



MCB FUNDS
Investments for Life

QUATERLY REPORT

SEPTEMBER
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



MCB CASH MANAGEMENT OPTIMIZER

TABLE OF CONTENTS

1	Fund's Information	104
2	Report of the Directors of the Management Company	105
3	Condensed Interim Statement of Assets And Liabilities	112
4	Condensed Interim Income Statement (Un-audited)	113
5	Condensed Interim Statement of Other Comprehensive Income (Un-audited)	114
6	Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)	115
7	Condensed Interim Cash Flow Statement (Un-audited)	116
8	Notes to and forming part of the Condensed Interim Financial Statements	117

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	MCB Bank Limited Habib Metropolitan Bank Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited Habib Bank Limited National Bank of Pakistan	Zarai Taraqiati Bank Limited Bank Al Falah Limited Meezan Bank Limited Bank of Punjab Limited Faysal Bank Limited
Auditors	Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal, Karachi-75350.	
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 Cash Management Optimizer** accounts review for 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.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 20.67% as against its benchmark return of 18.39%, a difference of 2.28%. WAM of the fund was 72 days at period end.

The fund was 98.7% in T-Bills at period end. The Net Assets of the Fund as at September 30, 2024 increased by 30.99% to Rs. 61,304 million as compared to Rs. 46,798 million as at June 30, 2024.

The Net Asset Value (NAV) per unit as at September 30, 2024 was Rs. 107.3557 as compared to opening NAV of Rs. 102.0403 per unit as at June 30, 2024 registering an increase of Rs. 5.3154 per unit.

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

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 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.

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.

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

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 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.

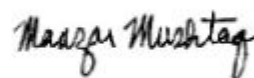
ACKNOWLEDGMENT

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

سیگمنٹ شیئر کے لحاظ سے، منی مارکیٹ فنڈز تقریباً 44.7 فیصد کے شیئر کے ساتھ سرفہرست تھے، اس کے بعد انکم اور فکسڈ ریٹرن 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 انسٹرومنٹ 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 کار ان 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،

Masrur Mushatag

منظر مشتاق

ڈائریکٹر

21 اکتوبر، 2024

خواجہ خلیل شاہ

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

21 اکتوبر، 2024

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 سال ایک پائیدار کرنٹ اکاؤنٹ کو یقینی بنانا ہوگا۔ ہم FY25 میں 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۔

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۔

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 جون 24 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۔

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 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۔

فنڈ کی کارکردگی

اس مدت کے دوران، فنڈ نے 18.39 فیصد کے بیچ مارک ریٹرن کے مقابلے میں 20.67 فیصد کا ریٹرن دیا جو کہ 2.28 فیصد کے فرق کو ظاہر کرتا ہے۔ مدت کے آخر میں فنڈ کا WAM 72 دن کا تھا۔ مدت کے آخر تک فنڈ کی سرمایہ کاری ٹی بلز میں 98.7 فیصد کی گئی۔

30 جون 2024 تک فنڈ کے خالص اثاثے 46,798 ملین روپے تھے جب کہ 30 ستمبر 2024 کو یہ 61,304 ملین روپے رہے جو 30.99 فیصد کے اضافے کو ظاہر کرتے ہیں۔

30 جون 2024 اوپننگ نیٹ اثاثہ (NAV) کی قیمت فی یونٹ 102.0403 روپے تھی جب کہ 30 ستمبر 2024 کو یہ فی یونٹ 107.3557 روپے رہی جو 5.3154 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 12.7 بلین 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۔

پیارے سرمایہ کار،

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

معیشت 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 کی طرف سے پیش کردہ ہیڈ لائن افراط زر کی اوسط 9.2 فیصد رہی جو پچھلے سال کی اسی مدت میں 29.0 فیصد تھی۔ اس تیزی سے گراؤ کی وجہ گزشتہ نو مہینوں کے دوران کرنسی کے استحکام، عالمی رجحانات کے مطابق خوراک کی قیمتوں میں خاطر خواہ کمی، اور تیل کی بین الاقوامی قیمتوں میں کمی، جس سے ایندھن کی 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 2024-2023 میں ملک کی جی ڈی پی میں گزشتہ سال -0.2 فیصد کے مقابلے

