



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2018
(UNAUDITED)

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

MCB CASH MANAGEMENT OPTIMIZER

CONTENTS

1	Fund's Information	105
2	Report of the Directors of the Management Company	106
3	Condensed Interim Statement of Assets And Liabilities	111
4	Condensed Interim Income Statement (Un-audited)	112
5	Condensed Interim Statement of Other Comprehensive Income (Un-audited)	113
6	Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)	114
7	Condensed Interim Cash Flow Statement (Un-audited)	115
8	Notes to and forming part of the Condensed Interim Financial Statements	116

FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited 24th Floor, Centre Point, 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 Qamar Beg	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Mirza Qamar Beg Mr. Nasim Beg	Chairman Member Member Member
Risk Management Committee	Mr. Mirza Qamar Beg Mr. Ahmed Jahangir Mr. Nasim Beg	Chairman Member Member
Human Resource & Remuneration Committee	Dr. Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Company Secretary	Mr. Muhammad Asif Mehdi Rizvi	
Chief Financial Officer	Mr. Abdul Basit	
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 Bank Al-Habib Limited Zarai Traqiati Bank Limited Habib Bank Limited National Bank of Pakistan	
Auditors	A.F Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
Rating	AM2++ Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2018

Dear Investor,

On behalf of the Board of Directors, we are pleased to present MCB Cash Management Optimizer accounts review for the three months ended September 30, 2018.

MARKET & ECONOMIC REVIEW

Economy and Money Market Review

First quarter of FY19 has been a run of political uncertainty, external pressures and economic slowdown. Given the uptick in oil prices, increasing trend in inflation, continuity of external worries, The Monetary Policy Committee of State Bank of Pakistan opted for 100 bps increases in each of the two meetings conducted in this quarter. The major reason was due to the emergence of inflationary pressures with core inflation expected to creep up with the advent of higher oil and gas prices. Moreover, the MPC highlighted the precarious external account position and need for slowdown in GDP growth to arrest the dwindling foreign exchange reserves.

CPI for the 1QFY19 was registered at 5.6% as the impact of low base kicked in. Higher international oil prices, weaker currency and upward revision in domestic gas prices is expected to jack up overall inflation figure in FY19, which is expected to average ~8.1% compared to last year's inflation of 3.8%. Meanwhile, core inflation is expected to jump above 8.5%.

The external account position kept on highlighting worrisome position for the economy. Current account witnessed a deficit of USD 2.7 billion in first two months of FY19 compared to USD 2.5 billion in the same period last year. A surge in international oil prices is masking the improvement in non oil imports caused by remedial measures, thus causing the current account deficit to remain high. However, the lagged impacts of currency adjustments and monetary tightening are becoming visible as reflected by balance of trade (data of Pakistan Statistical Bureau) declining by 1.6% in the quarter led by decline in non-oil imports. Despite receiving inflows from China, foreign reserves declined by an average of ~USD 115 mn per week. State Bank's foreign exchange reserves stood at USD 8.41 billion reflecting import cover based on SBP's reserves has reached an alarming level of lesser than 2 months imports.

Rising interest rates, rupee adjustment and external pressures are having impact on growth trajectory of economy as reflected by large scale manufacturing index which posted a meager increase of 0.5% YoY in the month of July'18 broadly supported by production of petroleum products.

Subsequent to monetary tightening by State Bank, bond yield curve showed an upward trajectory where most of the activity took place in floater PIBs. During 1QFY19 State Bank of Pakistan conducted 3rd Floater PIB auction which witnessed a healthy participation of PKR 151 billion out of which bids worth PKR 108 billion were accepted at a rate of benchmark + 70 bps. Concerns over external front kept market participants shy away from longer tenor Treasury bills with persistence towards accumulation in papers having maturity below or equal to 3 months.

Liquidity remained comfortable throughout 1QFY19 owing to regular OMOs conducted by SBP, while scarcity of Shariah Compliant avenues continued in period under review as there was no fresh issuance of Ijara Sukuk despite ample liquidity in the market.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 6.70% as against its benchmark return of 6.66%, an outperformance of 0.04%. As at September 30, 2018, WAM stood at 8 days in line with our view on interest rates going forward. The fund increased its exposure in term deposits with banks from 0% to 8.5% in the period while decreasing the exposure in cash from 99.5% to 86.5%

The Net Assets of the Fund as at September 30, 2018 stood at Rs. 14,074 million as compared to Rs. 11,993 million as at June 30, 2018 registering an increase of 17.35%.

The Net Asset Value (NAV) per unit as at September 30, 2018 was Rs.100.6829 as compared to opening NAV of Rs. 105.9707 per unit as at June 30, 2018 registering a decrease of Rs. 5.2878 per unit.

