

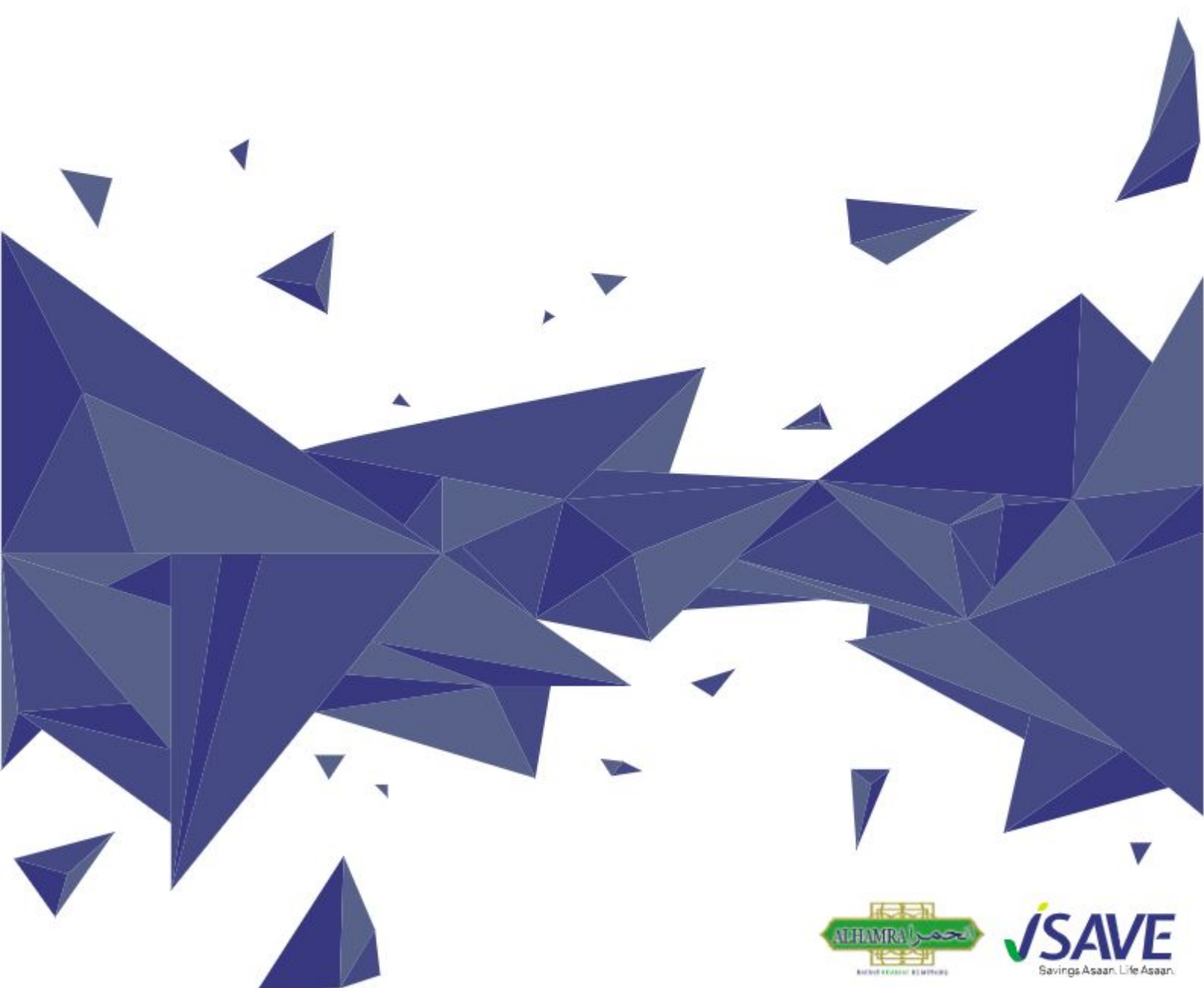


MCB FUNDS
Investments for Life

QUATERLY REPORT

SEPTEMBER
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



MCB PAKISTAN ASSET ALLOCATION FUND

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq 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 Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Shoaib Mumtaz Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
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	Bank Alfalah Limited Habib Metropolitan Bank Limited MCB Bank Limited United Bank Limited Zarai Taraqiat Bank Limited NRSP Microfinance Bank Limited	U Microfinance Bank Limited HBL Microfinance Bank Limited National Bank of Pakistan Allied Bank Limited Faysal Bank Limited Soneri Bank Limited
Auditors	A. F. Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB Pakistan Asset Allocation Fund** accounts review for the quarter ended September 30, 2024.

Economy Review

The new fiscal year began on a positive note with the government securing a staff-level agreement with the IMF for a 37-month Extended Fund Facility (EFF) worth approximately USD 7.0 billion. However, the formal approval was delayed due to the government's struggle to secure debt rollovers from friendly countries. After Pakistan fulfilled all preconditions the IMF Executive Board approved the program on September 27, 2024. Subsequently, the State Bank of Pakistan (SBP) received the first tranche of USD 1.0 billion, bolstering foreign exchange reserves and strengthening the currency as the USD/PKR parity appreciated by 0.2% in the quarter to close at 277.7.

The country posted a current account deficit (CAD) of USD 171mn in the first two months of the fiscal year 2025 (2MFY25) declining by 81% YoY compared to a deficit of USD 893mn in the corresponding period last year. The major contributor towards improving CAD was the remittances inflows which skyrocketed by 44.0% to USD 1.8bn. Trade Deficit increased by 21.7% YoY as exports rose by 7.2% while imports increased by 13.8% from a low base. The country's external position improved with SBP's foreign exchange reserves increasing to USD 10.7bn as of Sep-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 9.2% during 1QFY25 compared to 29.0% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past nine months, a substantial drop in food prices aligning with global trends, and a reduction in international oil prices, which eased local fuel costs. Additionally, the base effect further contributed to the lower inflation figures.

As per the revised numbers the country's GDP grew by 2.5% in the financial year 2023-24 as compared to -0.2% last year. Agriculture grew by 6.4%, Services sector grew by 2.2% while industrial sector witnessed a decline of 1.2%. Historic high interest rates and inflation coupled with political uncertainty were the major culprits behind the subdued industrial and services output. On the fiscal side, FBR tax collection increased by 25.2% in 1QFY25 to PKR 2,556 billion, missing the target by PKR 96 billion.

