

Quarterly Report
September 30, 2016
(Unaudited)



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

Rated: **AM2++** by PACRA

PAKISTAN INCOME ENHANCEMENT FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings and Investments Limited 24 th Floor, Centrepont, Off Shaheed-e-Millat Expressway, Near K.P.T. Interchange, Karachi.	
Board of Directors	Mian Muhammad Mansha Mr. Nasim Beg Mr. Muhammad Saqib Saleem Dr. Syed Salman Ali Shah Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib Mr. Mirza Mahmood Ahmad	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib	Chairman Member Member
Human Resource & Remuneration Committee	Dr. Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir	Chairman Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Financial Officer	Mr. Muhammad Asif Mehdi	
Company Secretary	Mr. Abdul Basit	
Trustee	Central Depository Company of Pakistan Limited CDC House, 99-B Block 'B' S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited Faysal Bank Limited United Bank Limited NIB Bank Limited	
Auditors	Deloitte 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, DHA, Karachi.	
Transfer Agent	MCB-Arif Habib Savings and Investments Limited 24th Floor, Centrepont, Off Shaheed-e-Millat Expressway, Near K.P.T. Interchange, Karachi.	
Rating	AM2 ++ Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTORS OF MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2016

Dear Investor,

On behalf of the Board of Directors, I am pleased to present Pakistan Income Enhancement Fund's accounts review for the quarter ended September 30th, 2016.

ECONOMY AND MONEY MARKET OVERVIEW

The fiscal year kicked off on a positive note with most of major macroeconomic indicators showing signs of stabilization. Inflation as measured by CPI averaged at 3.9% for 1QFY17 compared to 3.5% witnessed during the preceding quarter. Government decision to maintain petroleum prices helped to contain the inflation in low single digits. Alongside, government's renewed focus towards agricultural sector also assisted in controlling food inflation.

Monetary Policy Committee ("MPC") in its first meeting of the current fiscal year maintained a status quo stance, keeping the discount rate at 5.75%. The MPC highlighted encouraging macroeconomic environment supported by record high foreign exchange reserves behind its decision. However, it raised certain red flags on widening of current account deficit owing to declining exports and rising imports.

Current account ("CA") balance witnessed a deficit of USD 1,316 million in the 2MFY17 compared to USD 686 million witnessed during the same period of last year, on the back of rising imports and falling exports. Alongside, remittances came under pressure as they fell by 5.4% YoY to USD 4.7 billion during the 1QFY17. The slowdown in remittances was inevitable owing to a weak global GDP growth along with poor economic dynamics of gulf economies where most of the Pakistani expatriates are employed. Nevertheless, the hit on current account did not affect foreign exchange reserves as strong financial inflows especially CPEC led inflows, managed to offset the impact of weakening current account. Foreign Exchange Reserves increased by USD 500 million during the quarter, to USD 23.6 billion.

PIB yields during the quarter inched up by ~30 bps for 3 year, 5 year and 10 year bonds. Inflation beat the market expectations during most of the months causing the yield curve to shift upwards. Furthermore, the bearish sentiment was also backed by SBP in its MPS, which highlighted its concerns on external account as exports dwindled, while remittances witnessed a slowdown.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 3.28% as against its benchmark return of 6.05%. At period-end, the fund was 21.4% invested in Cash, 37.2% in PIBs, and 20.6% in TFCs.

The Net Assets of the Fund as at September 30, 2016 stood at Rs. 2320 million as compared to Rs. 2463 million as at September 30, 2016 registering a decrease of 5.8%.

The Net Asset Value (NAV) per unit as at September 30, 2016 was Rs. 53.6 as compared to opening NAV of Rs. 53.16 per unit as at June 30, 2016 registering an increase of Rs. 0.44 per unit.

FUTURE OUTLOOK

With a more stabilized economy now on board, the government has unveiled an ambitious plan to revive the growth of the country. For the current fiscal year, the government is envisaging an ambitious growth target of 5.7% compared to 4.7% witnessed during the preceding year. The prospects of improvement in Pakistan's economy look increasingly promising on the back of improved power situation, rising business confidence, and initiation of projects under the USD 46 billion CPEC program.

The average Consumer Price Index is expected to remain below 5% for the year. Stability in oil prices & exchange rate would allow inflation over the next few quarters to remain well anchored in the range of 4.0%-5.0% thus a stable monetary policy environment looks likely.

As of recent, current account has remained vulnerable owing to weak exports and a slowdown in remittances. While this has been offset by strong financial inflows recently, further deterioration in external account can pose threat to the currency and could result in more than expected PKR depreciation, which we consider the only major risk to economy at this juncture of time.

REPORT OF THE DIRECTORS OF MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2016

The macro stability along with China Pakistan Economic Corridor is expected to provide impetus to the construction and power space. Furthermore, expansionary cycle along with stable interest rate environment is expected to provide better global positioning compared with other emerging market economies. Construction sector is expected to remain the proxy for infrastructure led economic growth.

