



MCB FUNDS
Investments for Life

HALF YEARLY REPORT

DECEMBER
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



Vision

“To be the most coveted Savings and Investment company,
while leading the effort to make the saving
population and industry grow”

Mission

“To be the preferred Savings and Investment Manager in Pakistan
by being best in class in customer services
and maximizing stakeholders’ value”

Core Values

HONESTY

We ensure to build trust through responsible actions and honest
relationships with our colleagues, customers and stakeholders

INTEGRITY

We work with integrity in everything we do, and embody our principles
when working with stakeholders as well as internal and external customers.
We assure to promote the integrity for the ultimate benefit for everyone

ETHICS

As a trusted custodian of customer funds, we are committed to
conforming to the highest level of ethical standards in the workplace
that involves putting customer interest first and maintaining
our stakeholders trust in the Company

PROFESSIONALISM

We value everyone and treat our external and internal
customers and our stakeholders with respect, dignity and professionalism

MCB DCF INCOME 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. Muhammad Nauman Chughtai 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 Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah Mr. Muhammad Nauman Chughtai	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 Bank Al-Falah Limited Faysal Bank Limited United Bank Limited Allied Bank Limited NRSP Micro Finance Bank Limited U Micro Finance Bank Limited	JS Bank Limited Zarai Taraqati Bank Limited Habib Bank Limited HBL Micro Finance Bank Limited National Bank of Pakistan Soneri 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 HALF YEAR ENDED DECEMBER 31, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB DCF Income Fund's** accounts review for the half year ended December 31, 2024.

Economy Review

The 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. After Pakistan fulfilled all the required 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 lending support to the the currency as the USD/PKR parity remained stable around 278.5 during the first half of the fiscal year.

The country posted a current account Surplus of USD 1.2bn in the first six months of the fiscal year 2025 (1HFY25) compared to a deficit of USD 1.4bn in the corresponding period last year. The major contributor towards improving current account was the remittances inflows which skyrocketed by 32.8% to USD 4.4bn. Trade Deficit increased by 12.6% YoY as exports rose by 7.2% while imports increased by 9.3% from a low base. The county's external position improved with SBP's foreign exchange reserves increasing to USD 11.7bn as of Dec-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of current account surplus and flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 7.3% during 1HFY25 compared to 28.8% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past one year, which led to stable food and energy prices. Additionally, the large decline in wheat prices and base effect further contributed to the lower inflation figures.

The country's GDP grew by 0.9% in the first quarter of the financial year 2024-25 as compared to 2.3% in the corresponding period last year. Agriculture grew by 1.2%, Services sector grew by 1.4% while industrial sector witnessed a decline of 1.0%. Historic high interest rates and political uncertainty were the major culprits behind the subdued industrial output. On the fiscal side, FBR tax collection increased by 25.9% in 1HFY25 to PKR 5,623 billion, missing the target by PKR 386 billion. The shortfall is largely attributed to reduced tax collection from imports due to a slowdown in trade, sluggish growth and low inflation.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 20.18% as against its benchmark return of 16.60%. The WAM of the fund decreased to 2.6 years. The fund allocation remained notably in T-Bills, PIB's and Cash at the end of the period under review. At period-end, the fund was invested 50.2% in T-Bills, 31.2% in PIBs and 7.7% in Cash. The Net Assets of the Fund as at December 31, 2024 stood at Rs. 22,651 million as compared to Rs. 16,312 million as at June 30, 2024 registering an increase of 38.8%.

The Net Asset Value (NAV) per unit as at December 31, 2024 was Rs. 120.1822 as compared to opening NAV of Rs. 109.0852 per unit as at June 30, 2024 registering an increase of Rs. 11.097 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 3.1% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 2.2%, constrained by the high base effect and flood-related damage to the cotton crop.

The continuation of the 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 13.5bn by year end on the back of flows from friendly countries, IMF and multilateral agencies. Pakistan is on track to record the first annual surplus since FY11 on the back of rebound in exports and remittances along with controlled imports. We expect a current account surplus of USD 2.1bn (0.5% of GDP) in FY25 compared to deficit of USD 681mn (0.2% of GDP) in FY24. We are of the view that improvement in exports and remittances and increased comfort on the external will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close June 25 around 280.8.

The inflation reading has come down sharply mainly due to base effect and stable currency. The headline inflation number in December 2024 clocked in at 4.1% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 80 months. The core inflation also remained on a declining trajectory, clocking at 9.2% (34 months low). We anticipate CPI to average around 6.1% in FY25 compared to 23.9% in FY24. The SBP has decreased interest rates by a cumulative 900bps since June-24 as interest rates have declined to 13.0% from a high of 22.0%. We believe

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

after an interest rate cut of further 100bps, monetary policy committee may pause the easing cycle to evaluate the monetary transmission effect of the interest rate decline. In our base case, we have assumed the interest rate may remained anchored at 12.0% in near term. We do not rule out further rate cuts with lower than expected inflation along with a strong build up in Forex Reserves.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year.

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 68.1% during 1HFY25 to PKR 4,326bn. Total money market funds grew by about 45.8% since Jun-24. Within the money market sphere, conventional funds showed a growth of 85.9% to PKR 1,170bn while Islamic funds increased by 8.7% to PKR 738bn. In addition, the total fixed Income and Fixed Rate funds increased by about 96.5% since Jun-24 to PKR 1,889bn while Equity and related funds increased by 80.9% to PKR 462bn.

In terms of the segment share, Money Market funds were the leader with a share of around 44.1%, followed by Income and fixed return funds with 43.7% and Equity and Equity related funds having a share of 10.7% as at the end of December 2024.

Mutual Fund Industry Outlook

Money market funds should benefit from higher liquidity as they are ideal for investors with a short-term horizon and low risk profile. As economic recovery gains further traction and becomes broader based, the interest in capital markets particularly equities will continue to remain strong. Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the growing number of investors available online.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

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
February 04, 2025



Manzar Mushtaq
Director
February 04, 2025

ڈائریکٹرز رپورٹ

اظہار تشکر

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اور فنڈ کے ٹرسٹیز کا اُن کے مسلسل تعاون اور حمایت کے لیے شکریہ ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز

Maaz Mushtaq

منظر مشتاق

ڈائریکٹر

کراچی،

04 فروری 2025ء

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

کراچی،

04 فروری 2025ء

جون 2024ء سے اب تک مجموعی طور پر 900 بی پی ایس کمی کی ہے کیونکہ سود کی شرحیں 22.0 فیصد کی بلند سطح سے کم ہو کر 13.0 فیصد ہو گئے ہیں۔ ہم سمجھتے ہیں کہ شرح سود میں مزید 100 بی پی ایس کمی کے بعد مانیٹری پالیسی کمیٹی اس کمی کی مالیاتی منتقلی کے اثر کو جانچنے کے لیے تسہیل کے چکر کو کچھ عرصے کے لیے روک سکتی ہے۔ ہمارے base کے معاملے میں ہم فرض کر رہے ہیں کہ شرح سود مستقبل قریب میں 12.0 فیصد پر چھکی رہے گی، تاہم متوقع سے کم مہنگائی اور زیر مبادلہ کے ذخائر میں بھرپور بڑھوتری کے ساتھ شرح سود میں مزید کمی خارج از امکان نہیں ہے۔

حاملین قرض کے لیے ہم سمجھتے ہیں کہ منی مارکیٹ فنڈز سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔

میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز صنعت کے نیٹ اثاثہ جات مالی سال 2025ء کے نصف اول کے دوران تقریباً 68.1 فیصد بڑھ کر 4,326 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز میں جون 2024ء کے بعد مجموعی طور پر تقریباً 45.8 فیصد ترقی ہوئی۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 85.9 فیصد بڑھ کر 1.170 بلین روپے ہو گئے جبکہ اسلامک فنڈز 8.7 فیصد بڑھ کر 738 بلین روپے ہو گئے۔ مزید برآں، فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 2024ء کے بعد سے مجموعی طور پر تقریباً 96.5 فیصد بڑھ کر 1,889 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 80.9 فیصد بڑھ کر 462 بلین روپے ہو گئے۔

