصد اضافہ ہے۔

30 ستمبر 2022ء کو net اثاثہ جاتی قدر (این اے وی) نی یونٹ 50.4678 روپے تھی جو 30 جون 2022ء کو ابتدائی این اے وی 50.4678 روپے فی یونٹ ہی 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 امید کرتے ہیں کہ حکومت درآمدات پر مضبوط لگام ڈالے رکھے گی اور ڈالر کے غیر ضروری اخراجات کو بہاؤ کی حوصلہ شکنی کرے گی۔ درآمدات متوقع طور پر 13 فیصد سال در سال (YoY) کم ہو کر 63 بلین ڈالر ہو جائیں گی کیونکہ معیشت کے متعدد شعبوں میں خجما تھی سنکڑ 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 بحالی 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 ملکی 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 ایسٹیکس جاری کریں۔ FDI اور RDA سے حاصل ہونے والی آمدنیاں بھی موجودہ معاشی مشکلات کے باعث متوقع طور پر رُک 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 ملکی 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 ملکی آمدنی بہاؤ کا عملی جامہ پہننا بے حد ضروری 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 اشیائے 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۔

## ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

منجانب بورڈ آف ڈائریکٹرز پاکستان کیش مینجمنٹ فنڈ 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۔ جسمیں 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

	Note	Un-Audited September 30, 2022 ----- (Rupees in '000) -----	Audited June 30, 2022
<b>ASSETS</b>			
Balances with banks	4	15,125,513	5,628,554
Investments	5	2,825,000	-
Advances, prepayments and profit receivable		204,484	100,896
<b>Total assets</b>		18,154,997	5,729,450
<b>LIABILITIES</b>			
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company - net		13,505	2,906
Payable to the Digital Custodian Company Limited		566	271
Payable to the Securities and Exchange Commission of Pakistan		578	1,341
Accrued and other liabilities	6.	21,088	19,666
<b>Total liabilities</b>		35,737	24,184
<b>NET ASSETS</b>		18,119,260	5,705,266
<b>Unit holders' fund (as per statement attached)</b>		18,119,260	5,705,266
<b>Contingencies and commitments</b>	7		
		----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		359,026,154	113,047,650
		----- (Rupees) -----	
<b>NET ASSET VALUE PER UNIT</b>		50.4678	50.4678

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

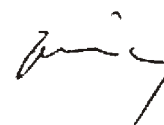
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	For the quarter ended	
	September 30, 2022	September 30, 2021
Note	----- (Rupees in '000) -----	
<b>INCOME</b>		
Profit on bank deposits	265,945	58,396
Capital gain on sale of investments - net	67,639	2,455
Income from government securities	92,135	20,196
Profit on Term Deposit & placement	25,734	-
<b>Total income</b>	<b>451,453</b>	<b>81,047</b>
<b>EXPENSES</b>		
Remuneration of MCB-Arif Habib Savings and Investments Limited - Management Company	11,206	1,450
Sales tax on remuneration of the Management Company	1,457	188
Allocated expenses	1,930	21
Marketing And Selling Expense	8,060	2,147
Remuneration of the Digital Custodian Company Limited Trustee	1,263	270
Sales tax on remuneration of the Trustee	165	35
Annual fee to Securities and Exchange Commission of Pakistan	578	200
Auditors' remuneration	139	154
Brokerage, settlement and bank charges	176	23
Legal and other professional charges	68	425
Fee and Subscription	128	7
Printing and stationery	31	25
Other expenses	106	116
<b>Total expenses</b>	<b>25,307</b>	<b>5,061</b>
<b>Net income for the period from operating activities</b>	<b>426,146</b>	<b>75,986</b>
Sindh Workers' Welfare Fund (SWWF)	-	12,614
<b>Net income for the period before taxation</b>	<b>426,146</b>	<b>88,600</b>
Taxation	8	-
<b>Net income for the period after taxation</b>	<b>426,146</b>	<b>88,600</b>
<i>Allocation of net income for the period:</i>		
Net income for the period after taxation	426,146	88,600
Income already paid on units redeemed	-	(10,191)
	<b>426,146</b>	<b>78,409</b>
<i>Accounting income available for distribution:</i>		
- Relating to capital gains	67,639	1,981
- Excluding capital gains	358,507	76,428
	<b>426,146</b>	<b>78,409</b>