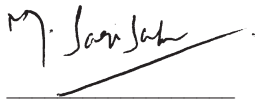
Long term stability in oil prices is expected to provide impetus to exploration & production sector driven by exploration growth. Banks are expected to gain limelight once life after PIB maturity becomes clear and focus is on the attractive Price to Book ratios. The up gradation into the emerging markets index would remain a major impetus for KSE-100 index and could lead to re-rating of market towards higher multiples.

On the fixed income front, market is expected to remain cautious on back of uptick in inflation trajectory and cross border tensions. Visibility on economic front, in particular to balance of payments, would guide further participation towards fixed income markets.

ACKNOWLEDGMENT

The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



Muhammad Saqib Saleem

Chief Executive Officer

October 21, 2016

ڈائریکٹر رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2016ء کو اختتام پذیر ہونے والی مدت کے لئے پاکستان انکم انہاسمنٹ فنڈ کے اکاؤنٹس کا جائزہ پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

مالی سال کا آغاز خوش آئند تھا اور کلاں معیشت کی نشاندہی کرنے والے اہم عوامل استحکام کی علامات ظاہر کر رہے تھے۔ CPI کی پیمائش کردہ افراط زر کا اوسط مالی سال 2017ء کی پہلی سہ ماہی میں 3.9% تھا، جبکہ گزشتہ سہ ماہی میں 3.5% تھا۔ پٹرولیم کی قیمتوں کو مستحکم رکھنے کے حکومتی فیصلے سے بھی افراط زر کے اعداد و شمار پست رکھنے میں معاونت حاصل ہوئی۔ مزید برآں، زراعت کے شعبے کی طرف حکومت کی تازہ توجہ کی بدولت اشیائے خورد و نوش کے افراط زر کو قابو میں رکھنے میں مدد ملی۔

مانیٹری پالیسی کمیٹی (MPC) نے رواں مالی سال کے پہلے اجلاس میں ڈسکاؤنٹ کی شرح کو 5.75% کی سطح پر قائم رکھ کر اپنا سابقہ موقف برقرار رکھا۔ MPC نے کلاں معاشیات کے حوصلہ افزا ماحول اور غیر ملکی زرمبادلہ کے ذخائر کی اب تک کی بلند ترین سطح کو اپنے فیصلے کے خصوصی اسباب قرار دیا، تاہم برآمدات میں کمی اور درآمدات میں اضافے کو خطرے کی گھنٹی قرار دیا۔

کرنٹ اکاؤنٹ (CA) میں مالی سال 2017ء کے (2M) میں 1,316 ملین ڈالر خسارہ ہوا، جبکہ گزشتہ سال اسی مدت کے دوران 686 ملین ڈالر خسارہ ہوا تھا، اور اس کی وجہ درآمدات میں اضافہ اور برآمدات میں کمی ہے۔ مزید برآں، ترسیلات زر پر دباؤ پڑا؛ مالی سال 2017ء کی پہلی سہ ماہی کے دوران ترسیلات زر میں 5.4% YoY کمی ہوئی اور یہ 4.7 بلین ڈالر کی سطح پر آگئیں۔ عالمی سطح پر مجموعی ملکی پیداوار (GDP) کی تحیف ترقی اور خلیجی معاشیات، جہاں بیرون ملک مقیم پاکستانیوں کی اکثریت برسرِ روزگار ہے، کے ناتواں محرکات کی وجہ سے ترسیلات زر میں یہ سست روی ناگزیر تھی۔ لیکن کرنٹ اکاؤنٹ پر اس ضرب سے غیر ملکی زرمبادلہ کے ذخائر متاثر نہیں ہوئے کیونکہ مضبوط مالیاتی آمدیات، بالخصوص CPEC پر مبنی مالیات، کی بدولت کمزور ہوتے ہوئے کرنٹ اکاؤنٹ کے اثر کو زائل کر دیا۔ غیر ملکی زرمبادلہ کے ذخائر دوران سہ ماہی 500 ملین ڈالر اضافے کے ساتھ 23.6 بلین ڈالر کی سطح تک پہنچ گئے۔

پاکستان انویسٹمنٹ بانڈز (PIB) کے 3 سالہ، 5 سالہ اور 10 سالہ بانڈز کی آمدنی میں دوران سہ ماہی 30 bps اضافہ ہوا۔ افراط زر کے سبب اکثر مہینوں کے دوران مارکیٹ کی توقعات پوری نہیں ہو سکیں، چنانچہ ختم پیداوار اور پر کی طرف حرکت کر گیا۔ مزید برآں، اسٹیٹ بینک آف پاکستان نے بھی اس غیر ہموار صورتحال کی توثیق کی اور اپنے MPS میں برآمدات میں کمی اور ترسیلات زر میں سستی کے باعث خارجی اکاؤنٹ پر خدشات کا اظہار کیا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 3.28% منافع حاصل کیا، بالمقابل مقررہ معیار 6.05% کے۔ اختتام مدت پر فنڈ کی سرمایہ کاری 21.4% نقد میں، 37.2% پاکستان انویسٹمنٹ بانڈز (PIBs) میں، اور 20.6% ٹرم فنانس سٹریٹجیکس (TFCs) میں تھی۔