زمرہ جاتی تقسیم کے اعتبار سے دسمبر 2024ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 44.1 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ انکم اور فیکسڈ ریٹ فنڈز 43.7 فیصد، اور ایکویٹی اور اس سے متعلقہ فنڈز 10.7 فیصد حصے کے ساتھ دوسرے اور تیسرے نمبر پر رہے۔

میوچل فنڈ صنعت کے مستقبل کا منظر

منی مارکیٹ فنڈز کو بہتر نقدیت سے فائدہ اٹھانا چاہیے کیونکہ یہ فنڈز ایسے سرمایہ کاروں کے لیے موزوں ترین ہوتے ہیں جو مختصر مدت کے لیے اور خسارے کے کم خطرے کے ساتھ سرمایہ کاری کرنا چاہتے ہیں۔ معاشی بحالی کے مزید تیز اور وسیع ہونے کے ساتھ گیپ پیٹریل مارکیٹوں، خصوصاً ایکویٹیز، میں بھرپور دلچسپی کا سلسلہ جاری رہے گا۔ ہمارے کام کاج بلا رکاوٹ چلتے رہے، اور ڈیجیٹل رسائی اور صارفین کو آن لائن خدمات کی فراہمی میں مسابقتی فائدہ حاصل ہونے کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے فائدہ اٹھانے کے لیے کمر بستہ ہیں۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 20.18 فیصد تھا جو بینچمارک ریٹرن 16.60 فیصد کے بالمقابل ہے۔ فنڈ کی WAM کم ہو کر 2.6 سال ہو گئی۔ زیر جائزہ مدت کے اختتام پر فنڈ کی زیادہ تر سرمایہ کاری ٹی۔ بیلز، پی آئی بی اور نقد میں تھی جو بالترتیب 50.2 فیصد، 31.2 فیصد اور 7.7 فیصد ہے۔

31 دسمبر 2024ء کو فنڈ کے نیٹ اثاثہ جات 22,651 ملین روپے تھے، جو 30 جون 2024ء کو 16,312 ملین روپے کے مقابلے میں 38.8 فیصد اضافہ ہے۔

31 دسمبر 2024ء کو فنڈ کی نیٹ اثاثہ جاتی قدر (NAV) فی یونٹ 120.1822 روپے تھی، جو 30 جون 2024ء کو ابتدائی (NAV) 109.0852 روپے فی یونٹ کے مقابلے میں 11.097 روپے فی یونٹ اضافہ ہے۔

معیشت اور مارکیٹ - مستقبل کا منظر

پاکستان کی 'جی ڈی پی' میں مالی سال 2025ء میں 2.8 فیصد اضافے کا امکان ہے، جو گزشتہ سال کی سطح 2.5 فیصد کے بالمقابل ہے۔ صنعتی شعبے میں 3.1 فیصد اور خدمات کے شعبے میں 3.0 فیصد ترقی متوقع ہے جس کی وجہ مانگ اور بنیادی اثر کی بتدریج بحالی ہے۔ تاہم زراعتی ترقی کا 2.2 فیصد کے درمیانے درجے پر رہنے کا امکان ہے جس کے عوامل اعلیٰ بنیادی اثر کا محدود ہونا اور کپاس کی فصل کو سیلاب کے باعث نقصان ہیں۔

آئی ایم ایف پروگرام کا تسلسل کلیدی مثبت پہلو ہے کیونکہ اس کی بدولت ہم دو طرفہ اور کثیر الجہتی ذرائع سے رقم حاصل کر سکیں گے۔ 'ایس بی پی' کے ذخائر کا دوست ممالک، آئی ایم ایف اور کثیر الجہتی ایجنسیوں سے آمدات کی بنیاد پر سال کے اختتام پر بڑھ کر 13.5 بلین ڈالر تک پہنچ جانے کا امکان ہے۔ پاکستان مالی سال 2011ء کے بعد پہلا سالانہ منافع ریکارڈ کرنے کی سمت میں رواں ہے، جس کے عوامل برآمدات اور ترسیلات میں بحالی بشمول درآمدات پر قابو ہیں۔ کرنٹ اکاؤنٹ میں مالی سال 2025ء میں 2.1 بلین ڈالر (جی ڈی پی کا 0.5 فیصد) منافع متوقع ہے، جو مالی سال 2024ء میں 681 ملین ڈالر (جی ڈی پی کا 0.2 فیصد) خسارے کے بالمقابل ہے۔ ہم سمجھتے ہیں کہ برآمدات اور ترسیلات میں بہتری اور خارجی جہت میں بڑھتے ہوئے اطمینان کی بدولت روپیہ مستقبل قریب میں مستحکم رہے گا۔ سال رواں میں روپے کی قدر میں معمولی کمی متوقع ہے اور ڈالر اور روپے کا تناسب جون 2025ء کے اختتام پر تقریباً 280.8 ہوگا۔

مہنگائی کی سطح میں تیزی سے کمی آئی ہے جس کے اہم ترین عوامل بنیادی اثر اور روپے میں استحکام ہیں۔ ہیڈ لائن مہنگائی دسمبر 2024ء میں 4.1 فیصد تک پہنچ گئی تھی، جو مئی 2023ء میں 38.0 فیصد کی بلند سطح کے بالمقابل ہے۔ یہ گزشتہ 80 ماہ کی کم ترین سطح ہے۔ بنیادی مہنگائی میں بھی کمی کا رجحان رہا جو 9.2 فیصد (34 ماہ کی کم ترین سطح) تک پہنچ گئی۔ 'سی پی آئی' کا اوسط مالی سال 2025ء میں متوقع طور پر تقریباً 6.1 فیصد ہوگا، جو مالی سال 2024ء میں 23.9 فیصد کے بالمقابل ہے۔ ایس بی پی نے سود کی شرحوں میں

عزیز سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی ڈی سی ایف انکم فنڈ کے اکاؤنٹس کا جائزہ برائے نصف سال مختتمہ 31 دسمبر 2024ء پیش خدمت ہے۔

معیشت کا جائزہ

مالی سال کا آغاز مثبت انداز میں ہوا کیونکہ حکومت نے آئی ایم ایف سے 37 ماہ پر مبنی ایکسٹینڈڈ فنڈ فسیلیٹی (ای ایف ایف) کے لیے اسٹاف-لیول معاہدہ کر لیا جس کی مالیت تقریباً 7.0 بلین ڈالر ہے۔ پاکستان کے تمام مطلوبہ شرائط پوری کرنے کے بعد آئی ایم ایف ایگزیکٹو بورڈ نے 27 ستمبر 2024ء کو پروگرام کی منظوری دی۔ بعد ازاں، اسٹیٹ بینک آف پاکستان (ایس بی پی) کو 1.0 بلین ڈالر کی پہلی قسط موصول ہوئی جس کی بدولت غیر ملکی زرمبادلہ کے ذخائر پروان چڑھے اور روپے کو سہارا ملا، جیسا کہ مالی سال کے نصف اول کے دوران روپے اور ڈالر کے مابین تناسب سے ظاہر ہے جو تقریباً 278.5 روپے کی سطح پر مستحکم رہا۔