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

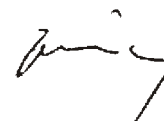
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

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	<u>For the quarter ended</u>	
	<u>September 30,</u> <u>2022</u>	<u>September 30,</u> <u>2021</u>
	----- (Rupees in '000) -----	
<b>Net income for the period after taxation</b>	426,146	88,600
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u>426,146</u>	<u>88,600</u>

The annexed notes from 1 to 13 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

	September 30, 2022			September 30, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
<b>Net assets at beginning of the year</b>	5,688,403	16,863	5,705,266	3,101,753	16,863	3,118,616
Issuance of 429,466,728 (2021: 172,338,479) units						
- Capital value (at ex-net assets value per unit at beginning of the year)	21,674,241		21,674,241	8,697,543		8,697,543
- Element of income			-	53,792		53,792
	21,674,241	-	21,674,241	8,751,335	-	8,751,335
Redemption of 183,488,224 (2021: 38,281,696) units						
- Capital value (at ex-net assets value per unit at beginning of the year)	9,260,247		9,260,247	1,931,993		1,931,993
- Element of income	-	-	-	5,817	10,191	16,008
	9,260,247	-	9,260,247	1,937,810	10,191	1,948,001
Total comprehensive income for the year	-	426,146	426,146	-	88,600	88,600
Interim distribution for the year ended June 30, 2022 @ Rs 0.1882 per unit on July 22, 2020	-	-	-	-	(46,067)	(46,067)
Refund of capital for the year ended June 30, 2022	-	-	-	(45,852)	-	(45,852)
Total Distribution for the period ended September 30, 2022	-	(426,146)	(426,146)	(45,852)	-	(45,852)
Total distributions during the period	-	(426,146)	(426,146)	(45,852)	(46,067)	(91,919)
<b>Net assets at end of the period</b>	<b>18,102,397</b>	<b>16,863</b>	<b>18,119,260</b>	<b>9,869,426</b>	<b>49,205</b>	<b>9,918,631</b>
<b>Undistributed income / (loss) brought forward</b>						
- Realised		16,863			16,863	
- Unrealised		-			-	
		16,863			16,863	
Accounting income available for distribution:						
- Relating to capital gains		67,639			1,981	
- Excluding capital gains		358,507			76,428	
		426,146			78,409	
Distributions during the period		(426,146)			(46,067)	
<b>Undistributed income carried forward</b>		<b>16,863</b>			<b>49,205</b>	
<b>Undistributed income carried forward:</b>						
- Realised		16,863			49,205	
- Unrealised		-			-	
		16,863			49,205	
		<b>(Rupees)</b>			<b>(Rupees)</b>	
<b>Net assets value per unit at beginning of the year</b>		<b>50.4678</b>			<b>50.4678</b>	
<b>Net assets value per unit at end of the period</b>		<b>50.4678</b>			<b>50.6438</b>	