ڈائریکٹر رپورٹ

30 ستمبر 2016ء کو فنڈ کے net اثاثے 2,320 ملین روپے تھے، جبکہ 30 جون 2016ء کو 2,463 ملین روپے تھے، یعنی 5.8% کمی ہوئی۔

30 ستمبر 2016ء کو Net Asset Value (NAV) فی یونٹ 53.6 روپے تھی، جبکہ 30 جون 2016ء کو 53.16 روپے فی یونٹ تھی، یعنی 0.44 روپے فی یونٹ اضافہ ہوا۔

مستقبل کی صورتحال

معیشت کی صورتحال پہلے کے مقابلے میں مستحکم ہونے پر حکومت نے ملکی ترقی کے احیاء کا پُر جوش منصوبہ ظاہر کیا ہے۔ رواں مالی سال کے لئے حکومت نے 5.7% ترقی کا ہدف مقرر کیا ہے جبکہ گزشتہ برس یہ ہدف 4.7% تھا۔ پاکستانی معیشت میں بہتری کے امکانات بہت اُمید افزا نظر آتے ہیں جس کی بناءً بجلی کی بہتر صورتحال، کاروباری اعتماد میں اضافہ اور 46 بلین ڈالر کے CPEC پروگرام کے تحت پراجیکٹس کا آغاز ہے۔

کنزیومر پرائس انڈیکس کے اوسط کے اس سال 5% سے کم رہنے کا امکان ہے۔ تیل کی قیمتوں اور زر مبادلہ کی شرح میں استحکام کی بدولت افراط زر کو اگلی چندہ ماہیوں میں 4.0% سے 5.0% کے درمیان قابو میں رکھنے میں مدد ملے گی۔ چنانچہ مانیٹری پالیسی کے لئے ایک مستحکم ماحول کی اُمید کی جاسکتی ہے۔

فی الوقت کرنٹ اکاؤنٹ کو نحیف برآمدات اور سست ترسیلات زر کے باعث خطرہ لاحق ہے، جو اگرچہ حالی ہی میں مضبوط مالی آمدات سے زائل ہو گیا ہے، لیکن اگر خارجی اکاؤنٹ میں مزید کمزوری ہوئی تو کرنسی کو خطرہ لاحق ہو سکتا ہے اور اس کے نتیجے میں پاکستانی روپے کی قدر میں متوقع سے زیادہ کمی آئے گی، اور اسے ہم وقت کے اس موڑ پر معیشت کو لاحق واحد بڑا خطرہ سمجھتے ہیں۔

مجموعی استحکام اور اس کے ساتھ ساتھ چین پاکستان معاشی راہداری متوقع طور پر تعمیر اور بجلی کے شعبے میں تیزی لائیں گے۔ علاوہ ازیں، توسیعی چکر اور اس کے ساتھ ساتھ انٹریسٹ کی شرح کے مستحکم ماحول سے دیگر ابھرتی ہوئی مارکیٹ کی معیشتوں کے مقابلے میں عالمی سطح پر بہتر درجہ بندی متوقع ہے۔ تعمیر کا شعبہ متوقع طور پر انفراسٹرکچر پر مبنی معاشی ترقی کے متبادل بنا رہے گا۔

تیل کی قیمتوں میں طویل المیعاد استحکام متوقع طور پر ایکسپلوریشن اور پیداوار کے شعبے کو ایکسپلوریشن میں ترقی کے ذریعے تحریک فراہم کرے گا۔ بینک متوقع طور پر پاکستان انویسٹمنٹ بانڈز (PIBs) کی maturity واضح ہونے کے بعد منظر عام پر آئیں گے، اور پُرکشش Price to Book ratios پر سب کی توجہ مرکوز ہے۔ ابھرتی ہوئی مارکیٹس میں پاکستان کی دوبارہ درجہ بندی سے غیر ملکی آمدات کے لئے KSE-100 انڈیکس میں تیزی آسکتی ہے اور مارکیٹ کی شرح کے دوبارہ تعین اور اس میں اضافے کی راہ ہموار ہوگی۔

