



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

MARCH
2020
(UNAUDITED)

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



PAKISTAN CASH MANAGEMENT FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	MCB Financial Services Limited 4th Floor, Pardesi House, Old Queens Road, Karachi - Pakistan. Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.mchfsl.com.pk	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited Zarai Traqiati Bank Limited	
Auditors	A. F. Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) Sate 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 Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM2++ Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

Dear Investor,

On behalf of the Board of Directors, we are pleased to present **Pakistan Cash Management Fund's** accounts review for the quarter ended March 31, 2020.

ECONOMY AND MONEY MARKET OVERVIEW

The third quarter of FY20 was full of gloom and doom, after the Coronavirus (Covid-19) outbreak wreaked havoc on the global economy. Global cases topped 1.5 million, while more than 80,000 people became the morsel of death as the fatal outbreak continued to spread throughout the world. While China took stringent measures to rein in the coronavirus, the other part of the globe especially EU and US was hit hard by the pandemic. On the flip side, the number of cases on the domestic side still dwarfed the developed world (~4,500 cases as of now), however, the situation was still uncertain as of now. The country has also been forced into a semi lockdown, which has affected the domestic businesses.

The outlook on GDP growth ranged from 2.4%-3.0% according to various institutions, prior to Covid-19 outbreak. However, as of late, the outbreak of COVID-19 has created uncertainty relative to trajectory of the GDP growth going forward. The weak production outlook of major crops (Cotton, Wheat and Sugar) along with a lower industrial growth arising out of weaker than expected LSM growth is expected to take a dent on the overall growth. Large Scale Manufacturing as anticipated continued on a downward trajectory as the import based consumption demand evaporated. LSM posted a decline of ~3.4% in the first seven months of FY20, with most of the decline emanating from petroleum production and cyclical sectors.

Lagged impacts of policy action in terms of monetary tightening and exchange rate adjustments continued to bear fruits as reflected in improvement in Balance of Payments position. The current account deficit in the first eight months of this year contracted by ~70% on Year on Year basis to USD 2.8 billion. Imports of goods and services continued to decline as it compressed by ~15% while exports have started to inch up registering increase of ~3.2% in first eight months of FY20. Remittances provided some cushion to BoP position increasing by ~5% over the period. The country received net foreign investment in debt securities worth ~USD 3.1 billion during Jul-Feb period. However, USD 1.8 billion worth of sovereign debt was divested in the month of March. The foreign exchange reserves increased by USD 2.9 billion from Jul-Mar FY20 supported by flows from IMF, multilateral institutions and foreign portfolio investors along with a curtailed current account deficit.

FBR has collected provisional taxes of PKR 3,050 billion during the first nine months of this fiscal year. Provisional tax collection prior to month of March was very encouraging, growing at a rate of 17% YoY. However, lockdown enforced during the month of March led to a shortfall of nearly PKR 100-150 billion, which weakened the overall growth to 13% in the first nine months of FY20.

Average CPI for clocked in CPI in at 11.5% YoY for the first nine months of FY20. Major hit on food inflation surfaced from a hike in the prices of perishable food items after imports from India was banned. However, the inflationary pressures have started trending downwards with inflation for March clocking in at 10.2% as lower petroleum prices along with easing food inflation put breaks on overall inflation. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 8.1% for the period.

The MPC committee in its first meeting of the month reduced the interest rate by 75 bps citing the easing outlook on inflation. During the month, another emergent meeting was called whereby the MPC decided to reduce the interest rates by a further of 150 bps following a global trend of easing by the central banks as a response to coronavirus outbreak.

During the period under review, yield curve shifted downwards owing to massive demand for longer tenor bonds as market participants drew comfort from stabilization measures and anticipated outlook of lower inflation. Alongside, participation from foreign investors at such an unprecedented scale for the first time in the local bond market brought in extra pool of liquidity pushing the yields down. The cumulative decline of 225 bps in interest rates further yields downwards in third quarter of this fiscal year. 3 Year bonds eased off by ~500 bps while the longer tenor (10Y) bonds also eased off by nearly ~450 bps during the first nine months of FY20.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 12.71% as against its benchmark return of 12.62%.