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

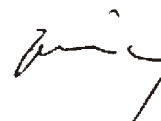
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	For the quarter ended	
	September 30, 2022	September 30, 2021
Note	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	426,146	88,600
<b>Adjustments for:</b>		
Sindh Workers' Welfare Fund (SWWF)	-	(12,614)
	<u>426,146</u>	<u>75,986</u>
<b>Decrease / (Increase) in assets</b>		
Investments - net	(2,825,000)	-
Advances, prepayments and profit receivable	(103,588)	(32,143)
	<u>(2,928,588)</u>	<u>(32,143)</u>
<b>(Decrease) / increase in liabilities</b>		
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	10,599	2,164
Payable to the Digital Custodian Company Limited	295	54
Payable to the Securities and Exchange Commission of Pakistan	(763)	(278)
Accrued and other liabilities	1,422	(7,342)
	<u>11,553</u>	<u>(5,402)</u>
<b>Net cash (used in) / generated from operating activities</b>	<u>(2,490,889)</u>	<u>38,441</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units net of refund of capital	21,674,241	8,705,483
Payments on redemption of units	(9,260,247)	(1,948,001)
Dividend paid	(426,146)	(46,067)
<b>Net cash generated from financing activities</b>	<u>11,987,848</u>	<u>6,711,415</u>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>9,496,959</u>	<u>6,749,856</u>
Cash and cash equivalents at beginning of the period	5,628,554	3,141,821
<b>Cash and cash equivalents at end of the period</b>	<u>14</u> <u>15,125,513</u>	<u>9,891,677</u>

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

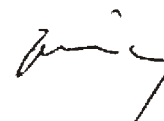
For MCB-Arif Habib Savings and Investments Limited  
(the Management Company)



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

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### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Pakistan Cash Management Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (now MCB-Arif Habib Savings and Investments Limited) as Management Company and Habib Metropolitan Bank Limited as Trustee on February 08, 2008. The draft Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated February 01, 2008 consequent to which the Trust Deed was executed on February 08, 2008. MCB Financial Services Limited has been appointed as trustee of the fund with effect from July 21, 2014. The Trust Act, 1882 was 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 13, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.2 The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-ended mutual fund and has been categorised as "money market scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in market treasury bills, short term Government instruments and reverse repurchase transactions against government securities.
- 1.4 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 06, 2022 to the Management Company and has assigned stability rating of 'AA+(f)' dated September 09, 2022 to the Fund.
- 1.6 Title to the assets of the Fund is held in the name of Digital Custodian Company Limited as Trustee of the Fund.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

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

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Where provisions of and directives issued under the Companies Act, 2017, Part VIII A 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 VIII A 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, 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 quarter ended 30 September 2021.
- 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.
- 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**

- 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.

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

		<b>Note</b>	<b>(Unaudited) September 30, 2022</b>	<b>(Audited) June 30, 2022</b>
<b>4</b>	<b>BALANCES WITH BANKS</b>		----- (Rupees in '000) -----	
	In current account		4,810,049	19
	In deposit accounts	4.1	10,315,464	5,628,535
			<u>15,125,513</u>	<u>5,628,554</u>

4.1 These includes balance of Rs. 8.343 million (June 30, 2022: Rs. 5.565 million) maintained with MCB Bank Limited (a related party) that carries profit at 13.75% per annum (June 2022: 12.25% per annum). Other saving accounts of the Fund carry profit rates ranging from 13.75% to 16.60% per annum (June 2022: 6.6% to 21.00% per annum).

<b>5</b>	<b>INVESTMENTS</b>		<b>(Unaudited) September 30, 2022</b>	<b>(Audited) June 30, 2022</b>
			---- (Rupees in '000) ----	
<b>5.1</b>	<b>Investments at fair value through profit or loss</b>			
	Investment in others - Term Deposit Receipts		1,000,000	-
	Investment in others - Placements		1,825,000	-
	Government securities - Market treasury bills		-	-
			<u>2,825,000</u>	<u>-</u>