MARKET & ECONOMY - FUTURE OUTLOOK

The government has announced to approach the IMF for an economic program to support the fragile external account situation. The program would lead to required remedial actions of rupee adjustment, monetary tightening, and expenditure curtailment to slow down growth, control the import bill and arrest foreign reserves decline.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2018

For the next year, the economic growth is expected to slow down as currency adjustments and tighter monetary policy will rein on the consumption patterns. However, increased power supply along with the documentation of economy will provide a respite to the economic managers during this critical juncture. We share the optimism on better governance & long term prospects for economic revival amid more focused and sincere efforts to address chronic issues on economic front by the new government; however, the path is likely to be tough and with a number of potentially un-popular policy steps. Given initial plans of PTI, some sense of policy steps can be expected but given the precarious economic conditions, we think immediate term measures to address twin deficits are critical.

Fiscal side would be difficult to manage where we expect fiscal deficit to hover around 5.5% of GDP. Expenditure constraints would lead to public sector development program curtailments amid higher domestic debt servicing cost due to interest rate increase.

Given pressures on the external front along with rising inflation, State Bank is expected to further tighten the monetary policy by at least 100 bps already increased.

The equity market would follow developments on the economic front. Swift economic policy actions would be required to arrest the precarious economic standing and would guide market towards better multiples. In broader terms, we believe, the last two years market performance (down approx. 20% from peak levels) has reflected the concerns on political and economic direction & also reflected in performance of cyclical stocks where correction in stock prices is even sharper. We continue to reiterate our stance that current market multiples (~7.5x) offer little downside potential which puts in a lot of comfort for long term investors. We believe upside in stocks shall unveil only gradually as confidence reigns back and economic policies shape the outlook in the expected manner. Therefore, going forward, stocks offer long term investment opportunity with rewards for patient investors. We continue to track trends in the economic indicators of the country and adjust our portfolio accordingly. Our Top-Down analysis favors sectors that benefit from currency depreciation and higher interest rates; however, we cannot ignore the individual company dynamics along with their prices that can play an important role in security selection.


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 22, 2018



Nasim Beg
Vice Chairman / Director

اظہار تشکر:

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ان کی مسلسل حمایت اور تعاون کے لئے پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کے شکر گزار ہیں۔ ڈائریکٹرز بھی کمپنی میں ان کے اعتماد کے لئے ان کے عزم اور لگن اور حصص یافتگان کے لیے کمپنی کے ملازمین کی کوششوں کی تعریف کرتے ہیں۔

منجانب ڈائریکٹرز،



نسیم یگ

ڈائریکٹر/نائب چیئرمین

22 اکتوبر، 2018



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

22 اکتوبر، 2018

کنٹرول کرنے اور غیر ملکی ذخائر کو کم کرنے میں کمی کی ضرورت ہوتی ہے۔

اگلے سال کے لئے اقتصادی ترقی میں کمی کی توقع کی جاسکتی ہے کیونکہ کرنسی ایڈجسٹمنٹ اور مانیٹری پالیسی کی کھپت کے نمونے پر مل جائے گی۔ تاہم معیشت کی دستاویزات کے ساتھ ساتھ بجلی کی فراہمی میں اضافے کو اس اہم مرحلے کے دوران معاشی مینیجرز کو ایک مہلت فراہم ہوگی۔ ہم نئی حکومت کی طرف سے اقتصادی محاذ پر دائمی مسائل کو حل کرنے کے لئے زیادہ توجہ مرکوز کریں گے اور مخلص کوششوں کے درمیان اقتصادی اصلاح کے لئے بہتر حکومتی نظام اور طویل مدتی امکانات پر خوشگوار اشتراک کرتے ہیں۔ تاہم یہ راستہ سخت اور ممکنہ غیر مقبول پالیسی کے اقدامات میں امکانات کا امکان ہے۔ پاکستان تحریک انصاف کی ابتدائی منصوبہ بندی کو دیکھتے ہوئے کچھ پالیسیوں کی ترقی کی توقع کی جاسکتی ہے لیکن غیر معمولی معاشی حالات کو پورا کرنے کے لئے ہم سوچتے ہیں کہ دونوں خساروں کو حل کرنے کے لئے فوری طور پر اقدامات کیے جاتے ہیں۔

مالیاتی ادارے کے لئے یہ انتظام کرنا مشکل ہوگا کہ ہم مالی خسارے کے متوقع ہو سکتے ہیں یا مجموعی گھریلو مصنوعات (GDP) کی 5.5 فی صد کی کمی ہو رہی ہے۔ اخراجات میں اضافے، گھریلو قرضوں کی قیمتوں میں اضافے کی وجہ سے عوامی شعبے کی ترقی کے پروگرام میں کمی کا سبب بنے گا۔

بڑھتی ہوئی افراط زر کے ساتھ ساتھ بیرونی فرنٹ پر دیئے جانے والے دباؤ پر اسٹیٹ بینک سے کم از کم 100 بنیادی پوائنٹس (bps) میں پہلے ہی اضافہ ہوا ہے۔