Equity Market Review

The KSE-100 Index maintained its upward momentum in the first quarter of FY25, hitting a new all-time high of 82,247 points. The rally was fueled by multiple factors, including a drop-in inflation to single digits and an unexpected 300bps interest rate cut by the SBP during the quarter. Investor confidence also strengthened after the IMF board approved the USD 7.0 billion EFF program, providing clarity on the external front. However, some profit-taking toward the end of the month led the index to close at 81,114 points, marking a quarterly gain of 2,669 points or +3.4% QoQ.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

During 1QFY25, Foreign investors, Insurance, and Corporates were net sellers with an outflow of USD 21.7 million, USD 19.2 million and USD 14.0 million, respectively. The foreign selling was on account FTSE rebalancing related outflow as Pakistan was reclassified from Secondary Emerging to Frontier market status. This selling was mainly absorbed by Individuals and Mutual Funds with inflow of USD 47.4 million and USD 18.8 million, respectively.

On activity front, average trading volumes for KSE-All Index remained almost static to 491.2 million shares compared to about 491.7 million shares in the preceding quarter. While the average trading value during the period saw a decline of -6.8% over previous quarter to near USD 105 million.

Fertilizer, E&P, and Banking sector were the major contributors to the index rally adding 2,198/1,532/1,002 points, respectively. Attractive dividend yield amid monetary easing garner investors interest in Banking & Fertilizer sector. While E&P sector also remained in the limelight due to surprise 800% bonus announcement by MARI. On the other hand, the power sector contributed a negative 1,323 points as the government announced plans to renegotiate or terminate contracts with Independent Power Producers (IPPs).

FUND PERFORMANCE

The fund posted a return of 3.74% during the period under review against the benchmark return of 3.50%. The fund has gradually decreased exposure in equities which reached to 81.8% by the end of September 30, 2024 and at the same time it increased the exposure in cash to 15.5% by September 30, 2024.

On the equity side, the fund was mainly invested in Commercial Banks and Cement.

The Net Assets of the Fund as at September 30, 2024 stood at Rs. 564 million as compared to Rs. 672 million as at June 30, 2024 registering a decrease of 16.07%. The Net Asset Value (NAV) per unit as at September 30, 2024 was Rs. 124.2530 as compared to opening NAV of Rs. 119.7708 per unit as at June 30, 2024 registering an increase of 4.4822 per unit.

Economy & Market – Future Outlook

Pakistan's GDP growth is projected to inch up to 2.8% in FY25, compared to 2.5% last year. The industrial and services sectors are expected to expand by 3.5% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 1.9%, constrained by the high base effect and flood-related damage to the cotton crop.

The new 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 12.7bn by year end 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 0.6bn (0.1% of GDP) in FY25 as policy of

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

consolidation is likely to continue under the IMF umbrella. We are of the view that improvement in exports and remittances and increased comfort on the external side after entering into the IMF program will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close Jun-25 around 289.4.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in September 2024 clocked of 6.9% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 44 months. The core inflation also remained on a declining trajectory, clocking at 10.4% (29 months low). We expect inflation to further decelerate in the coming months as base effect will become more pronounced. We anticipate CPI to average around 6.8% in FY25 compared to 23.9% in FY24. As the real interest rate remains significantly positive we foresee further interest cuts, expecting policy rate to decline around 13.0% by June 25.

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 9.7%, a discount of 48.4% from its historical average of 18.8%. Similarly, Earning Yield minus Risk Free Rate is close to 7.9%, compared to the historical average of 3.0% 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 5.0x, while offering a dividend yield of 10.8%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. Investors with a mid to long term view can benefit from Bond and Income Funds where higher duration will create opportunities for capital gains in the wake of Interest rate outlook. We have added government bonds in Income Funds to benefit from the expected further monetary easing in the near term.

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 13.9% during 1QFY25 to PKR 2,931bn. Total money market funds grew by about 0.2% since Jun-24. Within the money market sphere, conventional funds showed a growth of 19.4% to PKR 751bn while Islamic funds declined by 17.7% to PKR 559bn. In addition, the total fixed Income and Fixed Rate funds increased by about 35.1% since Jun-24 to PKR 1,298bn while Equity and related funds increased by 5.6% to PKR 270bn.

In terms of the segment share, Money Market funds were the leader with a share of around 44.7%, followed by Income and fixed return funds with 44.3% and Equity and Equity related funds having a share of 9.2% as at the end of Sep-24.

Mutual Fund Industry Outlook

Interest rates trajectory and expectations of further monetary easing shall continue to attract inflows in longer tenor instrument linked funds including Sovereign Funds and Income Funds. Money market funds should also benefit from higher liquidity as they are

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

ideal for investors with a short-term horizon and low risk profile. With improved external account post agreement with IMF, 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,



Khawaja Khalil Shah
Chief Executive Officer
October 21, 2024



Manzar Mushtaq
Director
October 21, 2024

ڈائریکٹرز رپورٹ

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈز انڈسٹری کے خالص اثاثے 1QFY25 کے دوران تقریباً 13.9 فیصد بڑھ کر 2,931 PKR بلین ہو گئے۔ 24 جون سے کل منی مارکیٹ فنڈز میں تقریباً 0.2 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرے میں، روایتی فنڈز 19.4 فیصد اضافے کی وجہ سے 751 PKR بلین ہو گئے جبکہ اسلامی فنڈز نے 17.7 فیصد کمی کی وجہ سے 559 PKR بلین ہو گئے۔ مزید برآں، کل فکسڈ انکم اور فکسڈ ریٹ فنڈز 24 جون سے تقریباً 35.1 فیصد بڑھ کر 1,298 PKR بلین ہو گئے جبکہ ایکویٹی اور متعلقہ فنڈز 5.6 فیصد بڑھ کر 270 PKR بلین ہو گئے۔

سیگمنٹ شیئر کے لحاظ سے، منی مارکیٹ فنڈز تقریباً 44.7 فیصد کے شیئر کے ساتھ سرفہرست تھے، اس کے بعد انکم اور فکسڈ ریٹ فنڈز 44.3 فیصد کے ساتھ اور ایکویٹی اور ایکویٹی سے متعلقہ فنڈز کا حصہ ستمبر 24 کے آخر تک 9.2 فیصد تھا۔