At the end of March 2020, the fund's investment in T-bills decreased to 0.0% and had 99.7% cash exposure.

The Net Assets of the Fund as at March 31, 2020 stood at Rs. 4,063 million as compared to Rs. 190 million as at June 30, 2019 registering an increase of 2038.42%.

The Net Asset Value (NAV) per unit as at March 31, 2020 was Rs. 51.3091 as compared to opening NAV of Rs. 50.3639 per unit as at June 30, 2019 registering an increase of Rs. 0.9452 per unit.

FUTURE OUTLOOK

The COVID-19 outbreak has created uncertainty related to economic numbers. Independent reports point out that Pakistan can lose up to 4.0% of GDP, if the lockdown is enforced for at least one more month. While Pakistan currently lags behind developed countries in terms of number of cases, we still await more data to have a clearer picture. Global picture also points out that with social distancing in place, things will get in control over the course of next two months. If the trend continues, we expect global growth to show sign of recoveries by the third quarter. Albeit, if a second wave erupts, our optimism will not hold true. On the local side, the current data shows some light at the end of the tunnel. However, if things get out of control, Pakistan will have a more severe impact as it lacks health infrastructure along with fiscal muscles to combat the pandemic in the short run.

Government has announced fiscal stimulus worth PKR 700-800 billion to protect the vulnerable industries and segments of the society which are worst hit from the pandemic. With lower tax collection (PKR 500 billion shortfall expected from our expectation) and higher expenditures we expect fiscal deficit to fall north of 9% of GDP. We believe the government will get a waiver from IMF to meet the primary balance target this year.

Balance of Payment worries are over for now as current account deficit has adjusted to reasonable level since the policy actions taken by the central government. The plunge of international oil prices to USD 34/BBL has come as a blessing in disguise. Global slowdown would be detrimental for exports and remittances from oil producing nations would be affected due to lower oil prices. Our forecast is that CAD will settle at 2.3% of GDP for FY20 and 1.3% of GDP for FY21, assuming the global economy starts picking up from third quarter of the calendar year. Given the rise in bond yields of emerging market countries, we expect the idea of raising funds from Eurobond to be shelved. Alongside privatization flows are also expected to be deferred for next year. Furthermore, we expect portfolio flows to revert back to zero this year. To meet the shortfall in external financing, a lot would depend on whether multilateral and bilateral institutions will facilitate deferred debt payments along with extension of additional credit. We expect additional financing of USD 2 billion from IMF and multilateral institutions, while we also expect Pakistan will be able to restructure debt of USD 2.5 billion. Assuming if the scenario plays out as we are expecting, the currency should stabilize at current levels as the REER as per our estimates is undervalued by 10% at current level (PKR 167 vs USD).

CPI is expected to average ~11.1% in the current fiscal year owing to lagged impact of currency depreciation along with a rise in food inflation. The plunge in oil prices has provided much needed respite to inflationary outlook. With subdued oil prices and high base effect, we expect headline inflation to ease off in the next year and decline to an average of ~7.4%. Risk to our expectations are significant increase in international commodity prices along with more than expected adjustment in utility tariffs. Based on our outlook of inflation, we expect interest rates to ease off by 100-150 bps in the next 12 months. However, if recessionary pressures build over the course of time, we do not rule out further cuts in interest rate from our base case.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds have priced in most of the expected monetary easing expected going forward. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