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

		September 2024 (Unaudited) ----- (Rupees in '000) -----	June 2024 (Audited)
	Note		
ASSETS			
Balances with banks	4	683,677	30,130,122
Investments	5	60,985,341	17,067,547
Profit receivable		35,089	153,920
Advances, deposits, prepayments and other receivable		64,636	46,225
Total assets		61,768,743	47,397,814
LIABILITIES			
Payable to the Management Company	6	68,122	61,742
Payable to Central Depository Company of Pakistan Limited - Trustee		3,257	2,114
Payable to Securities and Exchange Commission of Pakistan		3,863	2,552
Payable against purchase of investments		-	459,504
Accrued expenses and other liabilities	8	389,708	73,908
Total liabilities		464,950	599,820
NET ASSETS		<u>61,303,793</u>	<u>46,797,994</u>
Unit holders' fund (as per statement attached)		<u>61,303,793</u>	<u>46,797,994</u>
Contingencies and Commitments	9		
		(Number of units)	
NUMBER OF UNITS IN ISSUE		<u>571,034,496</u>	<u>458,622,851</u>
		(Rupees)	
NET ASSETS VALUE PER UNIT		<u>107.3557</u>	<u>102.0403</u>

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

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 2024	September 2023
	(Rupees in '000)	
INCOME		
Capital gain on sale of investments - net	93,703	87,975
Profit on letter of placement	19,494	99,593
Profit on bank deposits	324,384	450,928
Profit on term deposits receipts	-	100,603
Income from government securities	2,509,506	2,121,307
	2,947,088	2,860,406
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.1.1 280,457	(3,700)
Total income	3,227,545	2,856,706
EXPENSES		
Remuneration of Management Company	159,234	90,092
Sindh Sales tax on Management fee	23,885	11,712
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8,197	7,094
Sindh Sales tax on remuneration of Central Depository Company of Pakistan Limited- Trustee	1,228	922
Annual fee of Securities and Exchange Commission of Pakistan	11,177	9,673
Allocated expenses (including indirect taxes)	2,615	-
Marketing And Selling Expense	-	66,161
Legal and professional	86	78
Brokerage expenses	2,283	2,959
Auditor's remuneration	358	309
Other expenses	763	935
Total operating expenses	209,825	189,935
Net income from operating activities	3,017,720	2,666,771
Taxation	10 -	-
Net income for the period after taxation	3,017,720	2,666,771
Allocation of net income for the period:		
Net income for the period	3,017,720	2,666,771
Income already paid on units redeemed	497,125	(646,327)
	3,514,845	2,020,443
Accounting income available for distribution		
- Relating to capital gains	334,351	76,521
- Excluding capital gains	3,180,493	1,943,922
	3,514,845	2,020,443
Earnings per unit	11	

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

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 2024	September 2023
	----- (Rupees in '000) -----	
Net income for the period after taxation	3,017,720	2,666,771
Other comprehensive income for the period	-	-
Total comprehensive income for the period	3,017,720	2,666,771

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

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			September 30		
	2024			2023		
	(Rupees in '000)					
Note	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	46,082,635	715,359	46,797,994	57,591,208	562,223	58,153,431
Issue of 410,814,455 units - including additional units (2023:577,948,369units)						
- Capital value (at net asset value per unit at the beginning of the period)	41,774,941	-	41,774,941	58,770,472	-	58,770,473
- Element of income	771,058	-	771,058	597,689	-	597,689
	42,546,000	-	42,546,000	59,368,160	-	59,368,161
Redemption of 298,402,810 units (2023: 687,643,066 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(30,344,015)	-	(30,344,015)	(69,925,117)	-	(69,925,117)
- Element of income	(1,211,031)	497,125	(713,906)	(71,761)	(646,327)	(718,088)
	(31,555,046)	497,125	(31,057,921)	(69,996,878)	(646,327)	(70,643,205)
Total comprehensive income for the period	-	3,017,720	3,017,720	-	2,666,771	2,666,771
Interim distribution during the period	-	-	-	(523,969)	(1,748,775)	(2,272,743)
	-	3,017,720	3,017,720	(523,969)	917,996	394,027
Net assets at end of the period	57,073,589	4,230,204	61,303,793	46,438,522	833,892	47,272,415
Undistributed income brought forward comprising of:						
- Realised		701,020			655,050	
- Unrealised (loss) / gain		14,339			(92,827)	
		715,359			562,223	
Accounting income available for distribution						
- Relating to capital gains		334,351			76,521	
- Excluding capital gains		3,180,493			1,943,922	
		3,514,845			2,020,443	
Cash distribution during the period		-			(1,748,775)	
Undistributed income carried forward		4,230,204			833,891	
Undistributed income carried forward						
- Realised		3,949,747			837,591	
- Unrealised		280,457			(3,700)	
		4,230,204			833,891	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			102.0403			101.6881
Net assets value per unit at end of the period			107.3557			102.2801