میوچل فنڈ انڈسٹری آؤٹ لک

شرح سود کی رفتار اور مزید مالیاتی نرمی کی توقعات طویل مدتی انشرومنٹ سے منسلک فنڈز بشمول Sovereign Funds اور Income Funds میں آمد کو راغب کرتی رہیں گی۔ منی مارکیٹ فنڈز کو بھی زیادہ لیکویڈیٹی سے فائدہ اٹھانا چاہیے کیونکہ یہ قلیل مدتی افق اور کم رسک پروفائل والے سرمایہ کاروں کے لیے مثالی ہیں۔ IMF کے ساتھ بہتر ایکسٹرنل اکاؤنٹ پوسٹ ایگریمنٹ کے ساتھ، طویل مدتی سرمایہ کاران انتہائی پرکشش سطحوں پر ایکویٹی میں سرمایہ کاری کرنے کی کوشش کریں گے۔ ہمارے کام بغیر کسی رکاوٹ کے جاری رہے اور ڈیجیٹل رسائی اور آن لائن کسٹمرز کے تجربے میں مسابقتی برتری کے پیش نظر، ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد کے فوائد حاصل کرنے کے لیے تیار ہیں۔

اعتراف

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کا مسلسل تعاون کا شکریہ ادا کرتا ہے۔ ڈائریکٹرز نے انتظامیہ کی ٹیم کی کوششوں کو بھی سراہا۔

ڈائریکٹرز کی جانب سے،

Masra Mushtaq

منظر مشتاق

ڈائریکٹر

21 اکتوبر، 2024

خواجہ خلیل شاہ

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

21 اکتوبر، 2024

USD 0.6 بلین (GDP کا 0.1 فیصد) کی CAD کی توقع کرتے ہیں کیونکہ IMF کی چھتری کے تحت استحکام کی پالیسی جاری رہنے کا امکان ہے۔ ہمارا خیال ہے کہ برآمدات اور ترسیلات زر میں بہتری اور آئی ایم ایف پروگرام میں داخل ہونے کے بعد بیرونی طرف سے استحکام میں اضافہ ہوگا اور قریب مدت میں کرنسی کو مستحکم رکھے گا۔ ہمیں توقع ہے کہ اس سال کرنسی کی قدر میں معمولی کمی PKR/USD کو جون 2025 کے قریب 289.4 پر بند کرے گی۔

بنیادی اثر اور نسبتاً مستحکم کرنسی کی وجہ سے افراط زر کی شرح میں کمی آنا شروع ہو گئی ہے۔ ستمبر 2024 میں ہیڈ لائن افراط زر کی تعداد مئی 2023 میں 38.0 فیصد کی بلند ترین شرح کے مقابلے میں 6.9 فیصد تک پہنچ گئی۔ یہ پچھلے 44 مہینوں میں سب سے کم ریڈنگ تھی۔ بنیادی افراط زر بھی گرتی ہوئی رفتار پر رہا، جو 10.4 فیصد (29 ماہ کی کم ترین سطح) پر پہنچ گیا۔ ہمیں توقع ہے کہ آنے والے مہینوں میں افراط زر مزید کم ہو جائے گا کیونکہ بنیادی اثر مزید واضح ہو جائے گا۔ ہم توقع کرتے ہیں کہ مالی سال 24 میں 23.9 فیصد کے مقابلے میں مالی سال 25 میں CPI اوسطاً 6.8 فیصد رہے گا۔ چونکہ حقیقی شرح سود نمایاں طور پر مثبت رہتی ہے، ہم مزید سود میں کٹوتیوں کی پیش گوئی کرتے ہیں، جون 2025 تک پالیسی کی شرح تقریباً 13.0 فیصد کم ہونے کی توقع رکھتے ہیں۔

کیپٹل مارکیٹ کے نقطہ نظر سے خاص طور پر ایکویٹیز، مارکیٹ اب بھی سستی قیمتوں پر ٹریڈ کر رہی ہے۔ مارکیٹ کیپ ٹوجی ڈی پی کا تناسب 9.7 فیصد پر ہے، جو اس کی تاریخی اوسط 18.8 فیصد سے 48.4 فیصد کی چھوٹ ہے۔ اسی طرح، ارننگ پیبلڈ مائنس رسک فری ریٹ 7.9 فیصد کے قریب ہے، جو کہ 3.0 فیصد کی تاریخی اوسط کے مقابلے میں ایک گہری رعایت کی نشاندہی کرتا ہے جس پر مارکیٹ ٹریڈ کر رہی ہے۔ بیرونی اکاؤنٹ پر چیلنجز کا حل مارکیٹ کی صلاحیت کو بڑھانے میں مدد کرے گا۔ ہمیں یقین ہے کہ سیکٹرز اور اسٹاکس کا ایک مائیکرو ویو اہم رہے گا اور سرمایہ کاری کے انتخاب کو ان کمپنیوں پر توجہ مرکوز کرنی چاہیے، جو اپنی اصل قیمت پر گہری رعایت پر تجارت کرتی ہیں۔ مارکیٹ فی الحال 5.0x PER پر ٹریڈ کر رہی ہے، جبکہ 10.8 فیصد کی منافع بخش پیداوار پیش کر رہی ہے۔

قرض ہولڈرز کے لیے، ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈز سال بھر میں بغیر کسی رکاوٹ کے پالیسی شرحوں کے آئینہ دار رہیں گے۔ وسط سے طویل مدتی نقطہ نظر کے حامل سرمایہ کار بانڈ اور انکم فنڈز سے فائدہ اٹھا سکتے ہیں جہاں زیادہ مدت سود کی شرح کے نقطہ نظر کے تناظر میں سرمائے میں اضافے کے مواقع پیدا کرے گی۔ ہم نے انکم فنڈز میں حکومتی بانڈز شامل کیے ہیں تاکہ مستقبل قریب میں متوقع مزید مالیاتی نرمی سے فائدہ اٹھایا جاسکے۔

ڈائریکٹر رپورٹ

معاهدوں پر دوبارہ گفت و شنید یا ختم کرنے کے منصوبوں کا اعلان کیا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 3.5 فیصد کے بیچ مارک ریٹرن کے مقابلے میں 3.74 فیصد کار ریٹرن دیا۔ فنڈ نے بتدریج ایکویٹیز میں سرمایہ کاری کو کم کیا جو 30 ستمبر 2024 کے آخر تک 81.8 فیصد تک پہنچ گئی اور ساتھ ہی اس نے 30 ستمبر 2024 تک کیش میں سرمایہ کاری کو 15.5 فیصد تک بڑھایا۔ ایکویٹی کی طرف، فنڈ بنیادی طور پر کمرشل بینکوں اور سینٹ کی کمپنیوں میں لگایا گیا۔