مالی سال 2025ء کے نصف اول (ابتدائی چھ ماہ) میں ملک کا کرنٹ اکاؤنٹ 1.2 بلین روپے منافع میں رہا، جو گزشتہ سال مماثل مدت میں 1.4 بلین ڈالر خسارے کے بالمقابل ہے۔ کرنٹ اکاؤنٹ کی بہتری میں سب سے بڑا حصہ ترسیلات کا ہے جو تیزی سے 32.8 فیصد بڑھ کر 4.4 بلین ڈالر تک پہنچ گئیں۔ تجارتی خسارہ 12.6 فیصد سال در سال (YoY) بڑھ گیا کیونکہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ درآمدات گزشتہ پست سطح سے 9.3 فیصد بڑھ گئیں۔ ملک کی خارجی صورتحال میں بہتری آئی کیونکہ ایس بی پی کے زرمبادلہ کے ذخائر بڑھ کر دسمبر 2024ء کے اختتام تک 11.7 بلین ڈالر تک پہنچ گئے، جو گزشتہ مالی سال کے اختتام پر 9.4 بلین ڈالر کے بالمقابل تھے، جس کے عوامل کرنٹ اکاؤنٹ میں منافع اور آئی ایم ایف اور کثیرالجہتی ذرائع سے آمدات ہیں۔

ہیڈ لائن مہنگائی، جس کی ترجمانی 'سی پی آئی' سے ہوتی ہے، کا اوسط مالی سال 2025ء کے نصف اول میں 7.3 فیصد تھا، جو گزشتہ سال مماثل مدت میں 28.8 کے بالمقابل ہے۔ تیزی سے ہونے والی اس کمی کی وجہ گزشتہ ایک سال کے دوران روپے میں استحکام ہے جس کے نتیجے میں اشیائے خورد و نوش اور توانائی کی قیمتیں مستحکم ہوئیں۔ مزید برآں، گندم کی قیمتوں اور سال گزشتہ کی سطح کے سال رواں پر اثر میں بھرپور کمی نے مہنگائی کم کرنے میں مزید کردار ادا کیا۔

ملک کے 'جی ڈی پی' میں مالی سال 2024-25ء کی پہلی سہ ماہی میں 0.9 فیصد ترقی ہوئی، جو گزشتہ سال مماثل مدت میں 2.3 فیصد کے بالمقابل ہے۔ زراعت میں 1.2 فیصد ترقی اور خدمات کے شعبے میں 1.4 فیصد ترقی ہوئی، جبکہ صنعتی شعبے میں 1.0 فیصد تسنؤل ہوا۔ صنعتی پیداوار میں کمی کے سب سے بڑے عوامل سود کی اب تک کی بلند ترین شرحیں اور سیاسی عدم یقینی تھے۔ مالیاتی جہت میں ایف بی آر کی ٹیکس وصولی مالی سال 2025ء کے نصف اول میں 25.9 فیصد بڑھ کر 5,623 بلین روپے ہو گئی، جو ہدف سے 386 بلین روپے کم ہے۔ اس کمی کے بڑے عوامل درآمدات سے حاصل ہونے والے ٹیکس میں کمی بوجہ سست رفتار تجارت، ترقی کی سست روی اور مہنگائی میں کمی ہیں۔

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahr-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MCB DCF INCOME FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of MCB DCF Income Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2024 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

For the attention of unit holders, during an onsite inspection of the Management Company, the Securities and Exchange Commission of Pakistan (SECP) identified certain matters related to the charging and allocation of selling & marketing expenses to the Fund. Accordingly, the Management Company, following the guidance and interpretation provided by the SECP, has issued units to the entitled unit holders.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 21, 2025



AUDITOR'S REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS



Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21- 3454 1314
www.yousufadil.com

INDEPENDENT AUDITOR'S REVIEW REPORT To the Unit Holders of MCB DCF Income Fund

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **MCB DCF Income Fund** (the "Fund") as at December 31, 2024, and the related condensed interim income statement, the condensed interim statement of other comprehensive income, the condensed interim statement of movement in unit holders' fund, and the condensed interim statement of cash flow and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The Management of MCB Investment Management Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2024 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed interim income statement and the condensed interim statement of other comprehensive income for the quarters ended December 31, 2024 and December 31, 2023 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2024.

The engagement partner on the engagement resulting in this independent auditor's review report is **Hena Sadiq**.

yousuf adil
Chartered Accountants

Place: Karachi
Date: February 21, 2025
UDIN: RR202410057lgl18GPmV

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2024

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	5	2,322,220	2,073,415
Investments	6	27,360,810	20,129,603
Profit receivable		338,179	467,325
Receivable against sale of investments		-	2,935,630
Advances, deposits, prepayments and other receivables		43,283	41,095
Total assets		30,064,492	25,647,068
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	7	59,456	47,877
Payable to Central Depository Company of Pakistan Limited - Trustee		1,517	1,069
Payable to the Securities and Exchange Commission of Pakistan	8	1,319	946
Payable against purchase of investments		5,914,655	8,418,942
Dividend payable		-	9
Accrued and other liabilities	9	1,436,759	866,597
Total liabilities		7,413,706	9,335,440
NET ASSETS		22,650,786	16,311,628
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		22,650,786	16,311,628
CONTINGENCIES AND COMMITMENTS	10	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		188,470,367	149,530,987
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT		120.1822	109.0853

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

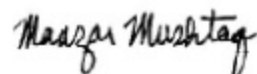
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024

		Half year ended		Quarter ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	Note	(Rupees in '000)			
INCOME					
Income from government securities		1,440,743	899,277	748,031	535,192
Income from term finance certificates		122,205	136,698	54,446	68,295
Net gain / (loss) on sale of investments		323,108	(42,107)	34,799	(22,910)
Profit on bank deposits		86,653	157,659	20,694	79,726
Income on letter of placements		-	2,157	-	-
Unrealised gain / (loss) in fair value of investments classified as 'at fair value through profit or loss' - net	6.4	34,256	(2,422)	(24,014)	(2,315)
Other income		2,484	2,248	956	1,040
Total income		2,009,449	1,153,510	834,912	659,027
EXPENSES					
Remuneration of MCB Investment Management Limited - Management Company	7.1	164,483	74,086	94,397	43,160
Sindh sales tax on remuneration of the Management Company	7.2	24,672	9,631	14,159	5,611
Allocated expenses	7.3	3,398	4,048	2,746	1,986
Sindh sales tax on remuneration on allocated expense	7.5	510	-	412	-
Selling and marketing expenses	7.5	-	28,977	-	10,628
Remuneration of Central Depository Company of Pakistan Limited - Trustee		6,839	3,704	3,633	2,158
Sindh sales tax on remuneration of the Trustee		1,026	482	545	281
Securities and Exchange Commission of Pakistan fee		6,839	3,704	3,633	2,158
Auditors' remuneration		531	547	262	321
Brokerage, settlement and bank charges		5,422	3,845	2,087	2,620
Legal and professional charges		102	94	15	15
Others		618	596	445	436
Total operating expenses		214,440	129,714	122,334	69,374
Net income from operating activities before taxation		1,795,009	1,023,796	712,578	589,653
Taxation	11	-	-	-	-
Net income for the period after taxation		1,795,009	1,023,796	712,578	589,653
Allocation of net income for the period:					
Net income for the period after taxation		1,795,009	1,023,796		
Income already paid on units redeemed		(222,878)	(111,513)		
		1,572,131	912,283		
Accounting income available for distribution:					
- Relating to capital gains		300,425	-		
- Excluding capital gains		1,271,706	912,283		
		1,572,131	912,283		
Earnings per unit					

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

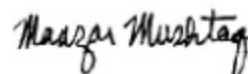
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- (Rupees in '000) -----			
Net income for the period after taxation	1,795,009	1,023,796	712,578	589,653
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	1,795,009	1,023,796	712,578	589,653