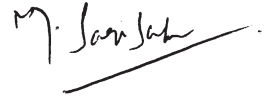
مقررہ آمدنی کے میدان میں مارکیٹ متوقع طور پر افراط زر میں اضافے اور سرحدوں پر کشیدگی کے باعث محتاط رہے گی۔ معاشی میدان میں، خاص طور پر ادائیگیوں کے توازن کے حوالے سے، واضح صورتحال سے مقررہ آمدنی کی مارکیٹوں میں مزید شرکت کی طرف راہنمائی حاصل ہوگی۔

ڈائریکٹرز رپورٹ

اظہار تشکر

بورڈ فنڈ کے گراں قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے Trustees کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز مینجمنٹ ٹیم کی کوششوں کو بھی خراج تحسین پیش کرتے ہیں۔

من جانب ڈائریکٹرز



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

21 اکتوبر 2016ء

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2016

		(Unaudited) September 30, 2016 ---- (Rupees in '000) ----	(Audited) June 30, 2016
	Note		
ASSETS			
Balances with banks		517,269	1,291,192
Investments	5	1,874,195	1,205,461
Income and profit receivable		20,183	30,768
Deposits, prepayments and other receivables		472	558
Total assets		2,412,119	2,527,979
LIABILITIES			
Payable to the Management Company		5,804	7,040
Payable to the Central Depository Company of Pakistan Limited - Trustee		279	385
Payable to the Securities and Exchange Commission of Pakistan		494	2,425
Payable against redemption of units		43,811	3,108
Payable against purchase of investment		-	-
Accrued expenses and other liabilities	6	41,938	52,469
Total liabilities		92,326	65,427
NET ASSETS		2,319,793	2,462,552
Unit holders' funds (as per statement attached)		2,319,793	2,462,552
Contingencies and commitments	7		
(Number of units)			
Number of units in issue		43,281,688	46,324,787
(Rupees)			
NET ASSET VALUE PER UNIT		53.60	53.16

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Chief Executive Officer

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



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

		Quarter ended 30 September	
		2016	2015
Note		----- (Rupees in '000) -----	
INCOME			
	Income from government securities	33,558	38,422
	Capital gain on sale of investments - net	(6,069)	2,555
	Income from term finance and sukuk certificates	11,450	7,015
	Profit on bank deposit and term deposit receipts	6,620	3,462
		<u>45,559</u>	<u>51,454</u>
	Unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through profit or loss' - net	37	71
	Provision reversed / (charged) against non-performing debt securities	(2,549)	309
	Total income	<u>43,047</u>	<u>51,834</u>
EXPENSES			
	Remuneration of the Management Company	9,880	7,747
	Sindh Sales tax and Federal Excise Duty on remuneration of the Management Company	1,284	2,504
	Remuneration of the Central Depository Company of Pakistan Limited - Trustee	774	673
	Sindh Sales tax on remuneration of Trustee	101	73
	Securities and Exchange Commission of Pakistan - fee	494	383
8.	Allocated expense	744	-
	Securities transaction cost	421	220
	Bank charges	128	80
	Fees and subscriptions	84	46
	Auditors' remuneration	133	154
	Printing and related costs	40	39
	Total expenses	<u>14,083</u>	<u>11,919</u>
		<u>28,964</u>	<u>39,915</u>
	Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed:		
3.4			
	- arising from capital gain and unrealised gain	1,090	5,709
	- arising from other (loss) / income	(4,659)	11,291
		<u>25,395</u>	<u>56,915</u>
	Net income for the period before taxation	<u>25,395</u>	<u>56,915</u>
	Taxation	-	-
	Net income for the period after taxation	<u>25,395</u>	<u>56,915</u>
	Earnings per unit		
11			

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

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Chief Executive Officer

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



Director

**CONDENSED INTERIM OTHER COMPREHENSIVE INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	Quarter ended 30 September	
	2016	2015
	----- (Rupees in '000) -----	
Net income for the period after taxation	25,395	56,915
Other comprehensive income for the period		
<i>Items that may be reclassified to profit and loss account</i>		
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale'	(7,560)	20,314
Total comprehensive income for the period	17,835	77,229

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Chief Executive Officer

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



Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	Quarter ended 30 September	
	2016	2015
	----- (Rupees in '000) -----	
Undistributed income brought forward	142,647	59,260
Net element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - transferred from unit holder's fund	(8,440)	104,295
Net income for the period	25,395	56,915
	16,955	161,210
Undistributed income carried forward	159,602	220,470