30 جون 2024 تک فنڈ کے خالص اثاثے 672 ملین روپے تھے جب کہ 30 ستمبر 2024 کو یہ 564 ملین روپے رہے جو 16.07 فیصد کی کمی کو ظاہر کرتے ہیں۔

30 جون 2024 اوپننگ نیٹ اثاثہ (NAV) کی قیمت فی یونٹ 119.7708 روپے تھی جب کہ 30 ستمبر 2024 کو یہ فی یونٹ 124.2530 روپے رہی جو 4.4822 روپے فی یونٹ کے اضافے کو ظاہر کرتی ہے۔

معیشت اور مارکیٹ - مستقبل کا آؤٹ لک

پاکستان کی جی ڈی پی کی شرح نمو FY 25 میں 2.8 فیصد تک رہنے کا امکان ہے، جو کہ گزشتہ سال 2.5 فیصد تھی۔ صنعتی اور خدمات کے شعبوں میں بالترتیب 3.5 فیصد اور 3.0 فیصد کی توسیع متوقع ہے، جس کی وجہ طلب میں بتدریج بحالی اور بنیادی اثر ہے۔ تاہم، زرعی نمو 1.9 فیصد پر معمولی رہنے کا امکان ہے، جو کہ اعلیٰ بنیادی اثر اور کپاس کی فصل کو سیلاب سے متعلقہ نقصانات کی وجہ سے محدود ہے۔

آئی ایم ایف کا نیا پروگرام کلیدی مثبت ہے کیونکہ یہ ہمیں دو طرفہ اور کثیر جہتی ذرائع سے فنڈنگ حاصل کرنے کی اجازت دیتا ہے۔ ہم توقع کرتے ہیں کہ دوست ممالک، آئی ایم ایف اور کثیر جہتی ایجنسیوں کی جانب سے آنے والے بہاؤ کی وجہ سے سال کے آخر تک SBP کے ذخائر بڑھ کر USD 12.7 ملین ہو جائیں گے۔ تاہم، ہماری بیرونی پوزیشن اب بھی غیر یقینی ہے کیونکہ ہم چیلنجنگ عالمی حالات کی وجہ سے بین الاقوامی یورو بانڈ یا سکوک جاری کرنے کا امکان نہیں رکھتے ہیں۔ FDI اور RDA سے حاصل ہونے والی آمدنی کا بھی موجودہ معاشی چیلنجوں کی وجہ سے خاموش رہنے کا امکان ہے۔ اس طرح، ہمیں بیرونی خدشات کو دور کرنے کے لیے اس ل ایک پائیدار کرنٹ اکاؤنٹ کو یقینی بنانا ہوگا۔ ہم FY25 میں

ڈائریکٹر رپورٹ

میں 2.5 فیصد اضافہ ہوا۔ زراعت میں 6.4 فیصد اضافہ ہوا، خدمات کے شعبے میں 2.2 فیصد اضافہ ہوا جبکہ صنعتی شعبے میں 1.2 فیصد کی کمی دیکھی گئی۔ صنعتی اور خدمات کے آؤٹ پٹ میں کمی کے پیچھے تاریخی بلند شرح سود اور مہنگائی کے ساتھ سیاسی غیر یقینی صورتحال سب سے بڑے مجرم تھے۔ مالیاتی پہلو پر، FBR کی ٹیکس وصولی 1QFY25 میں 25.2 فیصد بڑھ کر 2,556 بلین روپے ہو گئی، جو ہدف 96 ارب روپے سے کم ہے۔

ایکویٹی مارکیٹ کا جائزہ

KSE-100 انڈیکس نے FY 25 کی پہلی سہ ماہی میں اپنی اوپر کی رفتار کو برقرار رکھا اور 82,247 پوائنٹس کی نئی بلند ترین سطح کو چھو لیا۔ ریلی کو متعدد عوامل نے تقویت بخشی، بشمول سنگل ہندسوں میں گراؤٹ میں افراط زر اور سہ ماہی کے دوران اسٹیٹ بینک کی جانب سے غیر متوقع طور پر 300bps شرح سود میں کمی شامل ہیں۔ IMF بورڈ کی جانب سے 7.0 بلین امریکی ڈالر کے EFF پروگرام کی منظوری کے بعد سرمایہ کاروں کا اعتماد بھی مضبوط ہوا، جس نے بیرونی محاذ پر وضاحت کی۔ تاہم، مہینے کے آخر میں کچھ منافع لینے کی وجہ سے انڈیکس 81,114 پوائنٹس پر بند ہوا، جس سے 2,669 پوائنٹس یا +3.4% QoQ کا سہ ماہی اضافہ ہوا۔

1QFY25 کے دوران، غیر ملکی سرمایہ کار، انشورنس، اور کارپوریٹس بالترتیب 21.7 USD ملین، 19.2 USD ملین اور 14.0 USD ملین کے ساتھ خالص فروخت کنندگان تھے۔ غیر ملکی فروخت FTSE کے دوبارہ توازن سے متعلق اخراج کی وجہ سے تھی کیونکہ پاکستان کی سیکنڈری ایمرجنگ سے فرنیچر مارکیٹ اسٹیٹس میں دوبارہ درجہ بندی کیا گیا تھا۔ اس فروخت کو بالترتیب 47.4 USD ملین اور 18.8 USD ملین کے ساتھ انفرادی اور میوچل فنڈز نے جذب کیا۔

مرگرمی کے محاذ پر، KSE-All Index کے لیے اوسط تجارتی حجم گزشتہ سہ ماہی میں 491.7 ملین شیئرز کے مقابلے 491.2 ملین شیئرز پر تقریباً مستحکم رہا۔ جبکہ اس مدت کے دوران اوسط تجارتی قدر میں کچھ کمی سہ ماہی کے مقابلے میں -6.8 فیصد کی کمی دیکھی گئی جو 105 ملین امریکی ڈالر کے قریب ہے۔

فریٹلائزر، ای اینڈ پی، اور بینکنگ سیکٹر نے انڈیکس کی ریلی میں بالترتیب 1,002 / 1,532 / 2,198 پوائنٹس کا اضافہ کیا۔ مالیاتی نرمی کے درمیان پرکشش منافع بخش پیداوار نے بینکنگ اور فریٹلائزر سیکٹر میں سرمایہ کاروں کی دلچسپی حاصل کی۔ جبکہ ای اینڈ پی سیکٹر بھی MARI کی جانب سے 800 فیصد بونس کے حیران کن اعلان کی وجہ سے سرخیوں میں رہا۔ دوسری طرف، پاور سیکٹر نے منفی 1,323 پوائنٹس کا حصہ ڈالا کیونکہ حکومت نے انڈیپنڈنٹ پاور پروڈیوسرز (IPPs) کے ساتھ