ایکویٹی مارکیٹ میں اقتصادی محاذ پر پیش رفت کرے گی۔ فوری معیشت کے اقدامات ناقابل اعتماد اقتصادی موقف کو روکنے کے لئے ضروری ہوگی اور مارکیٹ میں بہتر ملحقہ کی راہنمائی کرے گی۔ وسیع تر شرائط پر ہم یقین رکھتے ہیں کہ گزشتہ دو سال میں مارکیٹ کی کارکردگی (چوٹی کی سطح سے تقریباً 20 فی صد) نے سیاسی اور اقتصادی سمت پر خدشات کی عکاسی کی ہے اور یہ بھی سائیکل اسٹاک کی کارکردگی میں عکاسی کرتی ہے، جہاں اسٹاک کی قیمتوں میں اضافہ بھی تیز ہوگا۔ ہم اپنے موقف کا دوبارہ تسلسل جاری رکھیں گے کہ موجودہ مارکیٹ کے ملحقات (تقریباً 7.5 اوقات) تھوڑی دیر میں ممکنہ پیشکش کرتے ہیں جو طویل مدتی سرمایہ کاروں کے لئے آرام دہ ہے۔ ہم یقین رکھتے ہیں کہ اسٹاک میں اسٹیٹس صرف آہستہ آہستہ انکشاف کریں گے جس سے اعتماد میں آئیں گے اور اقتصادی پالیسیوں کو متوقع طور پر نظر انداز کرتے ہیں۔ لہذا آگے آگے اسٹاک مریض سرمایہ کاروں کے لئے انعامات کے ساتھ طویل مدتی سرمایہ کاری کا موقع پیش کرتے ہیں۔ ہم ملک کے اقتصادی اشارے میں رجحانات کو ٹریک کرتے ہیں اور اس کے مطابق اپنے پورٹ فولیو کو ایڈجسٹ کرتے ہیں۔ ہمارے اوپر سے نیچے کا تجزیہ سے شعبوں نے فائدہ اٹھایا ہے جو کرنسی کی قیمتوں میں اضافے اور اعلیٰ سود کی شرح سے فائدہ اٹھایا۔ تاہم ہم انفرادی کمپنی کو متحرک نظر انداز نہیں کر سکتے، جو ان کی قیمتوں کے ساتھ سیکورٹی انتخاب میں اہم کردار ادا کر سکتا ہے۔

بڑھتی ہوئی سود کی شرح، منی ایڈجسٹمنٹ اور بیرونی دباؤ معیشت کی ترقی کے اثرات پر اثر انداز کر رہی ہیں، جس میں بڑے پیمانے پر مینوفیکچرنگ انڈیکس کی طرف اشارہ کیا گیا جس سے پٹرولیم کی مصنوعات میں جولائی 2018 کے مہینے میں 0.5 فیصد اضافہ ہوا۔ اسٹیٹ بینک کی جانب سے مالیاتی تنصیبات کے بعد بانڈ کی پیداواری گراف نے ایک ایسی پیش رفت ظاہر کی، جہاں پاکستان کی سرمایہ کار بانڈز (PIB) میں زیادہ سے زیادہ سرگرمی ہوئی۔ مالی سال 2018-19 (1QFY19) کی پہلی سہ ماہی کے دوران، اسٹیٹ بینک آف پاکستان نے تیسرے فلوٹر پاکستان سرمایہ کاری بانڈ (PIB) کی نیلامی کا اہتمام کیا جس میں 151 ارب روپے کی بڑی شراکت کی۔ جس میں سے 108 بلین روپے کا معیار +70 بنیادی پوائنٹس (bps) کی قیمتوں میں منسلک کیا گیا تھا۔ خارجہ محاذ کے بارے میں خدشات نے مارکیٹ کے شرکاء کو طویل عرصے سے خزانہ بلوں سے لے کر رکھا ہے جس میں جمع ہونے والی کاغذات میں 3 مہینے کے برابر یا مساوی ہونے کے سلسلے میں مسلسل اضافہ ہوتا ہے۔

اسٹیٹ بینک آف پاکستان نے باقاعدہ اوپن مارکیٹ آپریشنز (OMOs) کے ذریعہ مالی سال 2018-19 (1QFY19) کی پہلی سہ ماہی میں آرام دہ اور پرسکون رہا، جبکہ شرعی مطابقت پذیر راستے کی کمی کا جائزہ لینے کے دوران جاری رہا کیونکہ بازار میں کافی ہالچل کے باوجود Ijara Sukuk کا کوئی تازہ اجراء نہیں ہوا تھا۔

فنڈ کی کارکردگی:

جائیداد کے تحت مدت کے دوران، فنڈ نے 6.70% کی سالانہ واپسی 6.66% کی اس کی نشاندہی کی واپسی کے خلاف، 0.04% کی بے مثال کارکردگی کا مظاہرہ کیا۔ 30 ستمبر، 2018 تک، (WAM) ہمارے نظر کے ساتھ 8 دنوں میں کھڑے ہو چکے تھے۔ اس فنڈ نے اس مدت میں 0% سے 8.5 فی صد کے ساتھ اصطلاحات کے ذخائر میں نمائش میں اضافہ کیا جبکہ 99.5% سے 86.5 فیصد سے نقد نمائش میں کم تھی۔

ستمبر 2018، 30 کے طور پر فنڈ کے نیٹ اثاثے 14,074 ملین روپے کے مقابلے میں۔ جون 2018، 30 کے مطابق 11,993 ملین 17.35 فیصد اضافہ ہوا۔