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Chief Executive Officer

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



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	Quarter ended 30 September	
	2016	2015
	----- (Rupees in '000) -----	
Net assets at beginning of the period	2,462,552	968,708
Issue of 13,240,222 units (2015: 36,807,138 units)	705,802	1,981,620
Redemption of 16,283,321 units (2015: 5,061,722 units)	(869,966)	(273,054)
	(164,164)	1,708,566
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed		
- Amount representing (income) / loss and realised capital (gains) / losses transferred to the income statement:		
- arising from capital gain and unrealised gain	(1,090)	(5,709)
- arising from other (loss) / income	4,659	(11,291)
- Amount representing unrealised capital (gains) / losses - transferred to the Distribution Statement	8,440	(104,295)
	12,009	(121,295)
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - transferred to Distribution Statement	(8,440)	104,295
Capital gain on sale of investments - net	(6,069)	2,555
Unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through profit or loss' - net	37	71
Other net operating income	31,427	54,289
Unrealised (diminution) / appreciation on re-measurement of investment classified as "available for sale"	(7,560)	20,314
Total comprehensive income for the period	17,835	77,229
Net assets at end of the period	2,319,793	2,737,503

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Chief Executive Officer

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



Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Quarter ended 30 September	
	2016	2015
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	25,395	56,915
<i>Adjustments for non cash and other items:</i>		
Net unrealised (appreciation) / diminution in fair value of investments classified as 'at fair value through profit or loss'	(37)	(71)
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed:		
- arising from capital gain and unrealised gain	(1,090)	(5,709)
- arising from other (loss) / income	4,659	(11,291)
Provision reversed / (charged) against non-performing debt securities	(2,549)	309
	<u>26,379</u>	<u>40,153</u>
(Increase) / decrease in assets		
Investments	(673,708)	(1,795,515)
Advance against subscription of Term Finance Certificates	-	-
Income and profit receivable	10,585	(1,676)
Deposits, prepayments and other receivables	86	277
	<u>(663,037)</u>	<u>(1,796,914)</u>
Increase / (decrease) in liabilities		
Payable to the Management Company	(1,236)	2,774
Payable to the Central Depository Company of Pakistan Limited - Trustee	(106)	141
Payable to the Securities and Exchange Commission of Pakistan	(1,931)	(804)
Payable against redemption of units	40,703	(2,510)
Payable against purchase of investment	-	-
Accrued expenses and other liabilities	(10,531)	(6,705)
	<u>26,899</u>	<u>(7,104)</u>
Net cash (used in) / generated from operating activities	<u>(609,760)</u>	<u>(1,763,865)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	705,802	1,981,620
Payments on redemption of units	(869,966)	(273,054)
Net cash generated from / (used in) financing activities	<u>(164,164)</u>	<u>1,708,566</u>
Net increase / (decrease) in cash and cash equivalents during the period	<u>(773,923)</u>	<u>(55,299)</u>
Cash and cash equivalents at beginning of the period	1,291,192	114,375
Cash and cash equivalents at end of the period	<u>517,269</u>	<u>59,076</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Chief Executive Officer

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



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Pakistan Income Enhancement Fund ("the Fund") was established through a Trust Deed executed between Arif Habib Investments Limited (now MCB-Arif Habib Savings and Investments Limited), as "Management Company" and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on July 14, 2008 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 26, 2008 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 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 currently situated at 24th Floor, Centre Point, Off. Shaheed-e-Millat Expressway, Near KPT interchange, Karachi, Pakistan.
- 1.3** The Fund is an open-ended mutual fund and has been categorised as 'Aggressive Fixed Income Scheme' by the Board of Directors of the Management Company in pursuant to Circular 7 of 2009, dated 6 March 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. The units are listed on Pakistan Stock Exchange (PSX), formerly Islamabad Stock Exchange.
- 1.4** The Fund primarily invests in debt securities, unlisted government securities, secured debt securities, money market transactions and reverse purchase transactions.
- 1.5** The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of AM2++ dated June 08, 2016 to the Management Company and "A+(f)" as stability rating dated December 31, 2015 to the Fund.
- 1.6** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations 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 2016.
- 2.1.3** The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2016 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2016, where as the comparative in condensed interim income statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement are extracted from unaudited condensed interim financial information for the period ended 30 September 2015.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

2.1.4 The directors of the Management Company declare that this condensed interim financial information gives a true and fair view of the Fund.

2.1.5 This condensed interim financial information is unaudited and is presented in Pak Rupees, which is the functional and presentation currency of the Fund and has been rounded off to the nearest thousand rupees.

3. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

3.1 The accounting policies and methods of computation adopted in preparation of this financial information are same as those applied in preparation of financial statements of the Fund for the period ended June 30, 2016.

3.2 The preparation of condensed interim financial information requires management to make judgments, 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.

3.3 In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June 2016.

3.4 The element of income arising on issuance and redemption of units is bifurcated into portion attributable to capital gain / losses (realised and unrealised) and other income appearing in book of accounts of the Fund.

4. FINANCIAL RISK MANAGEMENT

The Fund's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the financial statements of the Fund as at and for the year ended 30 June 2016.