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

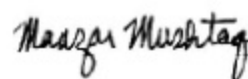
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year ended December 31, 2024			Half year ended December 31, 2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
(Rupees in '000)						
Net assets at the beginning of the period	15,771,430	540,198	16,311,628	7,254,636	451,833	7,706,469
Issuance of 81,098,708 units (2023: 58,209,845 units)						
- Capital value (at net asset value per unit at the beginning of the period)	8,846,677	-	8,846,677	6,286,820	-	6,286,820
- Element of income	552,804	-	552,804	277,740	-	277,740
	9,399,481	-	9,399,481	6,564,560	-	6,564,560
Redemption of 42,159,328 units (2023: 23,058,701 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(4,598,963)	-	(4,598,963)	(2,490,402)	-	(2,490,402)
- Element of loss	(33,491)	(222,878)	(256,369)	(23,679)	(111,513)	(135,192)
	(4,632,454)	(222,878)	(4,855,332)	(2,514,081)	(111,513)	(2,625,594)
Total comprehensive income for the period	-	1,795,009	1,795,009	-	1,023,796	1,023,796
Net assets at the end of the period	20,538,457	2,112,329	22,650,786	11,305,115	1,364,116	12,669,231
Undistributed income brought forward comprising of:						
- Realised		523,682			487,707	
- Unrealised		16,516			(35,874)	
Undistributed income brought forward		540,198			451,833	
Accounting income available for distribution:						
- Relating to capital gains		300,425			-	
- Excluding capital gains		1,271,706			912,283	
		1,572,131			912,283	
Undistributed income carried forward		2,112,329			1,364,116	
Undistributed income carried forward comprising of:						
- Realised income		2,078,073			1,366,538	
- Unrealised income		34,256			(2,422)	
		2,112,329			1,364,116	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period		109.0853			108.0027	
Net asset value per unit at the end of the period		120.1822			118.9537	

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

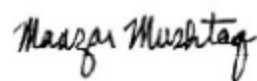
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

		Half year ended	
		December 31, 2024	December 31, 2023
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		1,795,009	1,023,796
Adjustments for:			
Unrealised (gain) / loss in fair value of investments classified as 'at fair value through profit or loss' - net	6.4	(34,256)	2,422
		1,760,753	1,026,218
Increase in assets			
Investments - net		(6,592,869)	(6,945,691)
Profit receivables		129,146	(325,761)
Receivable against sale of investments		2,935,630	1,114,288
Advances, deposits and prepayments and other receivable		(2,188)	46,408
		(3,530,281)	(6,110,756)
Increase / (decrease) in liabilities			
Payable to MCB Investment Management Limited - Management Company		11,579	12,976
Payable to Central Depository Company of Pakistan Limited - Trustee		448	365
Payable to the Securities and Exchange Commission of Pakistan		373	(405)
Payable against purchase of investments		(2,504,287)	2,374,245
Dividend payable		(9)	-
Accrued and other liabilities		570,162	724,008
		(1,921,734)	3,111,189
Net cash used in operating activities		(3,691,262)	(1,973,349)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issuance of units		9,399,481	6,564,560
Payments on redemption of units		(4,855,332)	(2,625,594)
Net cash generated from financing activities		4,544,149	3,938,966
Net increase in cash and cash equivalents during the period		852,887	1,965,617
Cash and cash equivalents at the beginning of the period		3,038,700	5,521,145
Cash and cash equivalents at the end of the period	12	3,891,587	7,486,762

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

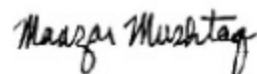
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB DCF Income Fund (the Fund) was established under a Trust Deed dated November 20, 2006 executed between Arif Habib Investments Limited (now MCB Investment Management Limited) as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) as a Collective Investment Scheme vide its letter dated on November 7, 2006 consequent to which the trust deed was executed on November 10, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules). On August 13, 2021 the Trust Deed of the Fund has been registered under the Sindh Trust Act, 2020 as required.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by 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 has been categorised as "Income Scheme" and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Pakistan Stock Exchange Limited.
- 1.4 The Fund primarily invests in money market and other instruments which includes corporate debt and government securities, repurchase agreements and spread transactions. The Fund may also invest a portion of available funds in medium term assets in order to provide higher return to the unit holders.
- 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 09, 2024 to the Fund.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as Trustee of the Fund.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information has 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 Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, along with Part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 the Non-Banking Finance Companies and Notified Entities Regulations, 2008 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 Rules, the Regulations and requirements of the Trust Deed differ from the IAS 34, the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance 1984, the Rules, the Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in this condensed interim financial information are limited, based on the requirements of the IAS 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2024.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2024.

This condensed interim financial information is presented in Pakistan Rupees which is the Fund's functional and presentation currency and rounded to the nearest thousand rupees, unless otherwise specified.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and methods of computation adopted in preparation of this condensed interim financial information are same as those applied in preparation of financial statements of the Fund as at and for the year ended June 30, 2024.

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgements made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited financial statements as at and 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, are not disclosed in this condensed interim financial information.

4. FINANCIAL RISK MANAGEMENT

The Fund's risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the year ended June 30, 2024.

	Note	(Un-audited) December 31, 2024 ----- (Rupees in '000) -----	(Audited) June 30, 2024
5. BANK BALANCES			
In current accounts	5.1	321,382	228,572
In savings accounts	5.2	2,000,838	1,844,843
		<u>2,322,220</u>	<u>2,073,415</u>

5.1 This include the balance of Rs. 321.373 million (June 30, 2024: Rs. 228.56 million) maintained with MCB Bank Limited, a related party.

5.2 These carry profit at rates ranging from 11.50% to 13.50% per annum (June 30, 2024: 19% to 22% per annum). These includes balances with related parties of Rs. 2.895 million (June 30, 2024: Rs. 20.69 million) maintained with MCB Bank Limited and Rs. 0.204 million (June 30, 2024: Rs. 0.277 million) maintained with MCB Islamic Bank Limited.

	Note	(Un-audited) December 31, 2024 ----- (Rupees in '000) -----	(Audited) June 30, 2024
6. INVESTMENTS			
Financial assets 'at fair value through profit or loss' - net			
Government securities	6.1	26,127,721	18,897,056
Listed debt securities	6.2	-	-
Unlisted debt securities	6.3	1,233,089	1,232,547
		<u>27,360,810</u>	<u>20,129,603</u>

6.1 Government securities

Market treasury bills	6.1.1	15,071,713	10,849,656
Pakistan investment bonds	6.1.2	-	1,390,442
Pakistan investment bonds - Floating Rate Bond	6.1.3	9,394,044	3,921,166
Government of Pakistan Ijara Sukuk - Listed	6.1.4	1,174,757	1,896,184
Government of Pakistan Ijara Sukuk - Unlisted	6.1.5	487,207	839,608
		<u>26,127,721</u>	<u>18,897,056</u>

