



MCB FUNDS
Investments for Life

QUARTERLY REPORT

SEPTEMBER
2023
(UNAUDITED)

Funds Under Management of
MCB INVESTMENT MANAGEMENT LIMITED
(Formerly: MCB-Arif Habib Savings and Investments Limited)



MCB PAKISTAN OPPORTUNITY FUND DIVIDEND YIELD PLAN

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited (Formerly: MCB-Arif Habib Savings and Investments Limited) Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Manzar Mushlaq Mr. Fahd Kamal Chinoy Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Syed Savail Meekal Hussain Mr. Ahmed Jahangir Mr. Manzar Mushlaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Manzar Mushlaq Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushlaq Syed Savail Meekal Hussain Mr. Muhammad Saqib Saleem	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 Allied Bank Limited	
Auditors	BDO Ibrahim & Co. Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed Road, Karachi	
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	
Transfer Agent	MCB Investment Management Limited (Formerly: MCB-Arif Habib Savings and Investments Limited) Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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, 2023.

Economy and Money Market Review

The new fiscal year started on a positive note as the government secured a much needed Stand-by Arrangement (SBA) facility of USD 3bn from the IMF, of which USD 1.2bn was promptly disbursed. This was followed by additional inflows of USD 3bn from Saudi Arabia and UAE and timely rollover from China. These led to an upgrade in Pakistan's sovereign rating by Fitch from CCC- to CCC due to the improved external outlook.

Macroeconomic concerns resurfaced in Aug-23 when there was change of political guard as the new interim government came into power. An immediate effort of new finance team to clear pending import payments turned by the speculators to give a notion of weakening external account putting significant pressure on the currency. The rupee weakened to PKR 307 against the greenback in interbank while the open market rate hovered around PKR 330. The interim setup albeit with some delay took decisive steps against smuggling of dollar and abuse of Afghan Transit which led a sharp recovery in exchange rate and elimination of the difference between open market and interbank rates. A sustained action and elimination of smuggling of goods and currency bodes well for the economy.

The country posted a current account deficit (CAD) of USD 0.9bn in the first two months of the fiscal year 2024 (2MFY24) declining by 54% YoY compared to a deficit of USD 2.0bn in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as 8.3% decrease in exports coupled with a 26.0% drop in imports led to a 39.5% contraction in the trade deficit. The country's external position improved with SBP's foreign exchange reserves increasing to USD 7.6bn as of Sep-23 end compared to USD 4.5bn at the end of last fiscal year. This was on account of flows from IMF and friendly countries.

Headline inflation represented by CPI averaged 29.0% during 1QFY24 compared to 25.1% in the corresponding period last year. Inflation remained on the higher side as currency depreciation led to higher food and energy prices. The government increased electricity base tariff to comply with IMF conditions which led to further inflationary pressure. SBP mainlined status quo in monetary policy held in Sep-23 as it noted that inflation is projected to remain on the downwards trajectory and real interest rates continue to remain in positive territory on a forward-looking basis.

The country's GDP growth recorded at 0.29% in FY23 with Agricultural and Services sector increasing by 1.6% and 0.9%, respectively, while industrial sector witnessed a drop of 2.9%. Historic high interest rates coupled with import restrictions were the major culprits behind the fall in industrial output. On the fiscal side, FBR tax collection increased by 24.1% in 1QFY24 to PKR 2,041bn compared to PKR 1,644bn in the same period last year, outpacing the target by PKR 63bn.

The Secondary markets yields initially increased in the period preceding Sep-23 monetary policy as there was a general market consensus that interest rates will be increased by 100-200bps in the MPS. The 3 month yields increased from 22.7% to a high of 23.8% while 3 Year Bond yields rose from 19.5% to a peak of 21.2%. After SBP maintained status quo in the MPS and dollar started reversing, the yields also receded. The 3-month T-Bill Yield declined to 22.5% while 3 Year PIB decreased to 19.1% as of Sep 23.

Equity Market Review

The stock market witnessed a broad based rally in the quarter as the benchmark KSE-100 increased by 11.5% or 4,780 points to close at 46,232 points. The Initial exuberance was on the back of securing SBA facility of USD 3.0bn from the IMF which took the index to 48,764 points. However, optimism quickly dissipated by the mid of the quarter as the macro economic challenges resurfaced as PKR tanked to all time low, political uncertainty increased and market expected a big interest rate hike all of which unnerved the investors. Nonetheless, the market recouped some of the lost gains near the end of the quarter as PKR appreciated post Government crackdown on smuggling and hoarding of dollar. Moreover, the SBP maintained status quo in the recent monetary policy against market expectation of rate hike, which helped the index to sustain its gains.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2023

During 1QFY24, Insurance, Corporates and Foreigners were net buyers with an inflow of USD 44.8mn, USD 24.8mn and USD 22.0mn, respectively. While major selling was witnessed from Banks and Mutual Funds with outflow of USD 43.3mn and USD 37.9mn, respectively. During the quarter, average trading volumes saw an increase of 84% over the last quarter to 281mn shares while the average trading value saw a rise of 109% to USD 33 million.

Banking, E&P and Power sector were the major contributors to the index gain adding 2,208/870/611 points, respectively. Banking sector witnessed broad based rally as entry into the IMF program diminished the probability of local debt restructuring which was hampering the sector performance. Power sector performed due to better than expected dividends while E&P rallied due to the news of clearance of gas circular debt which would improve the sector cash flows.

Fund Performance

During the period under review, the fund posted a return of 13.81% against 11.77% for the benchmark. The fund was 75.8% invested in Equities and 22.8% in Cash as at 30th September, 2023.

The Net Assets of the Fund as at September 30, 2023 stood at Rs. 234 million. The Net Asset Value (NAV) per unit as at September 30, 2023 was Rs. 115.3814.