		(Unaudited) September 30, 2016	(Audited) June 30, 2016
	Note	(Rupees in '000)	
5 INVESTMENTS			
<i>Available for sale</i>			
Government securities	5.1	897,725	736,208
<i>At fair value through profit or loss</i>			
Government securities	5.2	-	57,429
Listed debt securities	5.3	405,751	284,553
Unlisted debt securities	5.4	90,719	127,271
		496,470	469,253
<i>Loans and receivables</i>			
Term deposit receipts	5.5	480,000	-
		<u>1,874,195</u>	<u>1,205,461</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

5.1 Government securities - Available for Sale

Issue date	Face value			At September 30, 2016			Market value as a percentage of net assets	Market value as a percentage of total investments
	At July 01, 2016	Purchases during the period	Sales / matured during the period	At September 30, 2016	Carrying value	Appreciation/ (diminution)		
(Rupees in '000)								
2016								
Pakistan Investment Bond - 3 Years	455,000	400,000	855,000	-	704,813	-	-	-
Pakistan Investment Bond - 5 Years	54,900	1,450,500	850,500	654,900	701,495	(3,318)	0.30	37.43
Pakistan Investment Bond - 10 Years	150,000	650,000	650,000	150,000	177,151	(1,359)	0.08	9.45
Pakistan Investment Bond - 15 Years	18,000	-	-	18,000	19,079	652	0.01	1.02
As at September 30, 2016					901,750	897,725	(4,025)	
As at June 30, 2016					732,673	736,208		3,535

5.2 Government securities - 'at fair value through profit or loss'

Issue date	Face value			At September 30, 2016			Market value as a percentage of net assets	Market value as a percentage of total investments	
	At July 01, 2016	Purchases during the period	Sales / matured during the period	At September 30, 2016	Carrying value	Market value			Appreciation
(Rupees in '000)									
	50,000	-	50,000	-	-	-	-	-	
Treasury bills - 5 months									
As at September 30, 2016									
As at June 30, 2016					57,171	57,429		258	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

		(Unaudited) September 30, 2016	(Audited) June 30, 2016
	Note	---- (Rupees in '000) ----	
5.3 Listed debt securities			
Less: Provision at July 1		2016	5.3.1 354,367
Less: Provision charged / (reversed) during the period			(69,814) (64,716)
Pace Pakistan Limited			
- Reversal against carrying value matured			4,940 9,878
- Charge against face value receivable			(7,489) (14,976)
			(2,549) (5,098)
			405,751 284,553

5.3.1 Listed debt securities - term finance certificates

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

Name of investee company	Number of Certificates				At September 30, 2016		Market value*** as a percentage of net assets	Market value*** as a percentage of total investment
	At July 01, 2016	Purchased during the period	Matured during the period	Disposed off during the period	At September 30, 2016	Appreciation / (diminution)		
							-----Rupees in '000-----	%
Commercial banks								
Askari Bank Limited (23-12-11 issue)*	82	-	-	-	82	83,080	83,080	0.04 4.43
Askari Bank Limited (30-09-14 issue)*	15,000	-	-	-	15,000	76,439	76,439	0.03 4.08
Bank Al Falah Limited (20-02-13 issue)	7,181	16,600	-	-	23,781	121,293	121,373	0.05 6.48
Habib Bank Limited (19-02-16 issue)	1,250	-	-	-	1,250	124,994	124,860	0.05 6.66
Real Estate investment and services								
Pace Pakistan Limited (15-02-08 issue)	15,000	-	-	-	15,000	4,941	4,941	- -
- Redeemable amount						67,422	67,422	- -
- Due but not received						72,362	72,362	- -
As at September 30, 2016						478,168	478,114	(54)
As at June 30, 2016						353,141	354,367	1,226

* Face value of the investment is Rs. 1,000,000 each

** Carrying value before provision

*** Market value after provision

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
5.4 Unlisted debt securities			
Less: Provision as at July 01	5.4.1	100,970	137,522
		(10,251)	(27,395)
Less: Provision charged / (reversed) during the period			
Pak Electron Limited - Sukuk		-	-
- Charge against face value receivable		-	17,144
- Reversal against carrying value matured			
		<u>90,719</u>	<u>127,271</u>

5.4.1 Unlisted debt securities - term finance certificates

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

Name of investee company	Number of Certificates				At September 30, 2016			Market value** as a percentage of total investment
	At July 01, 2016	Purchased during the period	Matured during the period	Disposed during the period	At September 30, 2016	Carrying value*	Appreciation / (diminution)	
								Rupees in '000 ----- % -----
Commercial banks								
Bank Alfalah Limited - (02-12-09) Floating	9,000	-	-	-	9,000	45,648	45,727	79 0.02
Bank Al Habib Limited (17-03-16 issue)	9,000	-	-	-	9,000	44,980	44,991	11 0.02
Construction and Material								
Eden Housing Limited - Sukuk - (31-03-2008 issue)	10,415	-	-	-	10,415	10,252	10,252	- -
- Due but not received								
As at September 30, 2016						100,880	100,970	90
Total as at June 30, 2016						137,000	139,496	2,496