ستمبر 2018، 30 کو فی یونٹ نیٹ اثاثہ ویلیو (NAV) فی یونٹ Rs. 100.6829 روپے کے طور پر تھا۔ 30 جون، 2018 میں فی یونٹ 105.9707 اور فی یونٹ 5.2878 روپے میں کمی کی گئی۔

مارکیٹ اور اقتصادی - مستقبل کے حل:

حکومت نے بین الاقوامی مالیاتی فنڈ (IMF) سے متعلق معاشی پروگرام کے نازک بیرونی اکاؤنٹ کی صورتحال کی حمایت کرنے کا اعلان کیا ہے۔ پروگرام کو منی ایڈجسٹمنٹ، مالیاتی سختی، اور اخراجات میں کمی کی ضرورت ہوتی ہے، ترقی کو سست کرنے، درآمدات کے بل کو

عزیز سرمایہ کار!

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی کیش مینجمنٹ اوپٹیمائزر کے 30 ستمبر، 2018 کو اختتام پزیر ہونے والے تین ماہ اکاؤنٹس کا جائزہ پیش خدمت ہے۔

مارکیٹ اور اقتصادی جائزہ:

معیشیت اور منی مارکیٹ کا جائزہ:

مالی سال 2018-19 کی پہلی سہ ماہی میں (1QFY19) سیاسی غیر یقینی، بیرونی دباؤ اور اقتصادی کمی کا شکار ہو گیا ہے۔ تیل کی قیمتوں میں اضافہ، بیرونی افواج کی مسلسل تسلسل، بڑھتی ہوئی رجحان میں اضافہ، اسٹیٹ بینک آف پاکستان کے مونیٹری پالیسی کمیٹی (MPC) نے اس سہ ماہی میں منعقد ہونے والے دونوں اجلاسوں میں 100 بنیادی پوائنٹس (bps) کے اضافے کے لئے انتخاب کیا۔ اہم وجہ یہ تھی کہ انفراسٹرکچر کے دباؤ کے نتیجے میں بنیادی افراط زر کے ساتھ اعلیٰ تیل اور گیس کی قیمتوں کی آمد کے ساتھ پیدا ہونے کی امید ہے۔ اس کے علاوہ، مونیٹری پالیسی کمیٹی (MPC) نے غیر ملکی خارجہ اکاؤنٹ کی حیثیت کو کم کرنے کے لئے غیر ملکی ادارے کی حیثیت اور مجموعی گھریلو مصنوعات (GDP) کی ترقی میں کمی کی ضرورت پر زور دیا ہے۔

مالی سال 2018-19 (1QFY19) کی پہلی سہ ماہی کے لئے صارفین کی قیمت انڈیکس (CPI) 5.6 فیصد کے اثرات کے طور پر رجسٹر کیا گیا تھا۔ عالمی بین الاقوامی قیمتوں میں اضافہ، گھریلو گیس کی قیمتوں میں کمزور کرنسی اور اوپر کی نظر ثانی کی امید ہے، مالی سال 2018-19 (مجموعی طور پر انفراسٹرکچر کے اعداد و شمار کو جیک)، جو گزشتہ سال کی شرح 3.8 فی صد کی شرح سے تقریباً 8.1 فیصد ہوا ہے۔ دریں اثنا، بنیادی افراط زر کی شرح 8.5 فیصد سے زائد ہے۔

معیشیت کے لئے تشویشناک پوزیشن کو نمایاں کرنے پر بیرونی اکاؤنٹ کی حیثیت رکھتی ہے۔ موجودہ اکاؤنٹ نے مالی سال 2018-19 کے پہلے دو مہینوں میں 2.7 ارب امریکی ڈالر کا خسارہ دیکھا تھا جو گزشتہ سال اسی مدت میں 2.5 بلین ڈالر ہوا تھا۔ بین الاقوامی آئل کی قیمتوں میں اضافے کی وجہ سے نجی درآمدات کی وجہ سے غیر تیل کی درآمد میں بہتری آرہی ہے، اس وجہ سے موجودہ اکاؤنٹ کے خسارے کو زیادہ رہنے کا باعث بنتا ہے۔ تاہم، کرنسی کے ایڈجسٹمنٹ کے نقطہ نظر اور مالیاتی سختی کی وجہ سے تجارت کی توازن (پاکستان کے اعداد و شمار، بیورو کے اعداد و شمار) کے طور پر ظاہر ہوتا ہے کہ غیر تیل درآمد میں کمی کی وجہ سے سہ ماہی میں 1.6 فی صد کمی ہوئی۔ چین سے آمدنی حاصل کرنے کے باوجود، ہر ہفتے غیر ملکی ذخائر تقریباً 115 ملین امریکی ڈالر سے کم ہو گئے۔ اسٹیٹ بینک کے غیر ملکی کرنسی کے ذخائر 8.41 بلین ڈالر پر کھڑے ہوئے ہیں جو اسٹیٹ بینک کے ذخائر کی بنیاد پر درآمد کا احاطہ کرتا ہے، اس سے دو ماہ کے مقابلے میں زیادہ خطرناک حد تک پہنچ گئی ہے۔