Economy & Market – Future Outlook

Pakistan GDP is expected to rebound to 4.1% in FY24 after a dismal performance last year. The industrial and services sector is expected to show growth as import restriction has been removed which will help to normalize trade activities. Agriculture growth is likely to remain on the higher side due to base effect as the heavy floods last year affected agriculture output. The arrivals of crops have been encouraging with cotton arrival increasing by 72% YoY to 5.0mn bales in the quarter.

The successful resumption of IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. We expect SBP reserves to increase to USD 10.5bn on the back of flows from friendly countries, IMF and multilateral agencies. 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. We expect a CAD of USD 3.1bn (0.9% of GDP) in FY24 as policy of consolidation is likely to continue under the IMF umbrella.

The rupee has recovered from its recent low due to the administrative measures by the government to curb dollar smuggling and hoarding. However, the sustainability of this recovery will depend on recovery in export and remittances flow. In addition, the flows from bilateral and multilateral sources and reserve building will be vital for external outlook. We expect USD/PKR to close the fiscal year on 311.7 on an ending REER of 95.

We expect Average FY24 inflation to ease to 24.1% compared to 29.0% in FY23 as the base effect will come into play. Inflation readings have peaked and inflation is expected to follow a downward trajectory with headline number falling sharply in 2HFY24. This coupled with the buildup of forex reserves during the period will allow the monetary easing cycle to start in the second half of the year. We expect a cumulative easing of around 4.0% till Jun-24, however, its pace and timing would be determined by trend in FX reserves.

From the capital market perspective particularly equities, the market is trading at cheap valuations. Market cap to GDP ratio has declined to 7.6%, a discount of 61% from its historical average of 19.5%. Similarly, Earning Yield minus Risk Free Rate is close to 5.6%, compared to the historical average of 2.7% signifying a deep discount at which the market is trading. The resolution of challenges on external account will help to unlock market potential. We believe a micro view of sectors and stocks 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 4.6x, while offering a dividend yield of 12.2%.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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 funds industry increased by about 14.7% during IQFY24 to PKR 1,793bn. Total money market funds grew by about 15.8% since Jun-23. Within the money market sphere, conventional funds showed a growth of 17.0% to PKR 553bn while Islamic funds increased by 14.4% to PKR 491bn. In addition, the total fixed Income funds increased by about 23.0% since Jun-23 to PKR 454bn while Equity and related funds increased by 1.7% to PKR 170bn.

In terms of the segment share, Money Market funds were the leader with a share of around 58.2%, followed by Income funds with 25.3% and Equity and Equity related funds having a share of 8.5% as at the end of Sep-23.

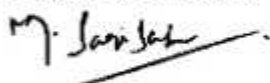
Mutual Fund Industry Outlook

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, external concerns have eased post agreement with IMF 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.

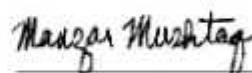
Acknowledgment

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 18, 2023



Manzar Mushtaq
Director
October 18, 2023

ڈائریکٹرز رپورٹ

دائرہ کار میں روایتی فنڈز تقریباً 17.0 فیصد بڑھ کر 553 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 14.4 فیصد بڑھ کر 491 بلین روپے ہو گئے۔ مزید برآں، فکسڈ انکم کے مجموعی فنڈ جون 2023ء سے اب تک تقریباً 23.0 فیصد بڑھ کر 454 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 1.7 فیصد بڑھ کر 170 بلین روپے ہو گئے۔ شعبہ جاتی شراکت کے اعتبار سے ستمبر 2023ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 58.2 فیصد کے ساتھ سب سے آگے تھے، جبکہ دوسرے نمبر پر انکم فنڈ 25.3 فیصد کے ساتھ تھے، اور تیسرے نمبر پر ایکویٹی اور متعلقہ فنڈ 8.5 فیصد کے ساتھ تھے۔

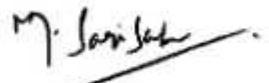
میوچل فنڈ صنعت کی مستقبل کا منظر

سود کی موجودہ شرحوں سے منی مارکیٹ فنڈز میں زیادہ آمدورفت 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 آئی ایم ایف معاہدے کے بعد خارجی خدشات کم ہو گئے ہیں اور طویل المیعاد سرمایہ کاران بے حد پُرکشش سطحوں پر ایکویٹی میں مزید پیسہ لگا سکتے ہیں۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سہولت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کرنے کے لیے تیار ہیں۔

اظہار تشکر

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

من جانب ڈائریکٹرز،



Mansoor Murshiq

منظر مشاق
ڈائریکٹر

محمد ثاقب سلیم
چیف ایگزیکٹو آفیسر

18 اکتوبر 2023ء

ڈائریکٹرز رپورٹ

اکاؤنٹ یقینی بنانا ہوگا تاکہ خارجی مسائل کا خطرہ ٹل سکے۔ مالی سال 2024ء میں کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) متوقع طور پر 3.1 بلین ڈالر (جی ڈی پی کا 0.9 فیصد) ہوگا کیونکہ آئی ایم ایف کی چھتری تلے استحکام کے حصول کی پالیسی ممکنہ طور پر جاری رہے گی۔

ڈالر کی اسمگلنگ اور ذخیرہ اندوزی کی روک تھام کے حکومتی اقدامات کی بدولت روپے کی قدر اپنی حالیہ پستی سے بحال ہوئی ہے۔ تاہم اس بحالی کی قابلیت بقاء کا انحصار برآمدات اور ترسیلات کے بہاؤ کی بحالی پر ہے۔ مزید برآں، خارجی منظر نامے کے لیے باہمی اور کثیرالجہتی ذرائع سے آمدات اور ذخائر میں اضافہ اہمیت کے حامل ہیں۔ ڈالر روپیہ مالی سال کے اختتام پر 311.7 ہوگا اور اختتامی REER 95 ہوگی۔