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

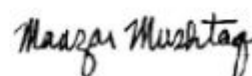
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	September 2024	September 2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	3,017,720	2,666,771
Adjustments for non cash and other items:		
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(280,457)	-
Capital gain / (loss) on sale on investments - net	(93,703)	3,700
	(374,160)	3,700
	2,643,560	2,670,470
Decrease in assets		
Investments	(43,048,812)	(3,059,662)
Prepayments and profit receivable	100,420	(109,000)
	(42,948,392)	(3,168,662)
(Decrease) / Increase in liabilities		
Payable to Management Company	6,380	10,580
Payable to Central Depository Company of Pakistan Limited - Trustee	1,143	(372)
Payable to Securities and Exchange Commission of Pakistan	1,311	(8,545)
Payable Against Purchase Of Investment - money market	(459,504)	(18,144,541)
Accrued expenses and other liabilities	315,800	213,559
	(134,870)	(17,929,319)
Net cash used in operating activities	(40,439,702)	(18,427,511)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt from issuance and conversion of units (excluding additional units)	42,546,000	58,844,192
Payment against redemption and conversion of units	(31,057,921)	(70,643,205)
Distributions made during the period	-	(1,748,775)
Net cash generated from / (used in) financing activities	11,488,079	(13,547,787)
Net decrease in cash and cash equivalents	(28,951,623)	(31,975,298)
Cash and cash equivalents at beginning of the period	30,130,122	72,035,304
Cash and cash equivalents at end of the period	12 1,178,499	40,060,006

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

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 Cash Management Optimizer (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 the Trustee. The draft Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated July 09, 2009 consequent to which the trust deed was executed on July 10, 2009, in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund are required to be registered under the "Sindh Trusts Act, 2020" (the Sindh Trust Act). Accordingly, on August 13, 2021 the Trust Deed of the fund had been registered under the Sindh Trust Act.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end mutual fund and has been categorised as 'Money Market Scheme' by the Board of Directors of the Management Company in accordance with the requirements of Circular 7 of 2009 dated March 6, 2009 issued by the SECP, and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. Unit holders are divided into plan 'A' and plan 'B'. The unit holders under plan "A" are entitled for bonus units as well as cash dividend, whereas unit holders under plan "B" are entitled for cash dividend only. The units are listed on Pakistan Stock Exchange Limited (PSX).
- 1.4 The Fund primarily invests in a mix of short term corporate debt and government securities, repurchase agreements, term deposit and money market placements with scheduled banks.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 04, 2024 to the Management Company and a stability rating of 'AA+(f)' dated September 06, 2024 to the Fund.
- 1.6 Title to the assets of the Fund are 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.

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

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.

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, 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.

		September 2024 (Unaudited)	June 2024 (Audited)
		----- (Rupees in '000) -----	
4	BALANCES WITH BANKS		
	In current accounts	12,916	1,928
	In saving accounts	4.1 670,760	30,128,194
		4.2 683,677	30,130,122

4.1 These carry profit at the rates ranging between 16% to 21.10 % (2023: 20.5% to 22.5%) per annum

4.2 These include Rs.73.662 million (2023: 59.785 million) maintained with MCB Bank Limited , (a related party)

		September 2024 (Un-audited)	June 2024 (Audited)
		----- (Rupees in '000) -----	
5	INVESTMENTS		
	Note		
5.1	Investments at fair value through profit or loss'		
	Market Treasury Bills	5.1.1 60,940,986	13,419,587
	Government of Pakistan Ijara Sukuk (GoP) - Listed	5.1.3 44,355	-
	Pakistan Investment bond - FRB	-	3,647,960
		60,985,341	17,067,547