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6.1.1 Market treasury bills

Particulars	Issue Date	Face value			At December 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments	
		At July 01, 2024	Purchased during the period	Sold / Matured during the period	At December 31, 2024	Carrying Value	Market value			Unrealised gain / (loss)
----- (Rupees in '000) ----- (%) -----										
Treasury bills - 3 months	June 13, 2024	1,000,000	5,700,000	6,700,000	-	-	-	-	-	
Treasury bills - 3 months	July 11, 2024	-	250,000	250,000	-	-	-	-	-	
Treasury bills - 3 months	August 08, 2024	-	350,000	350,000	-	-	-	-	-	
Treasury bills - 3 months	August 22, 2024	-	250,000	250,000	-	-	-	-	-	
Treasury bills - 3 months	September 05, 2024	-	625,000	625,000	-	-	-	-	-	
Treasury bills - 3 months	October 17, 2024	-	250,000	250,000	-	-	-	-	-	
Treasury bills - 3 months	October 31, 2024	-	500,000	500,000	-	-	-	-	-	
Treasury bills - 3 months*	November 14, 2024	-	1,200,000	500,000	700,000	691,993	691,723	3.05	2.53	
Treasury bills - 3 months	November 28, 2024	-	500,000	500,000	-	-	-	-	-	
Treasury bills - 3 months	December 12, 2024	-	500,000	500,000	-	-	-	-	-	
Treasury bills - 3 months*	December 26, 2024	-	900,000	-	900,000	877,826	877,644	3.87	3.21	
Treasury bills - 6 months	April 04, 2024	-	9,900,000	9,900,000	-	-	-	-	-	
Treasury bills - 6 months	May 30, 2024	-	3,100,000	3,100,000	-	-	-	-	-	
Treasury bills - 6 months	July 11, 2024	-	250,000	250,000	-	-	-	-	-	
Treasury bills - 6 months*	July 25, 2024	-	1,250,000	250,000	1,000,000	992,774	992,671	4.38	3.63	
Treasury bills - 6 months	August 08, 2024	-	350,000	350,000	-	-	-	-	-	
Treasury bills - 6 months*	August 22, 2024	-	16,700,000	10,700,000	6,000,000	5,914,656	5,913,870	26.11	21.61	
Treasury bills - 6 months	September 05, 2024	-	3,500,000	3,500,000	-	-	-	-	-	
Treasury bills - 6 months	October 03, 2024	-	1,000,000	1,000,000	-	-	-	-	-	
Treasury bills - 6 months	October 17, 2024	-	2,900,000	2,900,000	-	-	-	-	-	
Treasury bills - 6 months*	October 31, 2024	-	850,000	500,000	350,000	335,249	336,706	1.49	1.23	
Treasury bills - 6 months	November 14, 2024	-	5,800,000	5,800,000	-	-	-	-	-	
Treasury bills - 6 months*	November 28, 2024	-	1,150,000	950,000	200,000	190,673	190,790	0.84	0.70	
Treasury bills - 6 months	December 12, 2024	-	500,000	500,000	-	-	-	-	-	
Treasury bills - 6 months*	December 26, 2024	-	500,000	-	500,000	472,938	472,865	2.09	1.73	

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FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

Particulars	Issue Date	Face value				At December 31, 2024			Market value as a percentage of net assets (%)	Market value as a percentage of total investments
		At July 01, 2024	Purchased during the period	Sold / Matured during the period	At December 31, 2024 (Rupees in '000)	Carrying Value	Market value	Unrealised gain / (loss)		
Treasury bills - 12 months	July 13, 2023	5,042,000	-	5,042,000	-	-	-	-	-	-
Treasury bills - 12 months	October 19, 2023	-	48,900,000	48,900,000	-	-	-	-	-	-
Treasury bills - 12 months	November 02, 2023	300	9,100,000	9,100,300	-	-	-	-	-	-
Treasury bills - 12 months	November 16, 2023	46,800	-	46,800	-	-	-	-	-	-
Treasury bills - 12 months	November 30, 2023	32,200	2,905,000	2,937,200	-	-	-	-	-	-
Treasury bills - 12 months	December 14, 2023	500,000	5,750,000	6,250,000	-	-	-	-	-	-
Treasury bills - 12 months	December 28, 2023	109,625	57,489,185	57,598,810	-	-	-	-	-	-
Treasury bills - 12 months	January 11, 2024	1,555,000	2,755,000	4,310,000	-	-	-	-	-	-
Treasury bills - 12 months	January 25, 2024	1,193,000	175,000	1,368,000	-	-	-	-	-	-
Treasury bills - 12 months*	March 21, 2024	10,000	-	-	10,000	9,629	9,752	122	0.04	0.04
Treasury bills - 12 months*	April 18, 2024	-	2,927,950	2,927,450	500	481	483	3	0.00	0.00
Treasury bills - 12 months	May 02, 2024	1,725,000	9,509,000	11,234,000	-	-	-	-	-	-
Treasury bills - 12 months*	May 16, 2024	300,000	1,650,000	1,700,000	250,000	234,862	239,529	4,867	1.06	0.88
Treasury bills - 12 months*	July 11, 2024	-	97,620,000	95,230,000	2,390,000	2,250,232	2,250,343	111	9.93	8.22
Treasury bills - 12 months*	July 25, 2024	-	4,700,000	3,700,000	1,000,000	932,882	937,376	4,494	4.14	3.43
Treasury bills - 12 months*	August 08, 2024	-	350,000	347,565	2,435	2,217	2,272	55	0.01	0.01
Treasury bills - 12 months*	August 22, 2024	-	3,120,000	3,000,000	120,000	111,547	111,486	(62)	0.49	0.41
Treasury bills - 12 months*	September 05, 2024	-	7,797,000	7,788,000	9,000	8,273	8,324	52	0.04	0.03
Treasury bills - 12 months	October 03, 2024	-	2,200,000	2,200,000	-	-	-	-	-	-
Treasury bills - 12 months	October 17, 2024	-	5,650,000	5,650,000	-	-	-	-	-	-
Treasury bills - 12 months*	October 31, 2024	-	1,000,000	500,000	500,000	455,954	454,521	(1,433)	2.01	1.66
Treasury bills - 12 months*	November 14, 2024	-	3,000,000	2,000,000	1,000,000	905,021	905,246	225	4.00	3.31
Treasury bills - 12 months*	November 28, 2024	-	750,000	-	750,000	677,378	676,112	(1,266)	2.98	2.47
Treasury bills - 12 months	December 12, 2024	-	4,200,000	4,200,000	-	-	-	-	-	-
Total as at December 31, 2024						15,064,386	15,071,713	7,327		
Total as at June 30, 2024						10,848,903	10,849,656	753		

*These carry effective yield of ranging between 11.74% to 20.50% (June 30, 2024: 18% to 19%) per annum.

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6.1.2 Pakistan Investment Bonds

Particulars	Issue Date	Face value				As at December 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2024	Purchased during the period	Sold during the period	As at December 31, 2024	Carrying value	Market value	Unrealised gain / (loss)		
(Rupees in '000)										
Pakistan investment bond - 2 years	September 20, 2024	-	3,625,000	3,625,000	-	-	-	-	-	-
Pakistan investment bond - 3 years	July 04, 2023	150,000	1,100,000	1,250,000	-	-	-	-	-	-
Pakistan investment bond - 3 years	February 15, 2024	1,050,000	6,250,000	7,300,000	-	-	-	-	-	-
Pakistan investment bond - 3 years	September 20, 2024	-	500,000	500,000	-	-	-	-	-	-
Pakistan investment bond - 5 years	January 17, 2024	275,000	532,000	807,000	-	-	-	-	-	-
Pakistan investment bond - 5 years	September 20, 2024	-	1,150,000	1,150,000	-	-	-	-	-	-
Pakistan investment bond - 10 years	September 20, 2024	-	250,000	250,000	-	-	-	-	-	-
Total as at December 31, 2024						-	-	-		
Total as at June 30, 2024						1,393,049	1,380,442	(12,607)		