مالی سال 2024ء کی اوسط مہنگائی متوقع طور پر مالی سال 2023ء کی سطح 29.0 فیصد سے کم ہو کر 24.1 فیصد ہو جائے گی کیونکہ base کا اثر اپنا کردار ادا کرے گا۔ مہنگائی کی سطحیں عروج پر پہنچ گئی ہیں اور اس میں بتدریج کمی متوقع ہے، اور ہیڈ لائن عدد مالی سال 2024ء کی دوسری سہ ماہی میں تیزی سے گرے گا۔ اس کے ساتھ ساتھ دوران مدت زرمبادلہ کے ذخائر میں اضافے کی بدولت سال کے نصف آخر میں مالیاتی تسہیل کی گردش شروع ہو سکتی ہے۔ جون 2024ء تک مجموعی طور پر تقریباً 4.0 فیصد مجموعی متوقع ہے، تاہم اس کی رفتار اور اس کے وقت کا انحصار زرمبادلہ کے ذخائر کے رجحان پر ہوگا۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے نقطہ نظر سے مارکیٹ میں سستی valuations پر کاروبار ہو رہا ہے۔ مارکیٹ کا cap جی ڈی پی کے ساتھ تناسب کم ہو کر 7.6 فیصد ہو گیا ہے جو اس کے قدیم اوسط 19.7 فیصد سے 61 فیصد کی ہے۔ اسی طرح Earning Yield مائنس محفوظ شرح تقریباً 5.6 فیصد کے قریب ہے، اور جو کہ 2.7 فیصد کی تاریخی اوسط سے موازنہ کرنے پر پتہ چلتا ہے کہ مارکیٹ میں بھرپور رعایت پر تجارت ہو رہی ہے۔ خارجی ایکاؤنٹ کے مسائل حل کرنے سے مارکیٹ کی استعداد کارآمد بنانے میں مدد ملے گی۔ 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 4.6x PER پر تجارت ہو رہی ہے جبکہ ڈیویڈنڈ کی سطح 12.2 فیصد پر ہے۔

حاملین قرض کے لیے ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ ہم ڈیٹا پوائنٹس کی نگرانی اور پُرکشش شرحوں پر اگلم 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 2024ء کی پہلی سہ ماہی کے دوران تقریباً 14.7 فیصد بڑھ کر 1,793 بلین روپے ہو گئے۔ منی مارکیٹ کے مجموعی فنڈز میں جون 2023ء سے اب تک تقریباً 15.8 فیصد اضافہ ہوا۔ منی مارکیٹ کے

ڈائریکٹرز رپورٹ

بڑھ کر 281 ملین حصص ہو گیا، جبکہ اوسط کاروباری قدر 109 فیصد بڑھ کر 33 ملین ڈالر ہو گئی۔ انڈیکس کی بڑھوتری کے اہم ترین عوامل بینکاری اور E&P اینڈ پاور سیکٹر تھے جنہوں نے بالترتیب 2,208، 870 اور 611 پوائنٹس کا اضافہ کیا۔ بینکاری کے شعبے میں وسیع پیمانے پر ترقی دیکھنے میں آئی کیونکہ آئی ایم ایف پروگرام میں داخلے کی بدولت مقامی قرض کی تشکیل نو کا امکان کم ہو گیا جو اس شعبے کی کارکردگی کو متاثر کر رہا تھا۔ پاور سیکٹر نے بہتر متوقع ڈیویڈنڈز کی بدولت کارکردگی کا مظاہر کیا، جبکہ E&P نے گیس کا گروشی قرض ختم ہو جانے کی بدولت ترقی کی راہیں طے کیں جس سے اس شعبے میں نقد کی آمدورفت میں بہتری آئے گی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 13.81 فیصد منافع پوسٹ کیا، یا مقابل اس کے بیچ مارک منافع 11.77 فیصد کے۔ 30 ستمبر 2023ء کو فنڈ کی سرمایہ کاری 75.8 فیصد ایکویٹیز میں اور 22.8 فیصد نقد میں تھی۔ 30 ستمبر 2023ء کو فنڈ کے net اثاثہ جات 234 ملین روپے تھے، جبکہ net اثاثہ جاتی قدر (این اے وی) فی یونٹ 115.3814 روپے تھی۔

معیشت اور مارکیٹ - مستقبل کا منظر نامہ

پاکستان کی مجموعی ملکی پیداوار (جی ڈی پی) میں گزشتہ سال مایوس کن کارکردگی کے بعد مالی سال 2024ء میں 4.1 فیصد بہتری متوقع ہے۔ صنعت اور خدمات کے شعبے میں ترقی متوقع ہے کیونکہ درآمدات پر عائد پابندی ختم کر دی گئی ہے جس کی بدولت کاروباری سرگرمیاں بحال ہوں گی۔

زراعت کے شعبے کی ترقی متوقع طور پر base کے اثر کی بدولت بلند سطح پر ہوگی کیونکہ گزشتہ سال سیلابوں کے باعث بڑے پیمانے پر زرعی پیداوار متاثر ہوئی تھی۔ فصلوں کی پیداوار حوصلہ افزا رہی، مثلاً کپاس دوران سہ ماہی 72 فیصد YoY (سال در سال) بڑھ کر 5.0 ملین گانٹھیں ہو گئی۔