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

5.1.1 Market treasury bills

Name of Security	Issue Date	Face value			As at 30 September 2024			Market value		
		As at July 01, 2024	Purchased during the period	Sold / matured during the period	As at Sep 30, 2024	Carrying value	Market value	Unrealized gain / (loss)	As a percentage of net assets	As a percentage of total investments
(Rupees in '000)										
Market treasury										
bills - 3 months										
Market treasury bills	August 8, 2024	-	1,700,000	1,700,000	-	-	-	-	-	-
Market treasury bills	August 22, 2024	-	500,000	250,000	250,000	244,755	245,063	309	0.40	0.00
Market treasury bills	May 16, 2024	-	1,290,690	1,290,690	-	-	-	-	-	-
Market treasury bills	July 11, 2024	-	250,000	-	250,000	249,740	249,759	19	0.41	0.00
Market treasury bills	May 2, 2024	-	3,039,000	3,039,000	-	-	-	-	-	-
Market treasury bills	May 30, 2024	-	9,634,000	9,634,000	-	-	-	-	-	-
Market treasury bills	June 13, 2024	-	11,860,000	11,860,000	-	-	-	-	-	-
Market treasury										
bills - 6 months										
Market treasury bills	January 25, 2024	-	375,000	375,000	-	-	-	-	-	-
Market treasury bills	May 30, 2024	4,500,000	-	1,750,000	2,750,000	2,668,417	2,680,939	12,522	4.37	0.02
Market treasury bills	August 8, 2024	-	1,740,000	-	1,740,000	1,635,414	1,652,307	16,893	2.70	0.03
Market treasury bills	August 22, 2024	-	9,050,000	4,000,000	5,050,000	4,730,682	4,771,533	40,851	7.78	0.07
Market treasury bills	July 11, 2024	-	5,250,000	5,250,000	-	-	-	-	-	-
Market treasury bills	September 5, 2024	-	10,950,000	-	10,950,000	10,194,774	10,295,748	100,974	16.79	0.16
Market treasury bills	April 4, 2024	-	30,500,000	23,000,000	7,500,000	7,492,253	7,492,763	510	12.22	0.00
Market treasury bills	January 11, 2024	30,000	-	30,000	-	-	-	-	-	-
Market treasury bills	May 2, 2024	3,000	1,000,000	-	1,003,000	987,319	989,010	1,692	1.61	0.00
Market treasury bills	June 13, 2024	500,000	5,500,000	3,500,000	2,500,000	2,408,834	2,424,010	15,176	3.95	0.02
Market treasury bills	July 25, 2024	-	2,415,000	2,400,000	15,000	14,224	14,317	93	0.02	0.00
Market treasury bills	February 7, 2024	-	340,000	340,000	-	-	-	-	-	-
Market treasury										
bills - 12 months										
Market treasury bills	November 2, 2023	5,500,000	690,000	-	6,190,000	6,092,643	6,103,662	11,019	9.96	0.02
Market treasury bills	October 19, 2023	2,313,000	62,950,000	56,130,000	9,133,000	9,063,057	9,063,845	788	14.79	0.00
Market treasury bills	November 30, 2023	1,555,000	1,000,000	1,000,000	1,555,000	1,509,676	1,515,949	6,274	2.47	0.01
Market treasury bills	December 28, 2023	-	19,610,000	10,700,000	8,910,000	8,541,990	8,594,060	52,070	14.02	0.08
Market treasury bills	December 14, 2023	-	11,147,000	6,147,000	5,000,000	4,824,091	4,848,020	23,929	7.91	0.04
Total as at September 30, 2024						60,657,869	60,940,986	283,118		
Total as at June 30, 2024						13,416,566	13,419,587	3,021		

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

5.1.2 Letter of placement

Name of Investor Company	Issue Date	Face value				At September 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
		At July 01, 2024	Purchases during the period	Matured during the period	At September 30, 2024	Carrying value	Market value	Appreciation		
(Rupees in '000)										
PAK BRUNEI INVESTMENT COMPANY LIMITED	July 12, 2024	-	1,050,000	1,050,000	-	-	-	-	0.00%	0%
PAK OMAN INVESTMENT COMPANY LIMITED	July 12, 2024	-	720,000	720,000	-	-	-	-	0.00%	0%
Total as at September 30, 2024						-	-	-		
Total as at June 30, 2024						-	-	-		