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2018

		(Un-audited) September 2018 ----- (Rupees 000) -----	(Audited) June 2018 -----
	Note		
ASSETS			
Balances with banks	4	12,248,596	12,057,809
Investments	6	1,855,909	-
Advances, deposits, prepayments and profit receivable		62,618	55,391
Total assets		14,167,123	12,113,200
LIABILITIES			
Payable to Management Company		7,887	10,254
Payable to Central Depository Company of Pakistan Limited - Trustee		895	1,011
Payable to Securities and Exchange Commission of Pakistan		2,353	9,576
Accrued expenses and other liabilities	7	82,474	99,703
Total liabilities		93,610	120,544
NET ASSETS		14,073,513	11,992,656
Unit holders' fund (as per statement attached)		14,073,513	11,992,656
Contingencies and Commitments	8		
		(Number units)	
NUMBER OF UNITS IN ISSUE		139,780,613	113,169,596
		(Rupees)	
NET ASSET VALUE PER UNIT		100.6829	105.9707

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statement.

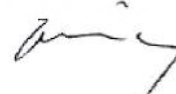
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

		September 2018	September 2017
		(Rupees in '000)	
INCOME	Note		
Capital gain / (loss) on sale of investments - net		655	516
Income from government securities		81,383	4,065
Income from commercial paper		5,265	959
Profit on money market placement		5,278	13,873
Profit on bank deposits		152,915	154,161
Total income		245,496	173,574
EXPENSES			
Remuneration of Management Company		20,354	17,357
Sindh Sales tax and Federal Excise Duty on Management fee		2,646	2,256
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,450	2,211
Sindh Sales tax on remuneration of Central Depository Company of Pakistan - Trustee		318	287
Securities and Exchange Commission of Pakistan - Annual Fee		2,353	2,055
Allocated expenses and related taxes		3,546	3,099
Legal and professional		45	54
Settlement and brokerage expenses		57	57
Auditor's remuneration		226	299
Other expenses		221	196
Total operating expenses		32,217	27,871
Net operating income for the period		213,279	145,703
(Provision for) / reversal of SWWF / WWF	7.1	(4,266)	(2,914)
Net income for the period before taxation		209,014	142,789
Taxation	9	-	-
Net income for the period after taxation		209,014	142,789
Allocation of net income for the period:			
Net income for the period		209,014	142,789
Income already paid on units redeemed		(8,536)	17,922
		200,478	124,867
Accounting income available for distribution			
- Relating to capital gains		455	451
- Excluding capital gains		200,023	124,416
		200,478	124,867
Earnings per unit	10	-	-

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statement.

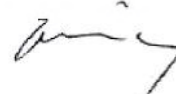
**For MCB-Arif Habib Savings and Investments Limited
(Management Company)**



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	September 2018 (Rupees in '000)	September 2017
Net income for the year after taxation	209,014	142,789
<i>Other comprehensive income for the period</i>	-	-
Total comprehensive income for the period	209,014	142,789

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statement.

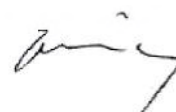
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

September 2018 (Rupees in '000)					September 2017
Note	Capital Value	Undistributed income	Unrealised appreciation / (diminution) on FVTOCI (Previously: 'AFS')	Total	Total
Net assets at beginning of the year	11,617,232	375,424	-	11,992,656	10,093,005
Issue of 79,802,406 units - including additional units (2017: 53,063,558 units)					
- Capital value (at net asset value per unit at the beginning of the year)	8,023,749	-	-	8,023,749	
- Element of income	12,816	-	-	12,816	
	8,036,565	-	-	8,036,565	5,359,144
Redemption of 53,191,389 units (2017: 34,535,710 units)					
- Capital value (at net asset value per unit of Rs. 100.5324 at the beginning of the year)	5,348,139	-	-	5,348,139	
- Element of income	22,300	(8,536)	-	13,764	
	5,370,439	(8,536)	-	5,361,903	(3,514,730)
Total comprehensive income for the period	-	209,014	-	209,014	142,789
Final Distribution for the year ended June 30, 2018 (including additional units) at the rate of Rs. 5.4255 per unit (Declared on July 04, 2018)	(283,195)	(330,807)	-	(614,001)	
Interim distribution during the period (including additional units)	(5,784)	(183,034)	-	(188,818)	
	(288,979)	(304,826)	-	(593,805)	142,789
Net assets at end of the period	13,994,379	62,062	-	14,073,513	12,080,208
Undistributed income brought forward					
- Realised		375,424			44,614
- Unrealised		-			-
		375,424			44,614
Accounting income available for distribution					
- Relating to capital gains		455			451
- Excluding capital gains		200,023			124,416
		200,478			124,867
Cash distribution during the period		513,840			-
Undistributed income carried forward		62,062			169,481
Undistributed income carried forward					
- Realised		62,062			169,481
- Unrealised		-			-
		62,062			169,481
				(Rupees)	(Rupees)
Net assets value per unit at beginning of the year				105.9707	100.5342
Net assets value per unit at end of the period				100.6829	101.8609