آئی ایم ایف پروگرام کی کامیاب بحالی اہم ترین پیش رفت ہے کیونکہ اس سے پاکستان کو باہمی اور کثیرالجہتی ذرائع سے رقم کے حصول میں مدد ملے گی۔ دوستانہ ممالک، آئی ایم ایف اور کثیرالجہتی ایجنسیوں سے آمدات کی بدولت اسٹیٹ بینک آف پاکستان کے ذخائر متوقع طور پر بڑھ کر 10.5 بلین ڈالر ہو جائیں گے۔ تاہم ہماری خارجی صورتحال تاحال بے یقینی کا شکار ہے کیونکہ ہم مشکل عالمی حالات کے باعث بین الاقوامی یورو بانڈ اور سٹاک کا اجراء ممکن نظر نہیں آ رہا۔ غیر ملکی براہ راست سرمایہ کاری (ایف ڈی آئی) اور RDA سے ہونے والی آمدنی بھی موجودہ معاشی مسائل کے باعث ممکنہ طور پر تعطل کا شکار رہیں گی۔ چنانچہ ہمیں سال رواں میں ایک قابل بقاء کرنٹ

ڈائریکٹر رپورٹ

میں جو جوہر کو بنیادی طور پر برقرار رکھا کیونکہ افراد کی شرح نیچے کی طرف رہنے کا امکان ہے اور سود کی حقیقی شرحیں ترقی پسندانہ بنیاد پر بدستور مثبت زمرے میں برقرار ہیں۔

مجموعی ملکی پیداوار (GDP) میں مالی سال 2023ء میں 0.29 فیصد ترقی ہوئی۔ اس ضمن میں زراعت اور خدمات کے شعبوں میں بالترتیب 1.6 فیصد اور 0.9 فیصد اضافہ ہوا جبکہ صنعتی شعبے میں 2.9 فیصد گراؤ ہوئی۔ سود کی اب تک کی بلند ترین شرحوں کے ساتھ ساتھ درآمداتی پابندیاں صنعتی پیداوار میں کمی کے سب سے بڑے عوامل تھے۔ مالیاتی جہت میں دیکھا جائے تو ایف بی آر ٹیکس وصولی مالی سال 2024ء کی پہلی سہ ماہی میں 24.1 فیصد بڑھ کر 2,041 بلین روپے ہو گئی، بالمقابل گزشتہ سال مماثل مدت میں 1,644 بلین روپے کے، چنانچہ ہدف سے 63 بلین روپے زیادہ ٹیکس وصولی ہوئی۔

ثانوی مارکیٹوں کی پیداوار میں ستمبر 2023ء کی مانیٹری پالیسی سے قبل مدت میں ابتدائی طور پر اضافہ ہوا کیونکہ مارکیٹ میں اس بات پر اتفاق تھا کہ MPS میں سود کی شرحوں میں 100 سے 200 بی پی ایس اضافہ ہوگا۔ تین ماہانہ منافع جات 22.7 فیصد سے بڑھ کر 23.8 فیصد ہو گئے جبکہ تین سالہ بانڈز کے منافع جات 19.5 فیصد سے بڑھ کر 21.2 فیصد ہو گئے۔ ایس بی پی کی جانب سے MPS میں جوہر کو برقرار رکھنے اور ڈالر کی قدر میں کمی کے بعد منافع جات میں بھی کمی ہونا شروع ہو گئی۔ تین ماہانہ ٹی بل کے منافع جات ستمبر 2023ء کے اختتام پر کم ہو کر 22.5 فیصد ہو گئے جبکہ تین سالہ پی آئی بی کم ہو کر 19.1 فیصد ہو گئے۔

ایکویٹی مارکیٹ کا جائزہ

اسٹاک مارکیٹ میں دوران سہ ماہی وسیع پیمانے پر تیزی آئی کیونکہ KSE-100 بیچ مارک 11.5 فیصد یعنی 4,780 پوائنٹس بڑھ کر 46,232 پوائنٹس پر بند ہوا۔ ابتدائی جوش و خروش آئی ایم ایف سے 3.0 بلین ڈالر کے SBA کے حصول کی بنیاد پر تھا جو انڈیکس کو 48,764 پوائنٹس تک لے گیا۔ تاہم سہ ماہی کے وسط تک مجموعی معاشی مسائل دوبارہ ابھرنے کے ساتھ رجائیت جلد ہی تحلیل ہو گئی کیونکہ روپیہ اپنی پست ترین سطح تک گر گیا، سیاسی غیر یقینی بڑھ گئی اور مارکیٹ میں شرح سود میں بڑا اضافہ متوقع ہو گیا، اور ان سب عوامل نے سرمایہ کاروں کو بے چینی کا شکار کر دیا۔ تاہم ڈالر کی اسمگلنگ اور ذخیرہ اندوزی کے خلاف حکومتی مہم کے بعد روپے کی قدر میں اضافے کی بدولت سہ ماہی کے اختتام کے قریب مارکیٹ میں منافع جات کی کچھ حد تک تلافی ہوئی۔ مزید برآں، اسٹیٹ بینک آف پاکستان نے مارکیٹ میں شرح میں اضافے کی توقع کے برخلاف حالیہ مانیٹری پالیسی میں جو جیسا ہے اُسے ویسا ہی رکھنے کا لائحہ عمل اختیار کیا جس سے انڈیکس کو اپنے منافع جات برقرار رکھنے میں مدد ملی۔

مالی سال 2024ء کی پہلی سہ ماہی کے دوران بیمہ، کارپوریٹس اور غیر ملکی net خریدار تھے جن کی بدولت بالترتیب 44.8 ملین ڈالر، 24.8 ملین ڈالر اور 22.0 ملین ڈالر کی آمد ہوئی، جبکہ سب سے زیادہ فروخت بینکوں اور میوچل فنڈز کی طرف سے ہوئی جو بالترتیب 43.3 ملین ڈالر اور 37.9 ملین ڈالر تھے۔ دوران سہ ماہی اوسط کاروباری حجم گزشتہ سہ ماہی کے مقابلے میں 84 فیصد

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی پاکستان ڈیویڈنڈ ییلڈ پلان کے اکاؤنٹس کا جائزہ برائے سہ ماہی مُختصمہ 30 ستمبر 2023ء پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