5.1.3 Government of Pakistan Ijara Sukuk

Tenure	Issue Date	Face value				As at 30 September 2024			Market value	
		As at July 01, 2024	Purchased during the period	Sold / matured during the period	As at Sep 30, 2024	Carrying value	Market value	Unrealized gain / (loss)	As a percentage of net assets	As a percentage of total investments
(Rupees in '000)										
GOP Ijara - 1 year - (fixed)	March 15, 2024	2,025,000	-	2,025,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	September 18, 2024	-	250,000	250,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	May 24, 2024	650,000	-	650,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	August 16, 2024	-	50,000	-	50,000	43,992	44,355	363	0.07	-
GOP Ijara - 1 year - (fixed)	April 26, 2024	1,500,000	-	1,500,000	-	-	-	-	-	-
GOP Ijara - 1 year - (variable)	August 7, 2023	-	3,000,000	3,000,000	-	-	-	-	-	-
Total as at September 30, 2024						43,992	44,355	363		
Total as at June 30, 2024						3,636,642	3,647,960	11,318		

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

	Note	September 30, 2024 (Unaudited) (Rupees in '000)	June 30, 2024 (Audited)
6 PAYABLE TO THE MANAGEMENT COMPANY			
Management fee payable	6.1	56,963	26,553
Sindh Sales Tax payable on remuneration of the Management Company	6.2	8,544	3,452
Allocated expense payable (including indirect taxes)	6.3	2,615	2,722
Selling and marketing expenses payable		-	29,015
		<u>68,122</u>	<u>61,742</u>

- 6.1** As per the amendment in the offering document, the management company with effect from September 02, 2024 has charged management fee at the rate up to 1.75% of Net Assets of the scheme, calculated on a daily basis. Previously, the fund has charged management fee at the rate up to 7.5% of daily gross earnings of the scheme, calculated on a daily basis. 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%.
- 6.3** The Management Company has charged allocated expenses to the fund to the extent as it has think expedient on its discretion subject to not being higher than actual expenses. During the period, sales tax on allocated expenses has been charged at the rate of 15%.

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

	September 30, 2024 (Unaudited) (Rupees in '000)	June 30, 2024 (Audited)
SECP fee payable	3,863	2,552
	<u>3,863</u>	<u>2,552</u>

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 0.075% of average Net Assets of the scheme, calculated on daily basis. The fee is paid to the commission on monthly basis in arrears.

	Note	September 30 2024 (Unaudited) (Rupees in '000)	June 30 2024 (Audited)
8 ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Federal Excise Duty and related taxes on:	8.1		
-Management fee		54,267	54,267
-Sales load		19	19
Brokerage payable		1,499	337
Capital gain tax payable		64,024	18,236
Auditor's remuneration		1,311	953
Legal and professional charges		32	39
Others		268,556	57
		<u>389,708</u>	<u>73,908</u>

8.1 Federal Excise Duty and related tax payable

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. 0.095 per unit (June 30, 2024: Re. 0.118 per unit).

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

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding 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 EARNINGS / (LOSS) 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.

	Note	September 30 2024 (Unaudited) (Rupees in '000)	June 30 2024 (Audited) (Rupees in '000)
12 CASH AND CASH EQUIVALENTS			
Balances with banks	4	683,677	30,130,122
Term Deposit Receipt Maturing Within 3 Months	5.1.2	-	-
Market Treasury Bills maturing within 3 Months		494,822	-
		<u>1,178,499</u>	<u>30,130,122</u>

13 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the holding company of the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund..

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Fund.

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

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:

	September 30, 2024 (Unaudited) ----- (Rupees in '000) -----	2023 (Audited) ----- (Rupees in '000) -----
MCB Investment Management Limited		
Remuneration of the Management Company (including indirect taxes)	183,119	101,804
Allocated expenses (including indirect taxes)	2,615	-
Selling and marketing expenses	-	66,161
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee (including indirect taxes)	9,425	8,017
MCB Bank Limited		
Profit on bank deposits	2,992	4,645
Bank Charges	91	74
Sale of face value Nil (2023: 4000m)	-	3,867,037

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

13.1 Balance outstanding as at the period / year end are as follows:

	September 2024 (Unaudited)	June 2024 (Audited)
	----- (Rupees in '000) -----	
MCB Investments Management Limited		
Management fee payable	56,963	26,553
Sindh sales tax payable on management fee	8,544	3,452
Allocated expenses payable (including indirect taxes)	2,615	2,722
Marketing and Selling payable	-	29,015
 Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	2,834	1,871
Sindh sales tax payable on trustee fee	423	243
 MCB Bank Limited		
Bank deposits	73,662	22,112
Profit Receivable	-	-