6.1.3 Pakistan investment bonds - Floating Rate Bond (FRB)

Particulars	Issue Date	Face value				As at December 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2024	Purchased during the period	Sold during the period	As at December 31, 2024	Carrying value	Market value	Unrealised gain / (loss)		
(Rupees in '000)										
Pakistan investment bond FRB - 5 years*	August 10, 2023	-	700,000	-	700,000	682,739	684,950	2,211	3.02	2.50
Pakistan investment bond FRB - 5 years*	September 21, 2023	-	2,000,000	1,000,000	1,000,000	982,831	979,600	(3,231)	4.32	3.58
Pakistan investment bond FRB - 5 years*	December 14, 2023	175,000	-	-	175,000	169,226	169,908	681	0.75	0.62
Pakistan investment bond FRB - 5 years	April 16, 2024	3,850,000	8,815,000	12,665,000	-	-	-	-	-	-
Pakistan investment bond FRB - 5 years*	June 27, 2024	-	44,900,000	41,200,000	3,700,000	3,576,574	3,576,420	(154)	15.79	13.07
Pakistan investment bond FRB - 5 years*	September 5, 2024	-	650,000	-	650,000	631,203	634,010	2,807	2.80	2.32
Pakistan investment bond FRB - 5 years*	October 3, 2024	-	6,400,000	3,000,000	3,400,000	3,314,373	3,314,660	287	14.63	12.11
Pakistan investment bond FRB - 10 years*	August 22, 2019	35,000	-	-	35,000	34,410	34,496	86	0.15	0.13
Total as at December 31, 2024						9,391,356	9,394,044	2,687		
Total as at June 30, 2024						3,908,466	3,921,166	12,700		

* These carry effective yield of ranging between from 15.24% to 21.30% per annum (June 30, 2024: 21.15% to 21.30%)

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6.1.4 Government of Pakistan Ijara Sukuk - Listed

Particulars	Issue Date	Face value				As at December 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total Investments
		As at July 01, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Carrying value	Market value	Unrealised gain / (loss)		
(Rupees in '000) (%)										
GOP Ijara - 1 year - Fixed	January 24, 2024	25	-	25	-	-	-	-	-	-
GOP Ijara - 1 year - Fixed*	March 15, 2024	530,990	135	525,220	5,905	5,711	5,750	39	0.03	0.02
GOP Ijara - 1 year - Fixed*	April 26, 2024	30	105	90	45	43	44	1	0.00	0.00
GOP Ijara - 1 year - Fixed*	May 24, 2024	-	50	40	10	9	10	1	0.00	0.00
GOP Ijara - 1 year - Fixed*	July 26, 2024	-	25,000	5	24,995	22,931	23,583	652	0.10	0.09
GOP Ijara - 1 year - Fixed*	August 16, 2024	-	50,005	45,000	5,005	4,578	4,721	143	0.02	0.02
GOP Ijara - 1 year - Fixed*	September 18, 2024	-	250,000	245,010	4,990	4,528	4,681	153	0.02	0.02
GOP Ijara - 1 year - Fixed*	October 21, 2024	-	125,005	124,100	905	829	839	10	0.00	0.00
GOP Ijara - 1 year - Fixed	November 07, 2024	-	250,000	250,000	-	-	-	-	-	-
GOP Ijara - 1 year - Fixed*	December 04, 2024	-	500,000	-	500,000	454,375	458,100	3,725	2.02	1.67
GOP Ijara - 3 year - Fixed*	January 24, 2024	37,500	5	37,005	500	500	504	4	0.00	0.00
GOP Ijara - 3 year - Fixed*	June 28, 2024	-	75,005	70,005	5,000	5,014	5,483	469	0.02	0.02
GOP Ijara - 3 year - Fixed*	September 18, 2024	-	62,500	60,000	2,500	2,500	2,588	88	0.01	0.01
GOP Ijara - 3 year - Fixed*	October 21, 2024	-	250,000	125,000	125,000	126,419	126,511	92	0.56	0.46
GOP Ijara - 3 year - Variable*	January 24, 2024	287,500	5	287,005	500	502	518	16	0.00	0.00
GOP Ijara - 3 year - Variable*	June 28, 2024	-	75,000	70,000	5,000	5,076	5,140	64	0.02	0.02
GOP Ijara - 3 year - Variable*	September 18, 2024	-	62,500	60,000	2,500	2,500	2,525	25	0.01	0.01
GOP Ijara - 3 year - Variable*	October 21, 2024	-	250,000	125,000	125,000	125,916	126,875	959	0.56	0.46
GOP Ijara - 5 year - Fixed*	January 24, 2024	562,500	10	562,010	500	500	508	8	0.00	0.00
GOP Ijara - 5 year - Fixed*	June 28, 2024	-	75,005	70,005	5,000	5,016	5,629	613	0.02	0.02
GOP Ijara - 5 year - Fixed*	September 18, 2024	-	62,500	60,000	2,500	2,500	2,668	168	0.01	0.01
GOP Ijara - 5 year - Fixed*	October 21, 2024	-	312,500	187,500	125,000	126,907	128,438	1,531	0.57	0.47
GOP Ijara - 5 year - Variable*	January 24, 2024	537,500	5	537,005	500	501	518	17	0.00	0.00
GOP Ijara - 5 year - Variable*	June 28, 2024	-	575,000	570,000	5,000	5,103	5,150	47	0.02	0.02
GOP Ijara - 5 year - Variable*	September 18, 2024	-	62,500	60,000	2,500	2,500	2,556	56	0.01	0.01
GOP Ijara - 5 year - Variable*	October 21, 2024	-	312,500	187,500	125,000	126,500	128,750	2,250	0.57	0.47

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Particulars	Issue Date	Face value				As at December 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Carrying value	Market value	Unrealised gain / (loss)		
(Rupees in '000)										
GOP Ijara - 10 year - Fixed*	September 18, 2024	-	62,500	60,000	2,500	2,500	2,500	-	0.01	0.01
GOP Ijara - 10 year - Variable*	September 18, 2024	-	62,500	60,000	2,500	2,500	2,563	63	0.01	0.01
GOP Ijara - 10 year - Variable*	October 21, 2024	-	125,000	-	125,000	127,585	127,605	20	0.56	0.47
Total as at December 31, 2024						1,163,543	1,174,757	11,214		
Total as at June 30, 2024						1,893,447	1,896,184	2,737		
Government of Pakistan Ijara Sukuk - Unlisted										
GOP Ijara - 1 year - Fixed	October 09, 2023	-	450,000	450,000	-	-	-	-	-	-
GOP Ijara - 1 year - Variable	August 07, 2023	90,000	-	90,000	-	-	-	-	-	-
GOP Ijara - 1 year - Variable	September 20, 2023	250,000	-	250,000	-	-	-	-	-	-
GOP Ijara - 1 year - Variable	December 04, 2023	25,000	-	25,000	-	-	-	-	-	-
GOP Ijara - 3 year - Fixed*	December 04, 2023	50,000	-	-	50,000	50,044	53,325	3,281	0.24	0.19
GOP Ijara - 3 year - Variable*	December 04, 2023	75,000	-	-	75,000	74,890	76,610	1,720	0.34	0.28
GOP Ijara - 5 year - Variable*	May 29, 2020	110,000	-	-	110,000	109,877	111,078	1,201	0.49	0.41
GOP Ijara - 5 year - Variable*	June 24, 2020	90,000	-	-	90,000	89,897	90,954	1,057	0.40	0.33
GOP Ijara - 5 year - Variable*	July 29, 2020	50,000	-	-	50,000	49,989	51,210	1,221	0.23	0.19
GOP Ijara - 5 year - Variable*	December 04, 2023	100,000	-	-	100,000	100,143	104,030	3,887	0.46	0.38
Total as at December 31, 2024						474,840	487,207	12,367		
Total as at June 30, 2024						839,168	839,608	440		

* These carry effective yield of ranging between from 12.00% to 21.11% per annum (June 30, 2024: 18.00% to 19.00%).

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		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
	6.2.1	-	-
	6.2.2	84,532	84,532
		(27,548) (21,983) (35,001) (84,532)	(27,548) (21,983) (35,001) (84,532)
		-	-

6.2 Listed debt securities

Term finance certificates - listed

6.2.1 Debt securities - term finance certificates

Carrying value as at December 31

Less: Provision as at July 1

- Saudi Pak Consultancy Company Limited
- New Allied Electronics Industries (Private) Limited - TFC - unlisted
- New Allied Electronics Industries (Private) Limited - Sukuk - unlisted

6.2.2 Status of non compliance as per Circular 16 of 2010 issued by the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP), vide its Circular no. 16 dated July 7, 2010 has prescribed certain disclosures for non-compliances, either with the minimum investment criteria specified for the category assigned to the collective investment schemes or with the investment requirements of their constitutive documents.