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statement.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	September 2018	September 2017
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	209,014	142,789
Adjustments for non cash and other items:		
Capital (gain) / loss on sale of investments - net	(655)	(516)
	(655)	(516)
(Increase) / Decrease in assets		
Investments	(1,855,254)	(300,444)
Prepayments and profit receivable	(7,227)	(7,224)
	(1,862,481)	(307,668)
(Decrease) / Increase in liabilities		
Payable to Management Company	(2,367)	3,231
Payable to Central Depository Company of Pakistan Limited - Trustee	(116)	239
Payable to Securities and Exchange Commission of Pakistan	(7,223)	(3,232)
Accrued expenses and other liabilities	(17,229)	(39,523)
	(26,934)	(39,285)
Net cash flow (used in) / generated from operating activities	(1,681,056)	(204,680)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt from issuance of units	8,036,565	5,359,144
Payment against redemption of units	(5,361,903)	(3,514,730)
Distributions made during the period	(802,819)	-
Net cash generated from financing activities	1,871,843	1,844,414
Net increase in cash and cash equivalents	190,787	1,639,734
Cash and cash equivalents at beginning of the year	12,057,809	9,307,714
Cash and cash equivalents at end of the period	12,248,596	10,947,448

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statement.

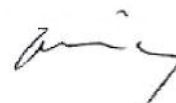
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** MCB Cash Management Optimizer (the Fund) was established through a Trust Deed executed between Arif Habib Investments Limited (now MCB-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 10, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 30, 2009 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi, Pakistan.
- 1.3** The Fund is an open-end mutual fund and has been categorised as 'Money Market Scheme' by the Board of Directors of the Management Company 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).
- 1.4** The Fund primarily invests in a mix of short term corporate debt and government securities, repurchase agreements, term deposit and money market placements with scheduled banks.
- 1.5** The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of AM2++ (Positive outlook) dated October 08, 2018 to the Management Company and "AA+(f)" as stability rating dated June 30, 2018 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. STATEMENT OF COMPLIANCE

- 2.1** This Condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed companies ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement of the Trust Deed.

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

- 2.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information 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, 2018.
- 2.3** 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 September 30, 2018.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

- 2.4** These condensed interim financial statements are unaudited. Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency and rounded to the nearest thousand rupees, unless otherwise specified.
- 2.5** The "date of initial application" of IFRS 9 is the date when the entity first applies its requirements. Therefore, the beginning of an interim or annual reporting period i.e July 01, 2018 is the date of initial application and applied prospectively because it is not possible to do so with out the use of hindsight and is impracticable, therefore comparative figures are not restated. The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial information as at September 30, 2018 have been extracted from the audited financial statements of the Fund for the year ended June 30, 2018, whereas the comparatives in the condensed interim income statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial information of the Fund for the quater ended September 30, 2017.
- 3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS AND CHANGES THEREIN**
- 3.1** The accounting policies, financial risk management objectives & policies, basis of accounting estimates applied & methods of computation adopted in the preparation of the condensed interim financial statement and all standards, interpretations and amendments to publised approved accounting standards are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2018, except with respect to of adoption of IFRS- 9 as explained in detail in note 3.2.
- 3.2** In July 2014 IASB issued a revised version of IFRS 9 'Financial Instruments' which supersedes all its previous versions and is mandatorily effective for periods beginning on or after January 1, 2018. The SECP has adopted the IFRS 9 effectively from July 1, 2018 and will be applicable for the Fund as well. Further, the SECP through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Therefore the Fund will not be subject to the impairment provisions of IFRS 9. From July 01, 2018 the Fund has adopted IFRS-9 as per approved accounting and reporting standards as applicable in Pakistan.

Key requirements of IFRS 9:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt and equity instruments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election at initial recognition to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognised by an acquirer in a business combination) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised. However, the SECP through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Classification and measurement:

Classification and Measurement of Financial Assets and Financial Liabilities after the adoption of IFRS-9 is discussed as under:

- Listed equity securities classified as 'at Fair value through Profit or Loss' investments carried at fair value will continue to be subsequently measured at Fair value through Profit or Loss upon the application of IFRS 9, and the fair value gains or losses and gains or losses on derecognition of such investments will be recognised in profit or loss;
- Listed equity securities classified as 'at Available for sale' investments carried at fair value have been re-designated & will be measured at Fair value through Profit or Loss upon the application of IFRS 9, and the fair value gains or losses and gains or losses on derecognition of such investments will be recognised in profit or loss;
- Debt securities (Listed / Unlisted) and government securities classified as 'at Fair value through Profit or Loss' investments carried at fair value will continue to be subsequently measured at Fair value through Profit or Loss upon the application of IFRS 9, and the fair value gains or losses and gains or losses on derecognition of such investments will be recognised in profit or loss;
- All financial assets classified as Loans and receivable as on June 30, 2018 have now been re-classified as Amortized cost. These assets under IFRS - 9 will continue to be measured on the same bases as was adopted under IAS 39.
- All other financial assets and financial liabilities under IFRS - 9 will continue to be measured on the same bases as was adopted under IAS 39