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
April 20, 2020



Nasim Beg
Director/Vice Chairman

ڈائریکٹر رپورٹ

ادائیگی کے توازن کی پریشانیوں فی الوقت ختم ہو گئی ہیں کیونکہ کرنٹ اکاؤنٹ خسارہ مرکزی حکومت کے پالیسی اقدامات کے بعد معقول سطح تک آ گیا ہے۔ تیل کی بین الاقوامی قیمتوں کا 34 ڈالر فی بیرل تک کم ہو جانا زحمت کے بھیس میں رحمت ثابت ہوا ہے۔ عالمی سطح پر منسبت رَوی کے برآمدات پر منفی اثرات مرتب ہوں گے اور تیل کی پست قیمتوں کے باعث تیل کی پیداوار کرنے والے ممالک سے ترسیلاتِ زر بھی متاثر ہوں گی۔ ہماری پیشین گوئی ہے کہ کرنٹ اکاؤنٹ کا خسارہ مالی سال 2019-20ء کے لیے مجموعی ملکی پیداوار کے 2.3 فیصد پر، اور مالی سال 2020-21ء کے لیے مجموعی ملکی پیداوار کے 1.3 فیصد پر آ کر رہے گا، اس مفروضے کی بنیاد پر کہ عالمی معیشت میں جولائی سے بحالی کا سلسلہ شروع ہو جائے گا۔ اُبھرتی ہوئی مارکیٹوں کے ممالک میں بانڈ کے منافع جات میں اضافے کے پیشِ نظر ہمیں توقع ہے کہ ایورو بانڈ کے ذریعے فنڈ میں اضافے کی حکمتِ عملی کو فی الوقت اختیار نہیں کیا جائے گا۔ ساتھ ساتھ نجکاری سے ہونے والی آمدات متوقع طور پر اگلے سال کے لیے ملتی کر دی جائیں گی۔ مزید براں ہمیں توقع ہے کہ پورٹ فولیو آمدات سالِ رواں واپس صفر تک چلی جائیں گی۔ خارجی فنانسنگ میں کمی کو پورا کرنے کے لیے بہت کچھ اس بات پر منحصر ہوگا کہ کثیر الجہتی اور دو جہتی ادارے قرضہ جات کی ملتی شدہ ادائیگیوں کی سہولت کے علاوہ اضافی قرضوں کی توسیع فراہم کر رہے ہیں یا نہیں۔ ہمیں آئی ایم ایف اور کثیر الجہتی اداروں سے 2 بلین ڈالر کی اضافی رقم کی فراہمی کی توقع ہے، جبکہ ہمیں یہ بھی اُمید ہے کہ پاکستان 2.5 بلین ڈالر قرض کی تشکیل نو کر سکے گا۔ اگر صورتحال ہماری توقعات کے مطابق رہی تو ہمارا تخمینہ ہے کہ روپیہ موجودہ سطحوں پر مستحکم ہو جائے گا کیونکہ REER کی قدر موجودہ سطح پر ہمارے تخمینوں کے مطابق 10 فیصد کم مقرر ہوئی ہے (167 روپے بمقابلہ امریکی ڈالر)۔

موجودہ مالی سال میں صارفی قیمت کے انڈیکس (سی پی آئی) کا متوقع اوسط 11.1 فیصد ہوگا جس کا سبب روپے کی قدر کی سُست رفتار اثر پذیر ی اور اشیائے خورد و نوش کی افراطِ زر میں اضافہ ہے۔ تیل کی قیمتوں میں چھلانگ سے افراطِ زر کے رجحان کو مطلوبہ مہلت حاصل ہوئی۔ تیل کی گھٹی ہوئی قیمتوں اور بلند base effect کی بنیاد پر ہمیں اُمید ہے کہ مجموعی افراطِ زر کا اوسط اگلے سال کم ہو کر 7.4 فیصد ہو جائے گا۔ بین الاقوامی اشیاء کی قیمتوں میں کسی منفی اضافے کے ساتھ ساتھ یوٹیلٹی کی محصولات وغیرہ میں متوقع سے زیادہ تر میمات کے باعث ہماری توقعات غلط ثابت ہو سکتی ہیں۔ افراطِ زر سے متعلق ہماری پیشِ بینی کی بنیاد پرائیمری شرحوں میں اگلے بارہ ماہ میں 100 سے 150 بی پی ایس تک کی کمی کی اُمید ہے۔ تاہم اگر وقت گزرنے کے ساتھ کساد بازاری کے دباؤ میں اضافہ ہو تو انٹریسٹ کی شرحوں میں مزید کمی بعید از قیاس نہیں ہے۔