* Carrying value before provision - Provision detail is specified in note 5.6

** Market value after provision

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

5.5 Loans and Receivables

Particulars	Profit / Mark - up rate	Maturity Date	At September 30, 2016	Market value as a percentage of net assets	Market value as a percentage of total investments
			Rupees in '000'	-----%	
JS Bank Ltd.	7.00%	14-Oct-16	200,000	0.09	0.11
Zarai Taraqiyati Bank Ltd.	6.50%	7-Mar-17	280,000	0.12	0.15
As at September 30, 2016			480,000	0.21	0.26
Total as at June 30, 2016			-	-	-

5.6 DETAILS OF NON-COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA AS

SPECIFIED BY SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

"In accordance with Clause (v) of the investment criteria laid down for 'Income Scheme' in Circular no. 7 of 2009, the Fund is required to invest in any security having rating not lower than the investment grade (credit rating of BBB and above). However, as at December 31, 2015, the Fund is non-compliant with the above mentioned requirement in respect of the following investments. The securities were in compliance of the Circular (i.e. investment grade) at the time of purchase and were subsequently downgraded to non investment grade by MUFAP on default by respective issuer in repayment of coupon due on respective dates. The Fund holds 100% provision against such investment as enumerated below:

Category of non-compliant investment	Type of Investment / Name of Company	Value of investment before provision	Provision held, if any	Value of investment after provision	Percentage of net assets	Percentage of gross assets
		-----Rupees in '000'-----				----- % -----
Investment in debt securities	a) Pace Pakistan Limited (note 5.3)	72,363	72,363	-	-	-
	b) Eden Housing Limited (note 5.4)	10,252	10,252	-	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

		(Unaudited) September 30 2016 (Rupees in '000)	(Audited) June 30, 2016
6. ACCRUED EXPENSES AND OTHER LIABILITIES	Note		
Federal excise duty payable and other related taxes on management fee	6.1	16,590	16,590
Federal excise duty payable and other related taxes on sales load	6.1	4,746	4,746
Provision for Workers' Welfare Fund	6.2	18,228	18,228
Brokerage		613	344
Legal and professional charges		75	60
Auditors' remuneration		203	419
Withholding tax payable		-	9,278
Printing and related expenditure		140	100
Capital gain tax		202	1,667
Zakat		695	695
Other		446	402
		41,938	52,529

- 6.1** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund, the Management Company is of the view that further levy of FED was not justified.

On September 4, 2013, a constitutional petition was filed in Honorable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustee, challenging the levy of FED.

The Sindh High Court in its decision dated July 16, 2016 maintained the previous order on the FED. The management is however of the view that since the Federal government still has the right to appeal against the order, the previous balance of FED can not be reversed.

Further, the Federal Government vide Finance Act 2016 has excluded asset management companies and other non banking finance companies from charge of FED on their services .

In view of the pending decision and as a matter of abundant caution, the Management Company of the Fund has made a provision for FED in the books of accounts of the Fund with effect from June 13, 2013 to June 30, 2016 aggregating to Rs. 21.34 million (2016: Rs. 21.34 million).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

- 6.2** The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year have been brought within the scope of the WWF Ordinance. Thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by the CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending for adjudication.

Subsequent to the year ended 30 June 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 8 July 2010 which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However on 14 December 2010 the Ministry filed its response against the Constitutional petition requesting the Court to dismiss the petition. According to the legal counsel who is handling the case, there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in the Court.

Subsequent to the year ended 30 June 2011, the Honourable Lahore High Court (LHC) in a constitutional petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. In March 2013 a larger bench of the Sindh High Court (SHC) in various constitutional petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, do not suffer from any constitutional or legal infirmity.

However, as per advice of legal counsel the stay granted to CIS remains intact and the constitution petitions filed by the CIS to challenge the WWF contribution have not been affected by the SHC judgment. In view of the afore mentioned developments and uncertainties created by the decision of SHC, management company, as a matter of abundant precaution, has decided to charge the entire provision for WWF in these financial statements.

However, as per advice of legal counsel the stay granted to CIS remains intact and the constitution petitions filed by the CIS to challenge the WWF contribution have not been affected by the SHC judgment.

Furthermore, in the Finance Act 2015, the mutual funds have been excluded from the levy of WWF. As this change has been made in the definition of the term 'Industrial Establishment' as defined in the Workers' Welfare Fund Ordinance, 1971, the change may appear to apply prospectively. Accordingly, management is of the view that this change is applicable from 01 July 2015. Hence, the matter regarding previous years would either need to be clarified by FBR or would be resolved through courts. Management Company, as a matter of abundant precaution, has decided to retain the provision for WWF amounting to Rs. 11.490 million in these financial statements pertaining to period 1 July 2011 to 30 June 2015 and have not recognised any further provision there against. During the quarter ended 30 September 2016 the Fund charged Rs. Nil on account of WWF. Had the said provision of WWF not been recorded in the books of account of the Fund, the Net Asset Value (NAV) of the Fund would have been higher by Rs. 0.42 per unit as at 30 September 2016.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2016 and June 30, 2016.