ڈائریکٹرز رپورٹ

پیارے سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے، مجھے ایم سی بی پاکستان ایسٹ ایلوکیشن فنڈ کے 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے اکاؤنٹس کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

معیشیت کا جائزہ

نئے مالی سال کا آغاز مثبت ہوا جب حکومت نے IMF کے ساتھ 37 ماہ کے توسیعی فنڈ سہولت (EFF) کے لیے تقریباً 7.0 بلین امریکی ڈالر کا اسٹاف لیول معاہدہ کیا۔ تاہم، حکومت کی جانب سے دوست ممالک سے قرضوں کی واپسی کے لیے جدوجہد کی وجہ سے رسمی منظوری میں تاخیر ہوئی۔ پاکستان کی جانب سے تمام پیشگی شرائط پوری کرنے کے بعد IMF کے ایگزیکٹو بورڈ نے 27 ستمبر 2024 کو پروگرام کی منظوری دی۔ اس کے بعد، اسٹیٹ بینک آف پاکستان (SBP) کو 1.0 بلین امریکی ڈالر کی پہلی قسط موصول ہوئی، جس سے زرمبادلہ کے ذخائر میں اضافہ ہوا اور کرنسی کو PKR/USD کے طور پر مضبوط کیا گیا جس کی برابری سہ ماہی میں 0.2 فیصد سے بڑھ کر 277.7 پر بند ہوئی۔

ملک نے مالی سال 2025 (2MFY25) کے پہلے دو مہینوں میں 171 USD بلین کا کرٹ اکاؤنٹ خسارہ (CAD) پوسٹ کیا جس میں گزشتہ سال کی اسی مدت میں 893 USD بلین کے خسارے کے مقابلے میں 81 فیصد YoY کی کمی واقع ہوئی۔ CAD کو بہتر بنانے میں سب سے بڑا حصہ ترسیلات زر کا تھا جو 44.0 فیصد اضافے سے 1.8 USD بلین تک پہنچ گیا۔ تجارتی خسارے میں سالانہ 21.7 فیصد اضافہ ہوا جیسا کہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ کم بنیاد درآمدات میں 13.8 فیصد اضافہ ہوا۔ SBP کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے آخر میں 9.4 USD بلین کے مقابلے میں ستمبر 2024 کے آخر تک بڑھ کر 10.7 USD بلین تک پہنچے جو ملک کی بیرونی پوزیشن میں بہتری کا سبب بنے۔ یہ آئی ایم ایف اور کثیر جہتی ذرائع سے آنے والے بہاؤ کی وجہ سے تھا۔

1QFY25 کے دوران CPI طرف سے پیش کردہ ہیڈ لائن افراط زر اوسط 9.2 فیصد رہی جو پچھلے سال کی اسی مدت میں 29.0 فیصد تھی۔ اس تیزی سے گراؤت وجہ گزشتہ نومہینوں کے دوران کرنسی کے استحکام، عالمی رجحانات کے مطابق خوراک قیمتوں میں خاطر خواہ کمی، اور تیل بین الاقوامی قیمتوں میں کمی، جس سے ایندھن مقامی قیمتوں میں نرمی آئی ہے۔ مزید برآں، بنیادی اثر نے افراط زر کے کم اعداد و شمار میں مزید حصہ ڈالا۔

نظر ثانی شدہ اعداد کے مطابق مالی سال 2023-2024 میں ملک جی ڈی پی میں گزشتہ سال -0.2 فیصد کے مقابلے

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2024

	Note	(Un-audited) September 30, 2024 ----- (Rupees in '000) -----	(Audited) June 30, 2024
ASSETS			
Balance with banks	4.	94,382	88,809
Investments	5.	496,803	611,865
Receivable against sale of investments		4,767	8,221
Advances, deposits and other receivables		11,642	9,677
Total assets		607,594	718,572
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	6	1,867	2,522
Payable to the Central Depository Company of Pakistan Limited - Trustee		105	124
Payable to the Securities and Exchange Commission of Pakistan	7	43	52
Payable against purchase of investments		4,657	7,016
Payable on redemption of units		31	31
Accrued expenses and other liabilities	8	36,561	36,899
Total liabilities		43,265	46,644
NET ASSETS		564,329	671,928
Unit holders' fund (as per statement attached)		564,329	671,928
Contingencies and commitments	9		
		(Number of units)	
Number of units in issue		4,541,770	5,610,114
		(Rupees)	
NET ASSET VALUE PER UNIT		124.2530	119.7708

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	September 30,	
Note	2024	2023
	(Rupees in '000)	
Income		
Income from Government securities	-	2,235
Capital (loss) / gain on sale of investments - net	(8,915)	12,816
Dividend income	22,614	12,987
Profit on bank deposits and term deposit receipts	4,371	2,833
Unrealised appreciation in fair value of investments classified as 'at fair value through profit or loss' - net	10,290	30,486
Other income	53	52
Total Income	28,413	61,411
Expenses		
Remuneration of the Management Company	5,452	5,373
Sindh Sales Tax on remuneration of the Management Company	818	698
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	313	326
Sindh Sales Tax on remuneration of Trustee	47	42
Securities and Exchange Commission of Pakistan - annual fee	149	154
Allocated expenses	-	163
Brokerage and settlement charges	787	818
Auditors' remuneration	259	247
Other expenses	116	122
Total expenses	7,941	7,944
	20,472	53,467
Net Income for the period before taxation	20,472	53,467
Taxation	-	-
Net Income for the period after taxation	20,472	53,467
Allocation of net income for the period		
Net Income for the period	20,472	53,467
Income already paid on units redeemed	(71)	(2,973)
	20,401	50,493
Accounting income available for distribution		
- Relating to capital gains	1,307	40,567
- Excluding capital gains	19,094	9,926
	20,401	50,493
Earning per unit		

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For MCB Investment Management 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, 2024**

	September 30,	
	2024	2023
	----- (Rupees in '000) -----	
Net Income for the period after taxation	20,472	53,467
Other comprehensive income	-	-
Total comprehensive Income for the period	20,472	53,467

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For MCB Investment Management 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, 2024