نیامالی سال مثبت انداز میں شروع ہوا کیونکہ حکومت نے آئی ایم ایف سے بے حد مطلوبہ 3 بلین ڈالر کا اسٹینڈ بائے اگریمنٹ (ایس بی اے) کر لیا، جس میں سے 1.2 بلین ڈالر فوری طور پر جاری کر دیئے گئے۔ اس کے بعد سعودی عرب اور متحدہ عرب امارات سے 3 بلین ڈالر کی مزید آمد، اور چین کی طرف سے بروقت رول اوور کی فراہمی عمل میں آئی۔ اس کے نتیجے میں خارجی منظر نامے میں خوش آئند پیش رفت کی بدولت Fitch کی جاری کردہ پاکستان کی خود مختار درجہ بندی -CCC سے بہتر ہو کر CCC ہو گئی۔

مجموعی معاشی مسائل اگست 2023ء میں دوبارہ اُبھرنے لگے جب سیاسی منظر نامہ تبدیل ہوا اور نگران حکومت آئی۔ درآمدات کے واجبات کی ادائیگی کے لیے نئی مالیاتی ٹیم کی فوری کوشش کو خارجی اکاؤنٹ کی صورتحال میں کمزوری کے طور پر قیاس کیا گیا جس سے روپے پر قابل ذکر دباؤ پڑا۔ انٹرنیٹ میں ڈالر کے مقابلے میں روپے کی قدر میں 307 روپے کی کمی ہوئی جبکہ اوپن مارکیٹ کی شرح تقریباً 330 روپے کے آس پاس رہی۔ نگران حکومت نے، اگرچہ کچھ تاخیر کے ساتھ، ڈالر کی اسمگلنگ اور افغان ٹرانزٹ کے ناجائز استعمال کے حوالے سے فیصلہ گن اقدام کیے جس کے نتیجے میں زرمبادلہ کی شرح تیزی سے بحال ہوئی اور اوپن مارکیٹ اور انٹرنیٹ کی شرحوں میں فرق ختم ہوا۔ باقاعدہ بنیادوں پر کارروائی اور اشیاء اور روپے کی اسمگلنگ کی روک تھام ملک کے حالات میں بہتری کی نوید ہیں۔

ملک کا کرنٹ اکاؤنٹ خسارہ (CAD) مالی سال 2024ء کے پہلے دو ماہ میں 0.9 بلین ڈالر تھا، جبکہ گزشتہ سال مماثل مدت میں 2.0 بلین ڈالر تھا، یعنی 54 فیصد سال در سال (YoY) کمی ہوئی۔ تجارتی خسارے کا کم ہونا CAD کو بہتر بنانے میں اہم کردار ادا کر رہا ہے۔ برآمدات میں 8.3 فیصد کمی اور درآمدات میں 26.0 فیصد کمی کی بدولت کاروباری خسارے میں 39.5 فیصد کمی ہوئی۔

ملک کی خارجی صورتحال میں بہتری آئی کیونکہ اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے اختتام پر 4.5 بلین ڈالر کے مقابلے میں بڑھ کر ستمبر 2023ء کے اختتام تک 7.6 بلین ڈالر ہو چکے تھے۔ اس کی وجہ آئی ایم ایف اور دوستانہ ممالک کی طرف سے مالیاتی آمدات تھی۔

ہیڈ لائن مہنگائی، جس کی ترجمانی CPI یعنی صارفی قیمت کے انڈیکس سے ہوتی ہے، کا اوسط مالی سال 2024ء کی پہلی سہ ماہی کے دوران 29.0 فیصد تھا جبکہ گزشتہ سال مماثل مدت میں 25.1 فیصد تھا۔ اشیائے خورد و نوش کی قیمتوں میں اضافے کے ساتھ ساتھ بجلی، گیس اور پٹرول کی بڑھتی ہوئی قیمتیں CPI میں اضافے کے عوامل رہے۔ حکومت نے آئی ایم ایف کی شرائط پوری کرنے کے لیے بجلی کی بنیادی قیمت میں اضافہ کیا جس کے نتیجے میں مہنگائی کے دباؤ میں مزید اضافہ ہوا۔ ایس بی پی نے ستمبر 2023ء کی ماہی پالیسی

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2023**

	(Un-Audited) Sep 30, 2023	(Audited) June 30, 2023
Note	----(Rupees in '000)----	
ASSETS		
Bank balances	56,257	12,899
Investments	186,927	195,443
Receivable against sale of investments	-	11,912
Mark-up receivable	649	445
Advances, deposits and other receivables	2,891	1,117
Total assets	246,724	221,816
LIABILITIES		
Payable to the Management Company	183	185
Payable to the Trustee	37	37
Payable to the Securities and Exchange Commission of Pakistan	15	30
Payable against purchase of investments	11,797	12,081
Accrued expenses and other liabilities	743	544
Total liabilities	12,775	12,877
NET ASSETS	233,948	208,939
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	233,948	208,939
Contingencies and Commitments	10	
	'(Number of units)	
NUMBER OF UNITS IN ISSUE	2,027,610.2979	1,881,789.0000
NET ASSET VALUE PER UNIT	115.3814	111.0314