8. ALLOCATED EXPENSE

In the current period a statutory notification (S.R.O. No 1160 (1) /2015 dated 25 November 2015 was issued by the Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non -Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services related to Collective Investment Scheme (CIS) upto maximum of 0.1% of average annual net assets of the scheme. Accordingly, such expenses have been charged effective from 27 November 2015.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

9 TAXATION

The Fund is exempt from taxation under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders.

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. The management intends to distribute at least 90% of the income earned during the year by the Fund to the unit holders. Accordingly, no provision has been made in this condensed interim financial statement.

10. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed, as in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the fund including government levies as on September 30, 2016 is 0.55%. Total expense for the period includes 0.07% representing Government levies.

12. TRANSACTIONS WITH CONNECTED PERSONS

Related parties / connected persons of the Fund include the Management Company, its related entities, Central Depository Company of Pakistan Limited (being the Trustee of the Fund), other Funds managed by the Management Company and Directors, Key Management Personnel and Officers of the Management Company, and Unit Holders having more than 10% holding in the Fund.

Transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of NBFC Regulations, 2008 and the Trust Deed respectively.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

12.1 Detail of transaction with connected persons are as follows:

	Quarter ended 30 September	
	2016	2015
	----- (Rupees in '000) -----	
MCB Arif Habib Savings and Investment Limited - Management Company		
Remuneration including indirect taxes	11,165	10,251
Allocated expense	744	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration including indirect taxes	875	746
CDS Charges	8	5
MCB Bank Limited		
Profit on Bank Deposit	188	456
Bank Charges	28	11
Silk Bank Limited		
Purchase of Securities Face Value Nil (2015: 250,000,000)	-	209,111
Sell of Securities Face Value 250,000,000 (2015: Nil)	238,360	-
Adamjee Insurance Company Limited - Conventional Business		
Issue of Nil units (2015: 9,314,488 units)	-	500,000
Redemption of Nil units (2015: Nil units)	-	-
Adamjee Insurance Company Limited - Investment Department		
Issue of Nil units (2015: Nil units)	-	-
Redemption of 6,409,782 units (2015: Nil units)	342,475	-
Directors and Executive of the Management Company		
Issue of 52,734 units (2015: 27,670 units)	2,804	1,500
Redemption of 57,062 (2015: 26,742 units)	3,039	1,450
Mandate under discretionary portfolio		
Issue of 18,723 units (2015: 246,905 units)	1,000	13,402
Redemption 78,394 units (2015: Nil units)	4,183	
Next Capital Limited		
Brokerage expense*	8	76

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

13.2 Amount outstanding as at period end / year end

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	-----000-----	
MCB - Arif Habib Savings & Investment Limited - Management Company		
Remuneration payable	3,118	4,731
Sale tax payable on remuneration to the Management Company	405	662
Sales load payable including related taxes	2,073	1,330
Allocated expense payable	208	315
Central Depository Company of Pakistan Limited - Trustee		
Remuneration including indirect taxes payable	247	338
Sindh Sales tax payable on remuneration of Trustee	32	47
Security deposits	200	200
Next Capital Limited*		
Brokerage payable	8	8
MCB Bank Limited*		
Bank deposit held	5,945	169,990
Accrued profit on bank deposit	18	169
Directors and Executives of the Management Company		
1,652 units held (2016 : 5,980 units)	89	321
Adamjee Insurance Company Limited - Conventional Business		
198,375 units held (2016 : 198,375)	10,633	10,546
Adamjee Insurance Company Limited - Investment Department		
Nil units held (2016 : 6,409,782)	-	340,744
Adamjee Insurance Company Limited - Employees Gratuity Fund		
342,745 units held (2016 : 342,745)	18,371	18,220
Adamjee Insurance Company Limited - Employees Provident Fund		
1,590,592 units held (2016 : 1,590,592)	85,256	84,556
Mandate under discretionary portfolio		
Nil units held (2016 : 59,671)	-	3,172

* The amount disclosed represents the amount of brokerage paid to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transaction with connected persons as the ultimate counter parties are not the connected persons.

14 General

14.1 Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. The effect of rearrangement / reclassification is not considered to be material.

14.2 This condensed interim financial information has been authorised for issue in the meeting of the Board of Directors of the Management Company held on October 21, 2016.



Chief Executive Officer

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



Director

Please find us on



by typing: **MCB Arif Habib Savings**

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