Name of Investee Company	Rating of Investee Company	Issue date	Profit rate	----- Face value -----				Carrying value as at September 30, 2022	Market value as at September 30, 2022	Market value as a percentage of total investments
				As at July 1, 2022	Purchased during the period	Matured during the period	As at September 30, 2022			
PAK KUWAIT INVESTMENT COMPANY (PVT.) LIMITED	AAA	27-SEP-22	16.050%	-	250,000	-	250,000	250,000	250,000	1.38%
PAK KUWAIT INVESTMENT COMPANY (PVT.) LIMITED	AAA	30-SEP-22	16.050%	-	1,575,000	-	1,575,000	1,575,000	1,575,000	8.69%
Bank Alfalah Limited	AA+	28-JUL-22	14.950%	-	1,000,000	1,000,000	-	-	-	0.00%
Bank Alfalah Limited	AA+	24-AUG-22	16.550%	-	1,000,000	-	1,000,000	1,000,000	1,000,000	5.52%
<b>Total as at September 30, 2022</b>							<u>2,825,000</u>	<u>2,825,000</u>		
<b>Total as at June 30, 2022</b>							<u>-</u>	<u>-</u>		

**5.2 Market treasury bills**

Tenure	Issue Date	Face value			At Sep 30, 2022				Market value as a percent-age of net assets	Market value as a percent-age of total investments
		At July 01, 2022	Purchased during the period	Sales / matured during the period	At Sep 30, 2022	Carrying value	Market value	(Diminution) / appreciation		
<b>*Treasury bills</b>										
- 3 months	April 28, 2022	-	500,000	500,000	-	-	-	-	-	-
- 3 months	June 16, 2022	-	800,000	800,000	-	-	-	-	-	-
- 3 months	June 30, 2022	-	2,000,000	2,000,000	-	-	-	-	-	-
- 3 months	July 14, 2022	-	2,000,000	2,000,000	-	-	-	-	-	-
- 3 months	July 14, 2022	-	4,000,000	4,000,000	-	-	-	-	-	-
- 3 months	July 14, 2022	-	1,000,000	1,000,000	-	-	-	-	-	-
- 3 months	July 14, 2022	-	9,500,000	9,500,000	-	-	-	-	-	-
- 3 months	July 14, 2022	-	8,500,000	8,500,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	500,000	500,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	500,000	500,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	5,000,000	5,000,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	5,500,000	5,500,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	2,500,000	2,500,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	2,500,000	2,500,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	2,500,000	2,500,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	1,200,000	1,200,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	6,500,000	6,500,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	6,200,000	6,200,000	-	-	-	-	-	-
- 3 months	July 28, 2022	-	1,000,000	1,000,000	-	-	-	-	-	-
- 3 months	August 11, 2022	-	1,000,000	1,000,000	-	-	-	-	-	-
<b>*Treasury bills</b>										
- 6 months	January 27, 2022	-	2,000,000	2,000,000	-	-	-	-	-	-
- 6 months	March 10, 2022	-	2,000,000	2,000,000	-	-	-	-	-	-
- 6 months	April 7, 2022	-	40,000	40,000	-	-	-	-	-	-
- 6 months	June 2, 2022	-	500,000	500,000	-	-	-	-	-	-
- 6 months	June 2, 2022	-	3,500,000	3,500,000	-	-	-	-	-	-
<b>As at September 30, 2022</b>					<u>-</u>	<u>-</u>	<u>-</u>			
<b>As at June 30, 2022</b>					<u>-</u>	<u>-</u>	<u>-</u>			

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

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
<b>6. ACCRUED AND OTHER LIABILITIES</b>			
Provision for Federal Excise Duty payable on remuneration of the Management Company	6.1	11,933	11,933
Withholding tax payable		-	10
Brokerage payable		104	22
Auditors' remuneration payable		605	466
Dividend Payable		7,626	7,132
Payable to legal advisor		28	34
Other payables		792	69
		<u>21,088</u>	<u>19,666</u>

**6.1** There is no change in the status of Federal Excise Duty as reported in the annual financial statements of the Fund for the quarter ended September 30, 2022. Had the provision for FED not been made, the Net Asset Value of the Fund as at September 30, 2022 would have been higher by Re 0.03 (June 30, 2022: Rs 0.11) per unit.