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

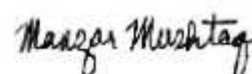
For MCB Investment Management Limited
(Formerly: MCB-Arif Habib Savings and Investments Limited)
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter ended September 30,2023	Quarter ended September 30,2022
	----(Rupees in '000)----	
	2023	2022
INCOME		
Markup on bank balance	1,061	1,097
Government securities	447	-
Dividend income	7,123	3,709
Capital gain on sale of investments	6,381	579
Net Unrealised gain / (loss) on re-measurement of investments classified as at fair value through profit or loss - net	10,056	(6,167)
Total Income	25,068	(783)
EXPENSES		
Remuneration of the Management Company	7 464	283
Sindh Sales Tax on remuneration of the Management Company	60	37
Remuneration of the Trustee	93	57
Sindh Sales Tax on remuneration of the Trustee	12	7
Annual fee of the Securities and Exchange Commission of Pakistan	8 44	6
Auditors' remuneration	112	158
Legal and professional charges	77	95
Printing charges	25	25
Bank charges	10	12
FEE / SUBSCRIPTIONS	-	120
Brokerage and Settlement Charges	451	261
Total expenses	1,347	1,061
Net income / (loss) for the year before taxation	23,721	(1,844)
Taxation	-	-
Net income / (loss) for the year after taxation	23,721	(1,844)
Allocation of net income for the period		
Net income for the period after taxation	23,721	-
Income already paid on units redeemed	(2,021)	-
	21,700	-
Accounting Income available for distribution		
- relating to capital gains	14,593	-
- excluding capital gains	7,107	-
	21,700	-

Earnings per unit

16

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

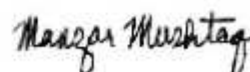
For MCB Investment Management Limited
(Formerly: MCB-Arif Habib Savings and Investments Limited)
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter ended September 30, 2023	Quarter ended September 30, 2022
	----- (Rupees in '000) -----	
Net income / (loss) for the year after taxation	23,721	(1,844)
Other comprehensive income for the period	-	-
Total comprehensive income for the period	23,721	(1,844)

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

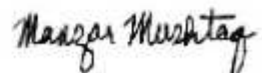
For MCB Investment Management Limited
(Formerly: MCB-Arif Habib Savings and Investments Limited)
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter ended September 30, 2023			Quarter ended September 30, 2022		
	Capital value	Undistributed income / (loss)	Total	Capital value	income / (loss)	Total
	----- (Rupees) -----					
Net assets at the beginning of the period	191,060	17,879	208,939	110,000	(344)	109,656
Issuance of 880,883.0045 units: (2022 : 61,842.44 Units)						
- Capital value (at net asset value per unit at the beginning of the period) at Rs. 101.3814	89,305	-	89,305	6,165	-	6,165
- Element of income / (loss)	9,661	-	9,661	145	-	145
	98,967	-	98,967	6,310	-	6,310
Redemption of 735,062,0.654 units: (2022 : 1,686.8096)						
- Capital value (at net asset value per unit at the beginning of the period) at Rs.101.3814	(74,522)	-	(74,522)	168	-	168
- Element of income / (loss)	(2,975)	(2,021)	(4,996)	0.83	-	1
	(77,497)	(2,021)	(79,517)	169	-	169
Total comprehensive Income / (loss) for the period	-	23,721	23,721	-	(1,844)	(1,844)
Final Distribution for the year ended June 30,2023 at the rate of 9.6500 declared on July 01,2023	-	(18,160)	(18,160)	-	-	-
Net Income / (loss) for the period less distribution	-	5,561	5,561	-	(1,844)	-
Net assets as at the end of the period	212,530	21,419	233,948	116,141	(2,188)	113,953
Undistributed income / (loss) brought forward comprising of:						
- Realised		19,948			(344)	
- Unrealised		(2,069)			-	
		17,879			(344)	
Accounting income available for distribution:						
- Relating to capital gains		14,593			-	
- Excluding capital gains		7,107			-	
		21,700			-	
Net Income for the period after taxation		-			(1,844)	
Distribution during the period		(18,160)			-	
Undistributed income carried forward		21,419			(2,188)	
Undistributed income / (loss) carried forward:						
- Realised		11,363			8,355	
- Unrealised		10,056			(6,167)	
		21,419			(2,188)	
		-- (Rupees) --			-- (Rupees) --	
Net assets value per unit at beginning of the period		111.0314			99.6871	
Net assets value per unit at end of the period		115.3814			98.2222	

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

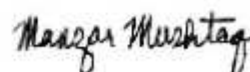
For MCB Investment Management Limited
(Formerly: MCB-Arif Habib Savings and Investments Limited)
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter ended September 30, 2023	Quarter ended September 30, 2022
	——(Rupees in '000)——	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income for the period before taxation	23,721	(1,844)
Adjustments for non cash and other items:		
Unrealised (gain) / loss on re-measurement of investments classified as at fair value through profit or loss - net	(10,056)	6,167
Dividend Income	-	(3,709)
	<u>13,664</u>	<u>615</u>
(Increase) / Decrease in asset		
Investments	18,573	(94,589)
Receivable against sale of investments	11,912	-
Profit receivable on bank deposit	(204)	(191)
Other receivable	(1,774)	(1,099)
	<u>28,506</u>	<u>(95,879)</u>
Increase in liabilities		
Payable to the Management Company	(2)	74
Payable to the Trustee	(0)	21
Payable to the Securities and Exchange Commission of Pakistan	(15)	6
Accrued expenses and other liabilities	199	416
Payable against redemption of units	-	-
Payable against purchase of investments	(284)	-
	<u>(102)</u>	<u>516</u>
Dividend received	-	2,634
Net cash generated from operating activities	<u>42,069</u>	<u>(92,115)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	98,967	6,310
Amount paid on redemption of units	(79,517)	(169)
Dividend distribution	(18,160)	-
Net cash generated from financing activities	<u>1,289</u>	<u>6,141</u>
Net increase in cash and cash equivalents during the period	43,358	(85,973)
Cash and cash equivalents at the beginning of the period	12,899	110,019
Cash and cash equivalents at the end of the period	<u>56,257</u>	<u>24,046</u>

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

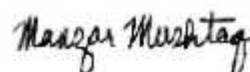
For MCB Investment Management Limited
(Formerly: MCB-Arif Habib Savings and Investments Limited)
(Management Company)



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, 2023

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.
- In April 2023, MCB Bank Limited acquired the entire shareholding of Arif Habib Corporation Limited (AHCL) in MCB Arif Habib Savings and Investments Limited after which the shareholding of MCB Bank Limited has increased from 51.33% to 81.42% in the Company and AHCL no longer holds any shares in the Company. Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 7, 2023 resolved via special resolution that the name of the Company be changed from MCB Arif Habib Savings and Investments Limited to MCB Investments Management Limited. Thereafter, the Company applied to SECP, for approval of change of name, which was granted on August 15, 2023 and as such, the change of name became effective from that date.
- 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).
- 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, 2023 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 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:
- International Financial Reporting Standards (IFRSs) 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
 - The NBFC rules, the Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed of Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulation and the requirements of the Trust Deed have been followed.