Debt حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ پالیسی شرحوں کی عکاسی پلا کاؤٹ سال بھر جاری رکھیں گے۔ دوسری جانب حکومتی بانڈ دورانِ سال پہلے ہی کچھ حد تک متوقع مالیاتی تسہیل میں کردار ادا کر چکے ہیں۔ ہم بانڈ ز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اُٹھایا جاسکے۔

اظہارِ تشکر

بورڈ فنڈ کے گراں قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیوں کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ مزید براں، مینجمنٹ ٹیم کی کاوشوں کو بھی ڈائریکٹر کی طرف سے خراجِ تحسین پیش کیا جاتا ہے۔

برائے اور من جانب بورڈ



نیم بیگ
ڈائریکٹر / اوٹس چیئرمین



محمد ثاقب سلیم
چیف ایگزیکٹو آفیسر
20 اپریل 2020ء

مانیٹری پالیسی کمیٹی (ایم پی سی) نے اپنے پہلے ماہانہ اجلاس میں افراط زر کی صورتحال میں بہتری کا حوالہ دیتے ہوئے انٹریسٹ کی شرح میں 75 بیسیس پوائنٹس (بی پی ایس) کمی کی۔ دورانِ ماہ ایک اور اجلاس منظرِ عام پر آیا جس میں ایم پی سی نے کورونا وائرس کی وبا کے ردِ عمل کے طور پر عالمی سطح پر مرکزی بینکوں کے رجحان کی پیروی کرتے ہوئے انٹریسٹ کی شرحوں میں مزید 150 بی پی ایس کمی کا فیصلہ کیا۔

زیرِ جائزہ مدت کے دوران طویل تر میعاد کے بانڈز کی خطیر طلب کے باعث پیداواری خم میں جھکاؤ آیا کیونکہ مارکیٹ کے فریق استحکام کے اقدامات سے مطمئن ہوئے اور افراط زر میں کمی کا امکان پیدا ہوا۔ ساتھ ساتھ مقامی بانڈ مارکیٹ میں پہلی مرتبہ غیر ملکی سرمایہ کاروں کی اتنی بڑے پیمانے پر شرکت کی بدولت اضافی نقد آیا جس کے باعث منافعوں میں کمی ہوئی۔ موجودہ مالی سال کی تیسری سہ ماہی میں انٹریسٹ کی شرحوں میں 225 بی پی ایس کی مجموعی کمی منافعوں میں بھی مزید کمی کا باعث بنی۔ مالی سال 2019-20ء کے ابتدائی نو ماہ کے دوران تین سالہ بانڈز میں تقریباً 500 بی پی ایس جبکہ طویل تر میعاد کے (دس سالہ) بانڈز میں تقریباً 450 بی پی ایس کمی ہوئی۔

فنڈ کی کارکردگی

زیرِ جائزہ مدت کے دوران فنڈ نے 12.71 فیصد ایک سال پر محیط منافع حاصل کیا جبکہ اس کا بنچ مارک منافع 12.62 فیصد تھا۔ مارچ 2020ء کے اختتام پر فنڈ کی سرمایہ کاری ٹریڈری بلنز (ٹی بلنز) کم ہو کر 0.0 فیصد ہو گئی جبکہ نقد میں 99.7 فیصد تھی۔ 31 مارچ 2020ء کو فنڈ کے net اثاثہ جات 4,063 ملین روپے تھے جو 30 جون 2019ء کو 190 ملین روپے کے مقابلے میں 2038.42 فیصد اضافہ ہے۔

31 مارچ 2020ء کو net اثاثہ جاتی قدر (این اے وی) 51.3091 روپے فی یونٹ تھی جو 30 جون 2019ء کو ابتدائی این اے وی 50.3639 روپے فی یونٹ کے مقابلے میں 0.9452 روپے فی یونٹ اضافہ ہے۔