	September 30,					
	2024			2023		
	(Rupees in '000)					
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	1,653,021	(981,093)	671,928	1,799,783	(1,189,133)	610,650
Issue of 322,448 units (2023: 17,572 units)						
- Capital value (at net asset value per unit at the beginning of the period)	38,620	-	38,620	1,346	-	1,346
- Element of Income / (loss)	238	-	238	169	-	169
Total proceeds on issuance of units	38,858	-	38,858	1,515	-	1,515
Redemption of 1,390,792 units (2023: 446,335 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(166,576)	-	(166,576)	(34,186)	-	(34,186)
- Element of Income / (loss)	(282)	(71)	(353)	(163)	(2,973)	(3,137)
Total payments on redemption of units	(166,858)	(71)	(166,929)	(34,349)	(2,973)	(37,322)
Total comprehensive (loss) / income for the period	-	20,472	20,472	-	53,467	53,467
	-	20,472	20,472	-	53,467	53,467
Net assets at end of the period	1,525,021	(960,692)	564,329	1,766,949	(1,138,640)	628,310
Undistributed loss brought forward						
- Realised loss		(1,139,274)			(1,170,235)	
- Unrealised loss		158,181			(18,898)	
		(981,093)			(1,189,133)	
Accounting income available for distribution						
- Relating to capital gains	1,307			40,567		
- Excluding capital gains	19,094			9,926		
	20,401			50,493		
Undistributed loss carried forward		(960,692)			(1,138,640)	
Undistributed income carried forward						
- Realised loss		(970,982)			(1,169,126)	
- Unrealised loss		10,290			30,486	
		(960,692)			(1,138,640)	
Net assets value per unit at beginning of the period	119.7708			76.5925		
Net assets value per unit at end of the period	124.2530			83.2866		

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

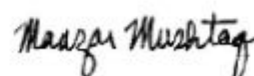
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	September 30,	
	2024	2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income / (loss) for the period before taxation	20,472	53,467
Adjustments:		
Unrealised diminution in fair value of investments classified as 'at fair value through profit or loss' - net	(10,290)	(30,486)
	<u>10,182</u>	<u>22,980</u>
(Increase) / Decrease in assets		
Investments	125,352	21,514
Receivable against sale of investments	3,454	3,929
Advances, deposits and other receivables	(1,965)	(1,522)
	<u>126,841</u>	<u>23,920</u>
Increase / (Decrease) in liabilities		
Payable to MCB Investment Management Limited - Management Company	(655)	27
Payable to the Central Depository Company of Pakistan Limited - Trustee	(19)	2
Payable to the Securities and Exchange Commission of Pakistan	(9)	(96)
Payable against purchase of investments	(2,359)	(16,743)
Accrued expenses and other liabilities	(338)	391
	<u>(3,379)</u>	<u>(16,419)</u>
Net cash generated from operating activities	<u>133,644</u>	<u>30,482</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	38,858	1,515
Payments against redemption of units	(166,929)	(37,322)
Net cash used in financing activities	<u>(128,071)</u>	<u>(35,807)</u>
Net Increase/ (decrease) in cash and cash equivalents during the period	<u>5,573</u>	<u>(5,325)</u>
Cash and cash equivalents at beginning of the period	88,809	97,614
Cash and cash equivalents at end of the period	<u>94,382</u>	<u>92,289</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For MCB Investment Management 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, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** MCB Pakistan Asset Allocation Fund (the Fund) was established through a Trust Deed executed between Arif Habib Investments Limited (now MCB Investment Management Limited), as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The draft Trust Deed of the Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated January 17, 2008 consequent to which Trust Deed was executed on November 22, 2007 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules). During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to promulgation of Provisional Trust Act namely "Sindh Trusts Act, 2021" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was registered under the Sindh Trust Act on August 12, 2021.
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3** The fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The principal activity of the Fund is to make investment in securities or instruments both inside and outside Pakistan. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Asset Allocation" scheme by the Board of Directors of the Asset Management Company in accordance with the requirements of Circular 7 of 2009 dated March 06, 2009 issued by the SECP.
- 1.4** The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' on October 04, 2024 (2024: 'AM1' dated October 6, 2023) to the Management Company. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

- 2.1.1** 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
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and 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.

- 2.1.2** 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 2024. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2024 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2024, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the quarter ended 30 September 2023.
- 2.1.3** 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.
- 2.1.4** 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.
- 2.1.5** This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

3 SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

- 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, 2024. 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, 2024. 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, 2024.

	Note	(Un-audited) September 30, 2024 (Rupees in '000)	(Audited) June 30, 2024
4. BALANCE WITH BANKS			
Savings accounts	4.1	89,523	83,663
Current accounts	4.2	4,859	5,146
		94,382	88,809
4.1	These carry profit at the rates ranging between 16.00 to 19.00% (2024: 19.00% to 20.5%) per annum. It includes bank balance of Rs. 0.012 million (2024: Rs 0.012 million) maintained with MCB Bank Limited (a related party).		
4.2	This include Rs. 4.85 Million (2024: Rs. 5.14 million) maintained with MCB Bank Limited (a related party)		

	Note	(Un-audited) September 30, 2024 (Rupees in '000)	(Audited) June 30, 2024
5. INVESTMENTS			
5.1 Investments at 'fair value through profit or loss'			
Listed equity securities - ordinary shares	5.1.1	475,743	589,245
Listed equity securities - preference shares	5.1.2	21,060	22,620
		496,803	611,865

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

5.1.1 Listed equity securities - ordinary shares Ordinary shares have a face value of Rs. 10 each unless stated otherwise