	(Un-audited) September 2018	(Audited) June 2018
4 BALANCES WITH BANKS		
	(Rupees in '000)	
Savings accounts	12,238,142	12,048,477
Current account	10,454	9,332
	12,248,596	12,057,809

5. EXPENSE RATIO

The total expense ratio of the Fund from July 1, 2018 to September 30, 2018 is 0.29%, which includes 0.08% representing government levy and SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an money market scheme.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

		(Un-audited) September 2018	(Audited) June 2018
	Note	(Rupees in '000)	
6. INVESTMENTS			
6.1 Investments at amortised cost'			
Term deposit receipt	6.1.1	1,200,000	-
Commercial Papers	6.1.2	655,909	-
		<u>1,855,909</u>	<u>-</u>
6.2 Investments at fair value through profit or loss'			
Market Treasury Bills	6.2.1	-	-
		<u>-</u>	<u>-</u>
		<u>1,855,909</u>	<u>-</u>

6.1.1 These carry markup rate of 8.45% (Jun 2018: Nil) per annum

6.1.2 These carry markup rate of 8.95% (Jun 2018: Nil) per annum

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

6.2.1 Market Treasury Bills - at fair value through profit or loss

Tenure	Issue Date	Face value			At September 30, 2018			Market value as a percentage of net assets	Market value as a percentage of total investments
		At July 01, 2018	Purchases during the year	Sales / matured during the year	At September 30, 2018	Carrying value	Market value		
(Rupees in '000) ----- %									
Treasury bills - 3 months									
	July 19, 2018		11,765,000	11,765,000	-	-	-	-	-
	June 7, 2018		1,000,000	1,000,000	-	-	-	-	-
	August 2, 2018		5,000,000	5,000,000	-	-	-	-	-
As at September 30, 2018									
						-	-	-	-
						-	-	-	-
						-	-	-	-
						-	-	-	-
As at June 30, 2018									

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	Note	(Un-audited) September 2018 (Rupees in '000)	(Audited) June 2018
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund	7.1	22,973	18,708
Provision for federal excise duty and related taxes on	7.2		
- Management fee		54,267	54,267
- Sales load		19	19
Brokerage		5	47
Capital gain tax		261	22,253
Auditors' remuneration		820	594
Printing and related expenditure		65	40
Other		4,065	3,775
		82,474	99,703

7.1 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the SWWF as reported in the annual financial statements of the Fund for the year ended June 30, 2018. Had the provision for SWWF not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2018 would have been higher by Re. 0.1644 per unit (June 30, 2018 Re. 0.1653 per unit).

7.2 Federal Excise Duty and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2018. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2018 would have been higher by Re. 0.3882 per unit (June 30, 2018: Re.0.4795 per unit).

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as September 30, 2018 and June 30, 2018

9. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management intends to distribute the income earned by the Fund during the year to the unit holders in cash in the manner as explained above, accordingly, no provision for taxation has been made in these condensed interim financial statements.

10. EARNINGS / (LOSS) 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.

11. TRANSACTIONS WITH CONNECTED PERSONS

Related parties / connected persons of the Fund include the Management Company, its parent and the related subsidiaries of the parent, associated companies / undertakings of the Management Company, its parents and the related subsidiaries, other funds managed by the Management Company, post employment benefit funds of the Management Company, employment funds of the parent, subsidiaries and its associated undertakings. It also includes the Central Depository Company of Pakistan Limited being the Trustee of the Fund, the directors and

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

officers of the Management Company and any person or Company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

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

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

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the period end, other than those which have been disclosed elsewhere in this condensed interim financial information, are as follows:

11.1 Details of transactions with related parties / connected persons are as follows:	(Un-audited) September 2018 ----- (Rupees in '000) -----	(Un-audited) September 2017
MCB - Arif Habib Savings and Investments Limited - Management Company		
Remuneration including indirect taxes	23,000	19,614
Allocated expenses including indirect taxes	3,546	3,097
Central Depository Company of Pakistan Limited - Trustee		
Remuneration and settlement charges for the year	2,768	867
CDS charges	2	2
MCB Bank Limited		
Profit on Bank deposits	93	84
Bank charges	14	5
Sale of securities - Face value: Rs. 1,800,000,000 (2017: Rs. Nil)	1,794,589	-
Silk Bank Limited		
Sale of securities - Face value: Rs. 5,000,000,000 (2017: Rs. 950,000,000)	4,922,782	933,230
Next Capital Limited		
Brokerage*	-	1

*The amount disclosed represents the amount of brokerage paid or payable, as the case may be, 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 transactions with connected persons as the ultimate counter parties are not connected persons.