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

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

For quarter ended September 30, 2024 (Unaudited)							
As at July 01, 2024	Issued for cash	Redeemed	As at September 30, 2024	As at July 01, 2024	Issued for cash	Redeemed	As at September 30, 2024
Units			(Rupees in '000)				
Associated Companies							
MCB Investments Management Limited							
- Management Company	3,748,140	975,959	4,724,099	(0)	382,461	100,000	487,012
Lalpir Provident Fund	634,419	-	-	634,419	64,736	-	-
Mutual Funds Association Of Pakistan	-	97,865	-	97,865	-	10,500	-
Lalpir Staff Gratuity Fund Trust	432,962	-	-	432,962	-	-	-
D.G. Khan Cement Company Ltd Employees Provident Fund Trust	1,140,627	-	-	1,140,627	116,390	-	-
Mcb Financial Services Limited	2,638	1,877	-	4,515	1	200	-
D.G. Khan Cement Company Ltd	4	-	-	4	0	-	-
Adamjee Insurance Co.Ltd Employees Provident Fund	6,654	-	-	6,654	679	-	-
Security General Insurance Co. Ltd. Employees Provident Fund Trust	130,585	-	-	130,585	13,325	-	-
Sayed Engineers Limited	8,789	-	-	8,789	897	-	-
Nishat Paper Products Company Limited Staff Provident Fund Trust	385,829	-	-	385,829	39,370	-	-
Pakgen Power Limited	-	28,775,683	4,225,245	24,550,438	-	2,991,041	450,000
Nishat Power Limited	-	21,714,383	-	21,714,383	-	2,253,213	-
Key management personnel	45,722,445	10,498,569	6,695,204	49,525,810	4,665,530	1,108,825	706,677
Mandate Under Discretionary							
Portfolio Services	6,895,614	64,175	3,286,682	3,673,107	703,630	6,611	339,153
							394,329

For quarter ended September 30, 2023 (Unaudited)							
As at July 01, 2023	Issued for cash	Redeemed	As at September 30, 2023	As at July 01, 2023	Issued for cash	Redeemed	As at September 30, 2023
Units			(Rupees in '000)				
Associated Companies							
MCB Investments Management Limited							
- Management Company	3,624,233	22,503,783	21,758,856	4,369,160	368,541	2,294,199	2,241,088
MCB Financial Services Limited	2,232	89	-	2,321	227	9	-
Lalpir Provident Fund	521,218	24,500	-	545,718	2,491	-	55,816
Lalpir Staff Gratuity Fund Trust	355,707	16,720	-	372,427	1,700	-	38,082
Adamjee Life Assurance Co. Ltd.	416,301	7,769,000	424,071	(0)	42,333	790,0666	43,123
D.G. Khan Cement Company Ltd Employees Provident Fund Trust	-	981,149	-	981,149	1	99,771	-
D.G. Khan Cement Company Limited	3	-	-	3	1	-	-
Adamjee Life Assurance Company Limited Employees Gratuity Fund	173,616	506,511	-	680,127	17,655	51,506	-
Adamjee Life Assurance Company Limited Employees Provident Fund	5,466	257	-	5,723	556	26	-
Security General Insurance Co. Ltd. Employees provident fund trust	107,284	5,043	-	112,327	10,910	513	-
Sayed Engineers Limited	7,435	296	-	7,731	756	30	-
Adamjee Life Assurance Co. Ltd. Conventional Business	4,013,353	188,645	-	4,201,998	408,110	19,183	-
Nishat Paper Products Company Limited Staff Provident Fund Trust	68,081	246,021	-	314,102	6,923	25,017	-
Adamjee Life Assurance Co. Ltd Managed Growth Fund	1,790	5,548	5,464	1,873	182	564	564
Key management personnel	53,305,678	20,020,842	51,062,481	22,264,039	5,420,553	2,036,733	5,210,274
Mandate Under Discretionary Portfolio Services	7,373,642	11,551,816	11,943,457	6,981,998	749,812	1,175,709	1,232,213
Unit holders holding 10% or more units**	114,276,081	4,096,885	64,445,624	53,927,342	11,620,518	416,604	6,575,326
							5,515,695

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

14. TOTAL EXPENSE RATIO

The annualized total expense ratio (TER) of the Fund for the period ended September 30, 2024 is 1.41% which includes 0.25% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

15. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

Fair value hierarchy

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

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

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

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

16. GENERAL

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

16.2 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.

17. DATE OF AUTHORISATION

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

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