Name of investee company	Number of shares				As at September 30, 2024					Market value as a percentage of net assets	Market value as percentage of total investments	Market value as a percentage of the paid up capital of the investee company
	As at July 1, 2024	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at September 30, 2024	Carrying value	Market value	Unrealized appreciation / (diminution)				
						(Rupees in '000)			(%)			
Cable and Electrical Goods												
Pak Elektron Limited	260,000	225,000	-	85,000	400,000	10,116	10,024	(92)	1.76%	2.02%	0.05%	
						10,116	10,024	(92)	1.76%	2.02%	0.05%	
Automobile Parts & Accessories												
Agriauto Industries Limited*	92,625	-	-	-	92,625	9,503	7,719	(1,784)	1.37%	1.55%	0.26%	
Panther Tyres Limited	40,000	-	-	-	40,000	1,514	1,580	74	0.38%	0.32%	0.02%	
Thal Limited	24,000	-	-	-	24,000	11,000	9,043	(1,957)	1.74%	1.96%	0.03%	
						22,617	19,158	(3,459)	2.89%	2.89%	0.11%	
Cement												
Cherat Cement Company Limited	-	32,000	-	-	32,000	5,553	5,805	252	1.03%	0.00%	0.02%	
Fauji Cement Company Limited**	990,000	622,930	-	372,930	1,340,000	20,926	23,075	2,949	6.00%	6.82%	0.05%	
Lucky Cement Limited	57,400	-	-	17,400	40,000	36,269	35,362	(906)	6.27%	7.12%	0.01%	
Maple Leaf Cement Factory Limited**	660,000	-	-	460,000	210,000	8,322	7,104	(1,218)	1.26%	1.42%	0.02%	
Pioneer Cement Limited	70,000	15,500	-	6,570	78,930	13,408	14,302	894	2.53%	0.00%	0.03%	
						84,479	96,649	12,170	17.09%	15.47%	0.18%	
Chemicals												
Achroma Pakistan Limited	13,700	-	-	-	13,700	4,795	3,946	(849)	0.70%	0.79%	0.04%	
Ishad Chemicals Limited	25,500	124,500	-	-	150,000	6,866	6,530	(337)	1.16%	1.31%	0.15%	
Lucky Core Industries Limited	6,000	-	-	6,000	-	-	-	-	0.00%	0.00%	0.00%	
Nimir Industrial Chemicals Limited	30,000	19,733	-	-	49,733	6,044	5,419	(625)	0.96%	1.09%	0.04%	
						12,795	15,894	3,099	2.86%	2.80%	0.28%	
Commercial Banks												
Bank Alfalah Limited**	646,000	137,110	-	165,340	617,770	41,633	37,468	(4,165)	6.64%	7.54%	0.03%	
Habib Bank Limited	278,000	-	-	42,815	235,185	29,170	29,078	(92)	5.09%	6.01%	0.02%	
Habib Metropolitan Bank Limited	365,000	-	-	117,582	247,418	16,990	16,623	(366)	2.95%	3.35%	0.02%	
Meezan Bank Limited	110,500	-	-	40,500	70,000	16,757	15,971	(787)	2.83%	3.31%	0.06%	
National Bank Of Pakistan	260,000	162,000	-	35,000	387,000	16,956	23,700	6,744	4.20%	4.77%	0.03%	
United Bank Limited**	88,000	20,500	-	44,500	63,000	16,876	18,942	2,066	3.36%	3.81%	0.01%	
						128,882	162,582	33,700	25.27%	28.70%	0.10%	
Fertilizer												
Falima Fertilizer Company Limited	-	120,000	-	-	120,000	6,336	7,146	810	1.27%	1.44%	0.01%	
Fauji Fertilizer (In Qasim) Limited	200,000	-	-	200,000	-	-	-	-	0.00%	0.00%	0.00%	
Fauji Fertilizer Company Limited	202,778	-	-	140,778	62,000	10,211	13,903	3,692	2.46%	2.80%	0.06%	
						16,547	21,049	4,502	3.73%	4.24%	0.07%	
Food & Personal Care Products												
National Foods Limited*	57,000	-	-	25,500	31,500	5,503	5,418	(85)	0.96%	1.09%	0.05%	
						5,503	5,418	(85)	0.96%	1.09%	0.05%	
Glass & Ceramics												
Shabbir Tiles & Ceramics Limited*	570,000	-	-	69,700	450,300	6,529	6,241	(288)	1.11%	1.26%	0.00%	
						6,529	6,241	(288)	1.11%	1.26%	0.00%	
Miscellaneous												
Pakistan Hotel Developers Limited	-	16,000	-	16,000	-	-	-	-	-	-	-	
Synthetic Products Limited*	73,000	-	-	73,000	-	-	-	-	-	-	-	
Oil And Gas Marketing Companies												
Pakistan State Oil Company Limited**	40,000	41,000	-	61,000	20,000	3,255	3,226	(29)	0.57%	0.62%	0.00%	
Sul Northern Gas Pipelines Limited	-	105,000	-	105,000	-	3,255	3,226	(29)	0.57%	0.62%	0.00%	
Pharmaceuticals												
Abbott Laboratories (Pakistan) Limited	7,000	3,800	-	2,080	7,912	6,073	6,055	(18)	1.07%	1.22%	0.10%	
App Limited	124,500	33,000	-	13,415	144,085	13,459	15,957	2,498	2.83%	3.21%	0.07%	
Cit Pharma Limited	395,500	-	-	60,000	335,500	9,562	11,682	2,120	2.07%	2.35%	0.02%	
Ferromont Laboratories Limited	26,500	13,500	-	40,000	-	9,998	11,618	1,619	2.06%	2.34%	0.02%	
Glocombiotech Pakistan	45,000	75,000	-	27,240	92,810	13,549	17,651	4,302	3.10%	3.59%	0.19%	
Haleon Pakistan Limited	43,450	-	-	18,450	25,000	7,434	13,735	6,301	2.43%	2.76%	0.19%	
Hightnoon Laboratories Limited	11,000	-	-	11,000	-	-	-	-	-	-	-	
						60,875	76,908	16,033	18.68%	15.48%	0.60%	
Power Generation & Distribution												
Hub Power Company Limited	133,000	115,000	-	163,000	85,000	13,050	10,144	(2,906)	1.80%	2.04%	0.01%	
Nishat Churnan Power Limited	380,000	54,000	-	-	434,000	13,041	11,588	(1,453)	2.05%	2.33%	0.12%	
						26,091	21,732	(4,359)	2.85%	4.37%	0.13%	
Paper And Board												
Packages Limited	29,176	-	-	191	29,985	15,519	14,480	(1,139)	2.55%	2.90%	0.04%	
						15,519	14,480	(1,139)	2.55%	2.90%	0.04%	
Refinery												
Attock Refinery Limited	10,000	-	-	10,000	-	-	-	-	-	-	-	
Technology & Communications												
Systems Limited**	55,500	-	-	12,000	42,700	17,861	17,332	(529)	3.07%	3.49%	0.01%	
						17,861	17,332	(529)	3.07%	3.49%	0.01%	
Textile Composite												
Gul Ahmed Textile Mills Limited	460,424	-	-	460,424	-	-	-	-	-	-	-	
Interloop Limited	350,962	-	-	218,962	132,000	9,350	9,338	(12)	1.65%	1.88%	0.01%	
Nishat (Chemical) Limited	565,000	-	-	475,999	89,000	2,333	2,073	(260)	0.37%	0.42%	0.04%	
						11,682	11,411	(272)	2.02%	2.30%	0.05%	
Tobacco												
PAKISTAN TOBACCO COMPANY LIMITED	15,800	-	-	-	15,800	17,529	13,929	(3,600)	2.47%	2.80%	0.01%	
						17,529	13,929	(3,600)	2.47%	2.80%	0.01%	
Total as at September 30, 2024 (Unaudited)						463,893	475,743	11,850				
Total as at June 30, 2024 (Audited)						429,684	589,245	159,561				

* This have a face value of Rs 5 per share.
These shares aggregating to a market value of 54,1404 million were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by SECP.