مستقبل کے امکانات

کووڈ-۱۹ وبا کے باعث معاشی اعداد میں عدم یقینی پیدا ہو گئی ہے۔ آزاد ذرائع کی رپورٹس اشارہ کر رہی ہیں کہ اگر لاک ڈاؤن کم سے کم بھی ایک اور مہینہ نافذ رہتا ہے تو پاکستان کو جی ڈی پی کے 4 فیصد تک کا نقصان ہو سکتا ہے۔ اگرچہ پاکستان میں کورونا وائرس سے متاثرہ افراد کی تعداد تاحال ترقی یافتہ ممالک کے مقابلے میں کم ہے لیکن واضح صورتحال جاننے کے لیے مزید معلومات اور اعداد و شمار درکار ہیں۔ عالمی منظر نامے سے ظاہر ہوتا ہے کہ سماجی فاصلہ اختیار کرنے سے اگلے دو ماہ کے دوران حالات قابو میں آ سکتے ہیں۔ اگر یہ رجحان برقرار رہا تو تیسری سہ ماہی تک عالمی ترقی میں بحالی کی علامات ظاہر ہونے کے امکانات موجود ہیں۔ تاہم اگر وبا کی دوسری لہر ابھر آئی تو ہماری رجاعیت پسندی درست ثابت نہیں ہوگی۔ مقامی سطح پر موجودہ اعداد و شمار کچھ حد تک اُمید کی کرن ثابت ہو سکتے ہیں۔ لیکن اگر حالات قابو سے باہر ہو گئے تو پاکستان شدید تر متاثر ہوگا کیونکہ یہاں صحتِ عامہ کے شعبے کا ڈھانچہ اور مالیاتی پٹے کمزور ہونے کے باعث مختصر میعاد میں اس وبا کا مقابلہ کرنے کی صلاحیت کا فقدان ہے۔

حکومت نے وبا سے سب سے زیادہ متاثرہ صنعتوں اور سماجی طبقات کے تحفظ کے لیے 700 سے 800 ملین روپے مالیت کی مالی امداد کا اعلان کیا ہے۔ ٹیکس کے وصولی میں (متوقع طور پر 500 ملین روپے کی) کمی اور خرچوں میں اضافے کی بدولت اُمید کی جاسکتی ہے کہ مالیاتی خسارے میں جی ڈی پی کے 9 فیصد سے زائد کمی ہوگی۔ ہمارے اندازے کے مطابق حکومت کو آئی ایم ایف کی طرف سے سالِ رواں بقایا جات کا بنیادی ہدف پورا کرنے کی چھوٹ مل جائے گی۔

بورڈ آف ڈائریکٹرز کی طرف سے پاکستان کیش مینجمنٹ فنڈ کے اکاؤنٹس کا جائزہ برائے سہ ماہی مختتمہ 31 مارچ 2020ء پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

مالی سال 2019-20ء کی تیسری سہ ماہی تاریکی و تباہی سے بھرپور تھی کیونکہ کورونا وائرس (کووڈ-19) کی وبا نے عالمی معیشت میں آفت مچا دی۔ دیکھتے ہی دیکھتے یہ قتال و بادُ نیا بھر میں پھیل گئی جس سے پندرہ لاکھ سے زائد افراد متاثر ہوئے جبکہ ۸۰ ہزار سے زائد لقمہء اجل بن گئے۔ چین نے سخت اقدامات اٹھا کر کورونا وائرس کو شکست دی جبکہ دنیا کے دوسرے حصے خصوصاً یورپی یونین اور امریکا بڑی طرح متاثر ہوئے۔ دوسری جانب اگرچہ ہمارے ملک میں متاثرہ افراد کی تعداد اب تک ترقی یافتہ دنیا کے مقابلے میں کم ہے (تقریباً 4,500 تا حال) لیکن صورتِ حال فی الوقت غیر یقینی ہے۔ ملک بھر میں نیم لاک ڈاؤن نافذ ہے جس سے مقامی کاروبار متاثر ہوئے ہیں۔