**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 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 realized or unrealized 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 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 total expense ratio of the Fund from July 1, 2022 to September 30, 2022 is 0.87% (September 30, 2021: 0.52%) and this includes 0.08% (September 30, 2021: 0.04%) representing government levy, SECP fee etc.

**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 to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and Trust Deed.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

Details of transactions and balances at year end with related parties / connected persons are as follows:

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

For the quarter ended  
September 30, 2022      September 30, 2021  
----- (Rupees in '000) -----

**10.1 Details of transactions with connected persons are as follows:**

**MCB Arif Habib Savings and Investment Limited - Management Company**

Remuneration (including indirect taxes)	12,663	1,638
Allocated expenses	1,930	21
Marketing And Selling Expense	8,060	2,147

**Group / associated companies**

**MCB Bank Limited**

Mark-up on bank deposits	128	91
Bank charges	3	8

**Digital Custodian Company Limited - Trustee**

Remuneration (including indirect taxes)	1,428	305
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**Arif Habib Limited - Brokerage house**

Brokerage and settlement charges*	8	6
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September 30, 2022      June 30, 2022  
----- (Rupees in '000) -----

**10.2 Amounts outstanding at year end**

**MCB Arif Habib Savings and Investment Limited**

Remuneration payable / (receivable) - net	4,790	2,507
Sales tax on remuneration payable	623	326
Payable against allocated expenses	32	-
Payable against Marketing And Selling expense	8,060	73

**Group / associated companies**

**MCB Bank Limited**

Balances with bank	8,343	5,565
Mark-up receivable on bank deposits	13	-

**MCB Financial Services Limited - Trustee**

Remuneration payable	500	240
Sales tax on remuneration payable	66	31

**Arif Habib Limited - Brokerage house**

Brokerage and settlement payable*	8	-
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\* The amount disclosed represents the amount of brokerage paid / payable 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

**10.3 Transactions during the period with connected persons / related parties in units of the Fund:**

**Unit Holders' Fund**

Septemeber 30, 2022							
As at July 01, 2022	Issued for cash	Redeemed	As at September 30, 2022	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2022

----- Units -----      ----- (Rupees in '000) -----

**Associated company**

NISHAT PAPER PRODUCTS COMPANY LIMITED STAFF PROVIDENT FUND TRUST	-	110,616	-	110,616	-	5,583	-	5,583
SECURITY GENERAL INSURANCE COMPANY LTD	11,115	356	-	11,471	561	18	-	579
SECURITY GENERAL INSURANCE CO. LTD. EMPLOYEES PROVIDENT FUND TRUST	179,320	6,769	-	186,089	9,050	342	-	9,392
<b>Key management personnel *</b>	106,981	26,037	133,018	-	5,399	1,314	6,713	-
<b>Mandate under discretionary portfolio services</b>	3,531,620	705,800	3,256,400	981,020	173,273	35,620	164,343	49,510
<b>Unit holders holding 10% or more units *</b>	550	173,338,077	28,790,635	144,547,992	28	8,747,991	1,453,000	7,295,019

\* This reflects the position of related party / connected person status as at September 30, 2022

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

	September 30, 2021							
	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021
	Units				(Rupees in '000)			
<b>Associated company</b>								
Nishat Paper Products Company Limited	-	100,937	-	100,937	-	5,094	-	5,111
Staff Provident Fund Trust								
<b>Key management personnel *</b>	-	28,656	19,670	8,986	-	1,458	1,006	455
<b>Mandate under discretionary portfolio services</b>	98,280	2,579,390	881,673	1,795,997	4,960	130,550	44,865	90,959
<b>Unit holders holding 10% or more units *</b>	-	89,656,813	-	89,656,813	-	4,548,709	-	4,540,562

**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.

**Fair value hierarchy**

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 DATE OF AUTHORISATION FOR ISSUE**

These Financial Statements were authorised for issue on October 21, 2022 by the Board Of Director 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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