Certificates have a face value of Rs 5,000 each unless stated otherwise

Name of Investee company	Issue date	Number of certificates			As at December 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Carrying value	Market value		
----- (Rupees in '000) -----									
Financial Services									
Saudi Pak Consultancy Company Limited	March 13, 2010	10,000	-	-	10,000	27,548	(27,548)	-	-
Household goods									
New Allied Electronics Industries (Private) Limited	May 15, 2007	10,400	-	-	10,400	21,983	(21,983)	-	-
New Allied Electronics Industries (Private) Limited	July 27, 2007	112,000	-	-	112,000	35,001	(35,001)	-	-
Total as at December 31, 2024						84,532	(84,532)	-	-
Total as at June 30, 2024									

Owing to continuous default on repayment of coupon by the issuer, the Fund had classified the said investment as non performing. The Fund has recognised full provision against outstanding principal in accordance with applicable provisioning circular issued by the Securities and Exchange Commission of Pakistan and provisioning policy of the Fund duly approved by the Board of Directors of the Management Company. The Fund has suspended further accrual of profit there against.

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	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	(Rupees in '000)	(Rupees in '000)
	1,233,089	1,232,547

Note

6.3.1

6.3 Unlisted debt securities

Term finance certificates - unlisted

6.3.1 Unlisted debt securities - Term finance certificates

Certificates have a face value of Rs 5,000 each

Name of Investee company	Issue Date	Number of certificates			As at December 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Carrying value	Unrealised gain / (loss)		
(Rupees in '000)									
(Rupees in '000)									
Commercial Banks									
Askari Bank Limited VII - TFC	March 17, 2020	50	-	-	50	49,750	-	0.22	0.18
Samba Bank Limited - TFC I	March 1, 2021	850	-	-	850	84,845	36	0.37	0.31
Meezan Bank Limited Sukuk	December 16, 2021	145	-	-	145	144,774	(3,798)	0.62	0.52
Bank Al Habib Limited - TFC II	September 30, 2021	82,000	-	-	82,000	403,365	-	1.78	1.47
The Bank of Punjab - TFC	April 17, 2023	500	-	-	500	49,095	20	0.22	0.18
Energy									
Pakistan Energy Sukuk	May 21, 2020	100,000	-	-	100,000	505,600	4,400	2.23	1.85
Total as at December 31, 2024						1,232,429	1,233,089	660	
Total as at June 30, 2024						1,230,054	1,232,547	2,493	

These carry effective yield ranging between from 12.54% to 18.72% per annum (June 2024 20.48% to 23.04%)

6.3.2 Significant terms and conditions of term finance certificates outstanding as at December 31, 2024 are as follows:

Name of the issuer	Issue date	Maturity Date	Mark-up rate (per annum)	Face Value	Secured / Unsecured	Rating
Commercial Banks						
Askari Bank Limited VII - TFC	March 17, 2020	March 17, 2030	3 months KIBOR + 1.20%	1,000,000	Unsecured	AA
Samba Bank Limited - TFC I	March 1, 2021	March 1, 2031	6 months KIBOR + 1.35%	100,000	Unsecured	AA-
Meezan Bank Limited Sukuk	December 16, 2021	December 16, 2031	6 months KIBOR + 0.35%	1,000,000	Unsecured	AAA
Bank Al Habib Limited - TFC II	September 30, 2021	September 30, 2031	6 months KIBOR + 0.75%	5,000	Unsecured	AAA
The Bank of Punjab - TFC	April 17, 2023	April 17, 2033	6 months KIBOR + 1.25%	1,000,000	Unsecured	AA
Energy						
Pakistan Energy Sukuk	May 21, 2020	May 21, 2030	6 months KIBOR - 0.10%	5,000	Unsecured	AA+

The rating of the term finance certificates have been obtained from Pakistan Credit Rating Agency (PACRA)

6.4 Unrealised gain in fair value of investments classified as 'at fair value through profit or loss' - net

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	(Rupees in '000)	(Rupees in '000)
Market value of investments	27,360,810	20,129,603
Carrying value of investments	27,326,554	20,113,087
	34,256	16,516

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
7. PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management remuneration payable	7.1	34,291	18,926
Sindh sales tax payable on remuneration of the Management Company	7.2	5,144	2,460
Allocated expenses payable	7.3	-	1,009
Selling and marketing expenses payable	7.5	-	11,432
Sales and back end load payable		20,021	14,050
		<u>59,456</u>	<u>47,877</u>

7.1 The management company amend the offering document and with effect from September 01, 2024 has charged management fee at the rate up to 2% of Net Assets of the Fund, calculated on a daily basis. Previously, the fund has charged management fee at the rate up to 1.5% of Net Assets of the Fund, calculated on a daily basis. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 Sindh sales tax on remuneration of the Management Company has been charged at the rate of 15% (June 30, 2024: 13%).

7.3 The SECP has allowed the Asset Management Companies to charge allocated expenses to the Fund on its discretion. This is subject to the condition that the expense charged remains within the Fund's total expense ratio limit, as defined under the NBFC Regulations and not being higher than the actual expenses.

7.4 The Sindh Finance Act, 2024 has introduced an amendment to the Sindh Sales Tax on Services Act, 2011, whereby it is clarified that "consideration in money" also includes any amount of reimbursable expenditure and charged in the course of provision of a service. Accordingly, during the period, the Fund charge sales tax on allocated expenses in the course of provision of service at the rate of 15% and is paid to the Management Company which acts as a collecting agent. During the period, sales tax has been charged at the rate of 15% (June 30, 2024: nil).

7.5 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to the Fund on its discretion. This is subject to the condition that the expense charged remains within the Fund's total expense ratio limit, as defined under the NBFC Regulations and not being higher than the actual expenses. The management company has not charged selling and marketing expenses during the period.

8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

The Fund has charged SECP fee at the rate of 0.075% (June 30, 2024: 0.075%) of the average daily net assets of the Fund.

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
9. ACCRUED AND OTHER LIABILITIES			
Provision for Federal Excise Duty payable on:	9.1		
- Remuneration of the Management Company		99,060	99,060
- Sales load		27,933	27,933
Auditors' remuneration payable		537	721
Withholding tax on capital gain		6,301	17,580
Brokerage payable		778	461
Amount received against issuance of units	9.2	1,053,839	-
Other payables		248,311	720,842
		<u>1,436,759</u>	<u>866,597</u>

9.1 Federal Excise Duty (FED) 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 audited financial statements of the Fund for the year ended June 30, 2024. Had the said provision for FED not been recorded in this condensed interim financial information of the Fund, the net asset value of the Fund as at December 31, 2024 would have been higher by Rs. 0.67 per unit (June 30, 2024: Rs. 0.85 per unit).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

9.2 Amount received against issuance of units

This amount was received against issuance of units but due to pending documentation the units has not been issued till reporting date.

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

On December 01, 2021, MCB DCF Income Fund (DCFIF) received a notice of tax demand for the Tax Year 2017 from Additional Commissioner (Inland) Revenue (ACIR), whereby ACIR raised objections on claiming of "provision against debt securities" amounting to Rs. 7.943 million and adjustment of the "Element of loss and capital losses" amounting to Rs. 151.140 million while arriving at the declared accounting income of the Fund and has challenged the distribution of 90 percent of income and the Fund's eligibility for exemption from tax. The ACIR raised a tax demand of Rs. 138.821 million. The Management Company on behalf of the Fund filed Appeal and stay Application in front of Commissioner Appeals (CIRA).