5.1.2 Listed equity securities - preference shares

Name of investee company	As at July 1, 2024	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at September 30, 2024	As at September 30, 2024			Market value as a percentage of net assets	Market value as percentage of total investments	Market value as a percentage of the paid up capital of the investee company
						Carrying value	Market value	Unrealized appreciation / (diminution)			
Engro Polymer and Chemicals Limited	2,000,000	-	-	-	2,000,000	22,620	21,060	(1,560)	3.73%	4.24%	0.70%
						22,620	21,060	(1,560)			
Total as at September 30, 2024 (Unaudited)						22,620	21,060	(1,560)			
Total as at June 30, 2024 (Audited)						24,000	22,620	(1,380)			

5.1.2.1 These shares carry dividend at the rate of 6 months KIBOR + 3.50% per annum on cumulative basis. The rate prevailing on June 30, 2024 have been considered.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

5.2	Unrealised diminution on re-measurement of investments at fair value through profit or loss - net		September 30, 2024	June 30, 2024
			----- (Rupees in '000) -----	
	Market value of investments	5.1.1 to 5.1.2	496,803	611,865
	Less: Carrying value of investments		(486,513)	(453,684)
			10,290	158,181
			September 30, 2024	June 30, 2024
			(Un-audited)	(Audited)
			----- (Rupees in '000) -----	
6	PAYABLE TO MCB INVESTMENT LIMITED - MANAGEMENT COMPANY			
	Remuneration Payable	6.1	1,589	1,722
	Sindh sales tax payable on management fee	6.2	238	224
	Sales load payable		39	-
	Allocated expense payable (including indirect taxes)		-	44
	Selling and marketing expenses payable		-	532
			1,867	2,522
6.1	As per the offering document, the Management Company has charged remuneration up to 4% of average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.			
6.2	During the period, sales tax on management remuneration has been increased from 13% to 15%.			
7	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)			
			September 30, 2024	June 30, 2024
			(Un-audited)	(Audited)
			(Rupees in '000)	
	SECP fee		43	52
			43	52
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). Accordingly, the fund has charged SECP fee at the rate of 0.095% of average Net Assets of the scheme, calculated on daily basis. The fee is paid to the commission on monthly basis in arrears.				
8	ACCRUED EXPENSES AND OTHER LIABILITIES			
	Provision for Federal Excise Duty and related tax on	8.1		
	- Management fee		19,027	19,027
	- Sales load		16,173	16,173
	Auditors' remuneration payable		1,019	760
	Brokerage payable		111	152
	Withholding tax on capital gains		30	603
	Legal and professional charges payable		33	39
	Printing charges payable		65	42
	Others		102	103
			36,561	36,899

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

8.1 Federal Excise Duty on remuneration to the Management Company

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2024. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2024 would have been higher by Re. 7.75 per unit (June 30, 2024: Re. 6.27 per unit).

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2024 and June 30, 2024.

10 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.

11 EARNING PER UNIT

Earnings / (Loss) 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.

12 EXPENSE RATIO

The annualized total Expense Ratio (TER) of the Fund for the period ended September 30, 2024 is 5.07% which includes 0.70% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

13 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons of the Fund include MCB Investment Management Limited (being the Management Company) and its related entities, the Central Depository Company of Pakistan Limited (being the Trustee of the Fund), other collective investment schemes and pension schemes managed by the Management Company, any person or trust beneficially owning (directly or indirectly) ten percent or more of the capital of the Management Company or the net assets of the Fund and directors, key management personnel and officers of the Management Company.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Remuneration to the Management Company and Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed of the Fund.

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

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

	For the three months ended September 30, 2024				For the three months ended September 30, 2023			
	As at July 1, 2024	Issued for cash	Redeemed	As at September 30, 2024	As at July 1, 2024	Issued for cash	Redeemed	As at September 30, 2024
	Units				(Rupees in '000)			
Associated companies / undertakings								
Adani Life Insurance Company Limited - Investment Multiplier Fund	2,862,876	-	998,143	1,864,733	342,889	-	120,000	231,889
Mandate Under Discretionary Portfolio Services								
	320,480	-	-	320,480	38,382	-	-	39,818

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

13.2 Details of transactions with the connected persons / related parties during the period are as follows:

	(Un-Audited) September 30, 2024	(Un-Audited) September 30, 2023
	----- (Rupees in '000) -----	
MCB Investment Management Limited - Management Company		
Remuneration of the Management Company (including indirect taxes)	6,270	6,071
Allocated expenses	-	163
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee (including indirect taxes)	360	368
CDC settlement charges	28	43
MCB Bank Limited - holding company of the Management Company		
Bank charges	1	2
D.G Khan Cement Company Limited		
Purchase of Shares 2024: Nil (2023: 164,500)	-	9,258
Sale of Shares 2024: Nil (2023: 252,177)	-	11,604
Nishat Mills Limited		
Purchase of Shares 2024: Nil (2023: 100,000)	-	6,103
Sale of Shares 2024: Nil (2023: 100,000)	-	6,411

13.3 Amount outstanding as at period end / year end

	(Un-Audited) September 30, 2024	(Audited) June 30, 2024
	----- (Rupees in '000) -----	
MCB Investment Management Limited - Management Company		
Management remuneration payable	1,589	1,722
Sindh sales tax payable on management remuneration	238	224
Sales load payable	39	-
Payable against allocated expenses	-	44
Selling and marketing expenses payable	-	532
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	92	110
Sindh Sales Tax payable on trustee remuneration	14	14
Security deposits	100	100
MCB Bank Limited - Parent of the Management Company		
Bank balances	4,859	5,155

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.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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).

15 GENERAL

15.1 Figures have been rounded off to the nearest thousand rupees, 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 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 21, 2024 by the Board of Directors of the Management Company.

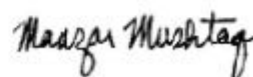
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB INVESTMENT MANAGEMENT LIMITED

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

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