11.2 Amounts outstanding at year end	(Un-audited) September 2018 ----- (Rupees in '000) -----	(Audited) June 2018
MCB - Arif Habib Savings and Investments Limited - Management Company		
Remuneration payable	6,084	8,027
Sales tax payable on remuneration to the Management Company	791	1,044
Allocated expenses payable excluding related taxes	1,012	1,183
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	792	895
Sindh Sales tax payable on remuneration of Trustee	103	116
MCB Bank Limited		
Bank balance	15,412	10,050
Profit receivable on bank deposits	323	328
Arif Habib Limited		
Brokerage payable	-	7
Next Capital Limited		
Brokerage payable	-	4

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

11.3 Transactions during the year with connected persons / related parties in units of the Fund:

September 30, 2018									
Units					(Rupees in '000)				
As at July 01, 2018	Issuance (including additional units)	Bonus / Dividend	Redeemed	As at September 30, 2018	As at July 01, 2018	Issuance*	Bonus / Dividend	Redeemed	As at September 30, 2018
Associated Companies									
	4,005,352	1,959,847	-	2,292,574	3,672,625	424,450	183,677	231,000	369,770
MCB-Arif Habib Savings And Investments Ltd.	2,550,579	172,859	-	-	2,723,438	270,287	3,635	-	274,204
Adamjee Insurance Co. Ltd.	133,739	8,397	-	75,480	66,655	14,172	281	7,600	6,711
Nishat Mills Limited Employees Provident Fund Trust	432,553	23,341	-	455,894	-	45,838	16	45,861	-
Adamjee Insurance Co Limited Employees Provident Fund	574,808	34,574	-	-	609,382	60,913	3,278	-	61,354
Mob Financial Services Limited	2	-	-	-	2	-	-	-	-
O.G. Khan Cement Company Ltd	-	114,855	-	20,970	93,885	-	11,551	2,114	9,453
Nishat Power Limited Employees Provident Fund Trust	-	217,174	-	35,808	181,366	-	21,837	3,608	18,260
Adamjee Insurance Co.Ltd. Employees Gratuity Fund	-	435,684	-	71,657	364,027	-	43,813	7,219	36,651
Adamjee Insurance Co.Ltd Employees Provident Fund	40,384	2,838	-	-	43,222	4,280	273	-	4,352
Security General Insurance Co. Ltd. Employees Provident Fund Trust									
Key management personnel	8,771	89,095	-	16,931	80,935	929	8,924	1,705	8,149
Mandate Under Discretionary Portfolio Services	7,065,709	13,665,293	-	3,941,943	16,789,059	748,758	1,354,622	397,156	1,690,371
Unit holders holding 10% or more units	20,035,033	36,597,301	-	2,075,284	54,557,050	2,123,126	3,665,474	209,000	5,492,960
* Additional units are issued at zero cost.									
September 30, 2017									
Units					(Rupees in '000)				
As at July 01, 2017	Issued for cash	Bonus / Dividend	Redeemed	As at September 30, 2017	As at July 01, 2017	Issued for cash	Bonus / Dividend	Redeemed	As at September 30, 2017
Associated Companies									
	3,821,037	1,481,309	-	1,219,280	4,083,066	384,145	150,000	123,500	415,905
MCB - Arif Habib Savings and Investments Limited - Management Company	10,916,806	-	-	6,908,932	4,007,874	1,097,332	-	700,000	408,246
Adamjee Insurance Company Limited	4,820,875	2,204,698	-	4,507,060	2,518,513	484,583	223,000	453,889	256,538
Nishat Mills Limited Employees Provident Fund Trust	88,436	-	-	-	88,436	8,889	-	-	9,008
Nishat Power Limited Employees Provident Fund Trust	135,991	45,768	-	-	181,759	13,669	4,646	-	18,514
Adamjee Insurance Co.Ltd. Employees Gratuity Fund	279,638	85,026	-	-	364,664	28,109	8,631	-	37,145
Adamjee Insurance Co.Ltd Employees Provident Fund	30,559	9,824	-	-	40,383	3,072	1,000	-	4,113
Security General Insurance Co. Ltd. Employees Provident Fund Trust									
Key management personnel	93,156	11,869	-	16,259	88,766	16,869	1,205,000	1,642,873	9,042
Mandate Under Discretionary Portfolio Services	13,380,003	6,340,171	-	2,767,368	16,952,806	1,252,500	642,014,305	279,522,490	1,726,829

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

12. INTERIM DISTRIBUTION DURING THE PERIOD

	Rate per unit	Declaration date	Bonus Distribution		Total
			Units	Amount	Distribution
--- (Rupees in '000) -----					
For the period ended 5 Aug 2018	Re 0.6385	Aug 06, 2018	-	-	79,526
For the period ended 19 Aug 2018	Re 0.2540	Aug 20, 2018	-	-	29,994
For the period ended 09 Sep 2018	Re 0.3899	Sep 10, 2018	-	-	47,282
For the period ended 23 Sep 2018	Re 0.2667	Sep 24, 2018	-	-	32,015
			-	-	188,818

13. GENERAL

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and disclosure. No significant rearrangement or reclassification has been made in this condensed interim financial information, except for the impacts of change in accounting policies as disclosed in note 3.2.

14. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 22, 2018 by the Board of Directors of the Management Company.

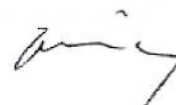
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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