On March 31, 2022, a favorable Appellate Order was passed by Commissioner Appeals whereby it was directed that the benefit of element of loss should be allowed to the Fund.

On June 14, 2022, FBR being aggrieved with said Order filed Appeal with Appellate Tribunal Inland Revenue. Management Company, in consultation with its advisor, anticipates a favorable outcome of the case.

There were no other material contingencies and commitments outstanding as at December 31, 2024 and June 30, 2024.

11. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and 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, therefore, no provision for taxation has been made in this condensed interim financial information during the period. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

12. CASH AND CASH EQUIVALENTS

	(Un-audited)	
	December 31, 2024	December 31, 2023
	----- (Rupees in '000) -----	
Bank balances	2,322,220	7,486,762
Treasury bills maturing within 3 months	1,569,367	-
	3,891,587	7,486,762

13. EARNINGS PER UNIT

Earnings per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company, the determination of the same is not practicable.

14. TOTAL EXPENSE RATIO

The total annualised expense ratio (TER) of the Fund based on the current period results is 2.35% (December 31, 2023: 2.63%) which includes 0.37% (December 31, 2023: 0.28%) representing Government Levy and the SECP Fee. The prescribed limit for the ratio is 2.5% (December 31, 2023: 2.5%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an 'income scheme'.

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

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

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

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

		(Un-audited)	
		December 31, 2024	December 31, 2023
		----- (Rupees in '000) -----	
15.1	Details of transactions with connected persons are as follows:		
	MCB Investment Management Limited		
	Remuneration of the Management Company and related taxes	189,155	83,717
	Allocated expenses and related taxes	3,908	4,048
	Selling and marketing expenses	-	28,977
	Amount received against issuance to unitholders *	4,625	-
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration of the Trustee and related taxes	7,865	4,186
	Settlement charges	121	96
	Group / associated companies		
	MCB Bank Limited		
	Profit on deposit accounts	222	17
	Sale of securities having face value of Rs. 207,560,000 (2023: 4,000,000,000)	209,241	4,740,999
	Bank charges	38	41
	MCB Islamic Bank Limited		
	Profit on deposit accounts	1,595	-
* This represents amount reimbursed by the Management Company in the form of dividend to identified unit holders of the Fund in relation to reversal of excess amount charged against reimbursement of selling and marketing expenses as per the direction of Securities and Exchange Commission of Pakistan.			
		(Un-audited) (Audited)	
		December 31, 2024	June 30, 2024
		----- (Rupees in '000) -----	
15.2	Details of balances with related parties / connected persons as at period end		
	MCB Investment Management Limited		
	Management remuneration payable	34,291	18,926
	Sindh sales tax payable on remuneration of the management company	5,144	2,460
	Sales and back end load payable	20,021	14,050
	Allocated expenses payable	-	1,009
	Selling and marketing expenses payable	-	11,432
	Receivable against collection account	154	-
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee remuneration payable (including indirect taxes)	1,517	1,069
	Security deposit	200	200
	Group / associated companies		
	MCB Bank Limited		
	Balances with bank	324,268	249,249
	MCB Islamic Bank Limited		
	Balances with bank	204	227

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

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

For the half year ended December 31, 2024 (Un-audited)						
As at July 01, 2024	Issuance (including additional units)	Redeemed	As at December 31, 2024	As at July 01, 2024	Issuance	As at December 31, 2024
----- Units ----- (Rupees in '000) -----						
Group / associated companies						
Lalpur staff gratuity fund trust	37	-	43,104	4,698	4	5,180
MCB employees provident fund	2,111	-	2,486,021	270,958	253	298,775
MCB employees pension fund	2111	-	2,486,021	270,958	253,377	298,775
D.G. Khan Cement Company Limited - Employees' Provident Fund Trust	6	-	8	-	1	1
Kapco staff welfare fund trust	13	-	27,774	3,028	2	3,338
Kapco employees pension fund	681	-	681	-	82	82
Key management personnel*	4	5	1	-	-	-

* This reflects position of related party / connected persons status as at December 31, 2024.

For the half year ended December 31, 2023 (Un-audited)						
As at July 01, 2023	Issuance (including additional units)	Redeemed	As at December 31, 2023	As at July 01, 2023	Issuance	As at December 31, 2023
----- Units ----- (Rupees in '000) -----						
Group / associated companies						
MCB Employees' Provident Fund	-	-	2,092,430	225,988	-	248,902
MCB Employees' Pension Fund	-	-	2,092,430	225,988	-	248,902
D.G. Khan Cement Company Limited - Employees' Provident Fund Trust	-	6,294	-	-	-	695
Key management personnel*	5	3	2	-	-	-

* This reflects position of related party / connected persons status as at December 31, 2023.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price). 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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognised at fair value, based on:

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

Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

The following table shows the carrying amounts of fair values of financial assets and financial liabilities including the levels in the fair value hierarchy:

	December 31, 2024 (Un-audited)						
	Carrying amount		Fair Value				
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)						
Financial assets measured at fair value							
Government securities - Market treasury bills	15,071,713	-	15,071,713	-	15,071,713	-	15,071,713
Pakistan Investment bonds - Floating Rate Bond	9,394,044	-	9,394,044	9,394,044	-	-	9,394,044
Term finance certificates - unlisted	1,233,089	-	1,233,089	-	1,233,089	-	1,233,089
GoP Ijara Sukuks certificates - listed	1,174,757	-	1,174,757	1,174,757	-	-	1,174,757
GoP Ijara Sukuks certificates - unlisted	487,207	-	487,207	-	487,207	-	487,207
	27,360,810	-	27,360,810	10,568,801	16,792,009	-	27,360,810
Financial assets not measured at fair value							
Bank balances	-	2,322,220	2,322,220				
Profit receivable	-	338,179	338,179				
Advances, deposits and other receivable	-	40,035	40,035				
	-	2,700,434	2,700,434				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	54,312	54,312				
Payable to the Trustee	-	1,319	1,319				
Payable against purchase of Investment	-	5,914,655	5,914,655				
Accrued expenses and other liabilities	-	1,303,425	1,303,425				
	-	7,273,711	7,273,711				

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	June 30, 2024 (Audited)				
	Carrying amount		Fair Value		
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2
	(Rupees in '000)				
Financial assets measured at fair value					
Government securities - Market treasury bills	10,849,656	-	10,849,656	-	10,849,656
Pakistan Investment bonds	1,390,442	-	1,390,442	-	1,390,442
Pakistan Investment bonds - Floating Rate Bond	3,921,166	-	3,921,166	3,921,166	-
Term finance certificates - Unlisted	1,232,547	-	1,232,547	585,482	647,065
Government of Pakistan Ijara Sukuk - Listed	1,896,184	-	1,896,184	1,896,184	-
Government of Pakistan Ijara Sukuk - Unlisted	839,608	-	839,608	-	839,608
	20,129,603	-	20,129,603	6,402,812	13,726,791
Financial assets not measured at fair value					
Bank balances	-	2,073,415	2,073,415		
Profit receivable	-	467,325	467,325		
Receivable against sale of investment	-	2,935,630	2,935,630		
Advances, deposits and other receivable	-	37,137	37,137		
	-	5,513,507	5,513,507		
Financial liabilities not measured at fair value					
Payable to the Management Company	-	45,417	45,417		
Payable to the Trustee	-	946	946		
Payable against Purchase of Investment	-	8,418,942	8,418,942		
Dividend Payable	-	9	9		
Accrued expenses and other liabilities	-	721,971	721,971		
	-	9,187,285	9,187,285		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

17. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison.

18. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 04, 2025 by the Board of Directors of the Management Company.

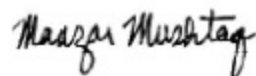
For MCB Investment Management Limited
(Management Company)



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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