- 2.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2023. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2023 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2023, 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 2022.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

- 2.3 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.4 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.
- 2.5 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, 2023. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.
- 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, 2023. 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, 2023.

		(Un-audited) Sep 30 2023	(Audited) June 30, 2023
	Note	-----	-----
		(Rupees in '000)	
4. BALANCES WITH BANKS			
In savings accounts	4.1	56,257	12,899

- 4.1 These carry markup at the rates ranging from 20.50% (June 30, 2023: 12.25 to 19.50%) per annum and include Rs.2.37 million maintained with MCB Bank Limited, a related party which carries mark-up at the rate of 20.50% per annum.

		(Un-audited) Sep 30 2023	(Audited) June 30, 2023
	Note	-----	-----
		(Rupees in '000)	
5 INVESTMENTS			
At fair value through profit or loss			
Listed equity securities		186,927	177,209
Government securities		-	18,234
Listed equity securities	5.1	<u>186,927</u>	<u>195,443</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

5.1 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	Symbol	Number of shares				Balance as at September 30, 2023			Market value		
		As at July 01, 2023	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2023	Carrying value	Market Value	Unrealized (loss) / gain	As a percentage of net assets	As a percentage of total investments
(Rupees in '000)											
Automobile Parts & Accessories											
Atlas Battery Limited	ATBA	10,000	-	-	6,400	3,600	736	844	109	0.36%	0.45%
		10,000	-	-	6,400	3,600	736	844	109		
Cement											
Bestway Cement Limited	BWCL	77,100	8,700	-	12,800	73,000	10,681	12,090	1,410	5.17%	6.47%
		77,100	8,700	-	12,800	73,000	10,681	12,090	1,410		
Chemicals											
Archroma Pakistan Limited	ARPL	13,700	-	-	4,200	9,500	4,465	4,180	(285)	1.79%	2.24%
		13,700	-	-	4,200	9,500	4,465	4,180	(285)		
Commercial Banks											
Bank Alfalah Limited	BAFL	176,000	79,000	-	255,000	-	-	-	-	0.00%	0.00%
Habib Metropolitan Bank Limited	HMB	48,000	307,000	-	13,500	341,500	12,841	12,373	(468)	5.29%	6.62%
MCB Bank Limited	MCB	85,000	89,300	-	59,800	114,500	13,963	14,811	847	6.13%	7.92%
United Bank Limited	UBL	47,000	108,432	-	18,432	137,000	18,139	19,673	1,534	8.41%	10.53%
Standard Chartered Bank (Pak) Ltd	SCBPL	112,000	154,000	-	32,000	234,000	5,756	6,725	969	2.87%	3.60%
Faysal Bank Limited	FABL	-	140,000	-	140,000	-	-	-	-	0.00%	0.00%
Bank Al Habib Limited	BAHL	-	40,000	-	-	40,000	2,113	1,801	(312)	0.77%	0.96%
Meezan Bank Limited	MEBL	-	103,600	-	3,700	99,900	11,165	11,450	284	4.89%	6.13%
		468,000	1,021,332	-	522,432	966,900	63,977	66,832	2,855		
Fertilizer											
Engro Corporation Limited	ENGRO	55,500	-	-	48,500	7,000	1,819	1,681	(138)	0.72%	0.90%
Engro Fertilizers Limited	EFERT	242,500	12,500	-	126,000	129,000	10,564	9,794	(770)	4.19%	5.24%
Fauji Fertilizer Company Limited	FFC	174,000	63,000	-	78,000	159,000	15,468	14,762	(707)	6.31%	7.90%
		472,000	75,500	-	252,500	295,000	27,851	26,236	(1,615)		
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited	MAPI	10,800	-	-	5,800	5,000	7,573	7,801	227	3.33%	4.17%
Pakistan Oilfields Limited	POL	46,000	3,200	-	31,200	18,000	7,322	7,016	(307)	1.00%	1.75%
		56,800	3,200	-	37,000	23,000	14,895	14,816	(79)		
Oil And Gas Marketing Companies											
Attock Petroleum Limited	APL	59,000	-	-	25,000	34,000	10,209	9,908	(300)	4.74%	5.30%
		59,000	-	-	25,000	34,000	10,209	9,908	(300)		
Paper And Board											
Security Papers Limited	SEPL	4,800	-	-	4,800	-	-	-	-	0.00%	0.00%
		4,800	-	-	4,800	-	-	-	-		
Power Generation & Distribution											
The Hub Power Company Limited	HUBC	266,000	68,500	-	72,500	262,000	19,214	23,142	3,929	9.89%	12.38%
Nishat Power Limited	NPL	245,000	36,000	-	70,000	211,000	3,858	5,271	1,413	2.25%	2.82%
Nishat Churnian Power Limited	NCPL	190,000	429,000	-	54,000	565,000	11,080	12,633	1,554	5.40%	6.70%
Kot Addu Power Company Limited	KAPCO	-	91,700	-	-	91,700	2,367	2,447	80	1.05%	1.31%
Lalpur Power Limited	LPL	-	190,000	-	-	190,000	2,873	2,949	76	1.26%	1.58%
		701,000	815,200	-	196,500	1,319,700	39,391	46,442	7,051		
Real Estate Investment Trust											
Dulmen City REIT	DCR	193,500	-	-	53,500	140,000	1,915	1,932	17	0.83%	1.03%
		193,500	-	-	53,500	140,000	1,915	1,932	17		
Tobacco											
PAKISTAN TOBACCO COMPANY	PAKT	-	5,000	-	-	5,000	2,750	3,645	895	1.58%	1.95%
		-	5,000	-	-	5,000	2,750	3,645	895		
Total as at September 30, 2023 (Unaudited)							176,870	186,927	10,056		
Total as at June 30, 2023 (Audited)							179,251	177,209	(2,042)		

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

	Sep 30, 2023	June 30, 2023	Sep 30, 2023	June 30, 2023
	— (Number of shares) —		— (Rupees in '000) —	
Attock Petroleum Limited	20,000	20,000	5,828	6,005
Bank Alfalah Limited	-	150,000	-	4,566
Fauji Fertilizer Company Limited	20,000	20,000	1,857	1,969
THE HUB POWER COMPANY LIMITED	50,000	-	4,417	-
	90,000	190,000	12,102	12,540

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

6 Government securities - at fair value through profit or loss

Name of security	Issue date	Maturity Date	Face value				Balances as at Sep 30, 2023			
			As at July 01, 2023	Purchased during the year	Sold / matured during the year	As at Sep 30, 2023	Carrying Value	Market Value	Unrealised (loss) / gain	
Treasury Bills										
Market Treasury Bills - 3 months	15-Jun-2023	7-Sep-23	19,000,000	-	19,000,000	-	-	-	-	-
Total as at September 30, 2023 (Un-Audited)										
Treasury Bills										
Market Treasury Bills - 3 months	15-Jun-2023	7-Sep-23	-	19,000,000	-	19,000,000	18,261	18,234	(27)	
Total as at June 30, 2023 (Audited)							18,261	18,234	(27)	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

7 PAYABLE TO THE MANAGEMENT COMPANY

7.1 The Management Company has charged remuneration at the rate of 1% of average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 Sales tax on management remuneration has been charged at the rate of 13%.

8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) on annual basis at the rate of 0.02% of average Net Assets of Collective investment Scheme calculated on daily basis.

Effective as of July 1, 2023, the SECP, through SRO 592 dated May 17, 2023, has revised the annual fee rate from 0.02% to 0.095% and introduced a shift in payment frequency, from annual to monthly basis.

		(Un-audited) Sep 30 2023	(Audited) June 30, 2023
		----(Rupees in '000)----	
9 ACCRUED EXPENSES AND OTHER LIABILITIES			
Brokerage payable	9	173	110
Auditors' remuneration		468	356
Withholding tax payable		8	1
Printing and related charges payable		65	40
Payable to legal advisor		29	37
		<u>743</u>	<u>544</u>

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at the Sep 30, 2023 (June 30, 2023: Nil).

11 TAXATION

The income of the Fund is exempt from income tax under 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 for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income to be earned during current year to the unit holders as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore, no provision for taxation has been made in these condensed interim financial statements during the period. The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

12 TOTAL EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 2.90% and this includes 0.34% 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, 2023**

	Sep 30 2023	Sep 30 2022
	----- (Rupees in '000) -----	
13.2 Transactions during the year:		
MCB Investments Management Limited		
Remuneration of the Management Company	464	283
Sindh Sales Tax on remuneration of the Trustee	60	37
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	93	57
Sindh Sales Tax on remuneration of the Trustee	12	7
MCB Bank Limited		
Purchase of 89,300 shares (2022 : 87,800 shares)	11,198	10,873
Sale of 59,800 shares (2022 : 12,300 shares)	7,270	1,617
Dividend Income	560	226
Nishat Power Limited		
Purchase of 36,000 shares (2022 : 103,000 shares)	892	2,190
Sale of 70,000 shares (2022 : 103,000 shares)	1,239	2,422
Dividend Income		
Lalpir Power Limited		
Purchase of 190,000 shares (2022 : NIL shares)	2,873	-
Sale of NIL shares (2022 : NIL shares)	-	-
Dividend Income	-	-
Atlas Battery Limited		
Purchase of NIL shares (2022 : NIL shares)	-	-
Sale of 6,400 shares (2022 : NIL shares)	1,479	-
Dividend Income	36	-
	Sep 30 2023	June 30, 2022
	----- (Rupees in '000) -----	
13.3 Balances outstanding at year end:		
MCB Investments Management Limited		
Remuneration payable	162	164
Sindh sales tax payable on remuneration other payable	21	21
Other receivable	-	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	32	33
Sindh sales tax payable on remuneration	4	4
Group / associated company		
MCB Bank Limited		
114,500 shares held by the fund (2023 : 85000 shares)	14,811	9,730
Bank Deposit	2,317	1,326
Nishat Power Limited		
211,000 shares held by the fund (2023 : 245,000 shares)	5,271	4,153

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

Atlas Battery Limited 3,600 shares held by the fund (2023 : 10,000 shares)	844	2,044
Lalpir Power Limited 190,000 shares held by the fund (2023 : NIL shares)	2,949	-

14 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 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).

15 GENERAL

15.1 Figures have been rounded off to the nearest thousands, unless otherwise specified.

15.2 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.

16 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.

17 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 18, 2023 by the Board of Directors of the Management Company.

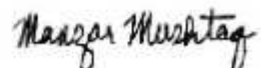
For MCB Investment Management Limited
(Formerly: MCB-Arif Habib Savings and Investments Limited)
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB INVESTMENT MANAGEMENT LIMITED

(Formerly: MCB Arif Habib Savings and Investments Limited)

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

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