کووڈ-19 کی وبا پھیلنے سے قبل مجموعی ملکی پیداوار (جی ڈی پی) میں متوقع ترقی مختلف اداروں کے مطابق 2.4 فیصد سے 3.0 فیصد تک تھی۔ تاہم وبا کے باعث جی ڈی پی کی ترقی غیر یقینی صورتحال کا شکار ہو گئی ہے۔ اہم فصلوں (کپاس، گندم اور چینی) کی پیداوار میں متوقع کمی کے ساتھ ساتھ بڑے پیمانے کی مینوفیکچرنگ (ایل ایس ایم) کی متوقع سے کم ترقی کے نتیجے میں سست صنعتی پیش رفت کے باعث مجموعی ترقی متاثر ہونے کا امکان ہے۔ ایل ایس ایم توقع کے مطابق کمی کا شکار رہی کیونکہ درآمداتی کھپت کی مانگ ہوا میں تحلیل ہو گئی۔ مالی سال 2019-20ء کے ابتدائی سات ماہ میں ایل ایس ایم میں تقریباً 3.4 فیصد کمی ہوئی جس کا بڑا تناسب پٹرولیم کی پیداوار اور گردش شعبوں سے متعلق ہے۔

مالیاتی سختی اور زرمبادلہ کی شرحوں میں ترمیمات کے لحاظ سے پالیسی اقدام کے تاخیر شدہ اثرات کے ثمرات حاصل ہونے کا سلسلہ جاری رہا جس کی عکاسی ادائیگیوں کے توازن (بی او پی) کی صورتحال میں بہتری سے ہوتی ہے۔ سال رواں کے ابتدائی آٹھ ماہ میں کرنٹ اکاؤنٹ کا خسارہ سال در سال (YoY) بنیاد پر تقریباً 70 فیصد کم ہو کر 2.8 بلین ڈالر ہو گیا۔ مالی سال 2019-20ء کے ابتدائی آٹھ ماہ میں اشیاء اور خدمات کی درآمدات میں کمی کا سلسلہ جاری رہا اور یہ تقریباً 15 فیصد کم ہوئیں جبکہ برآمدات میں اضافے کا سلسلہ شروع ہو گیا ہے اور ان میں تقریباً 3.2 فیصد اضافہ ہوا۔ ترسیلات زر سے بی او پی کی حالت کو کچھ سہارا ملا کیونکہ دورانِ مدت ان میں تقریباً 5 فیصد اضافہ ہوا۔ جولائی تا فروری کی مدت کے دوران ملک میں قرضہ جاتی سکیورٹیز میں تقریباً 3.1 بلین ڈالر مالیت کی حتمی غیر ملکی سرمایہ کاری ہوئی۔ تاہم مارچ کے مہینے میں 1.8 بلین مالیت کے خود مختار قرضوں کی سرمایہ کاری واپس لے لی گئی۔ زرمبادلہ کے ذخائر میں جولائی تا مارچ کے دوران 2.9 بلین ڈالر اضافہ ہوا جس کی معاونت انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف)، کثیرالجہتی اداروں اور غیر ملکی دائرہ کار کے سرمایہ کاروں سے آمدات کے ساتھ ساتھ کرنٹ اکاؤنٹ کے خسارے میں کمی سے ہوئی۔

مالی سال کے ابتدائی نو ماہ کے دوران فیڈرل بورڈ آف ریونیو (ایف بی آر) نے 3,050 بلین روپے کے عارضی ٹیکس جمع کیے۔ مارچ کے مہینے سے پہلے عارضی ٹیکس کی وصولی بہت حوصلہ افزا تھی اور اس میں 17 فیصد سال در سال ترقی ہو رہی تھی۔ تاہم مارچ کے مہینے میں لاک ڈاؤن کے نفاذ کے نتیجے میں تقریباً 100 سے 150 بلین روپے کی کمی ہوئی جس سے مالی سال 2019-20ء کے ابتدائی نو ماہ میں مجموعی ترقی 13 فیصد کم ہو گئی۔

مالی سال 2019-20ء کے ابتدائی نو ماہ کے لیے صارفی قیمت کے انڈیکس (سی پی آئی) کا اوسط 11.5 فیصد تھا۔ بھارت سے درآمدات پر پابندی عائد ہونے کے بعد جلد خراب ہونے والی اشیائے خورد و نوش کی قیمتوں میں اضافے کے باعث اشیائے خورد و نوش کی افراط زر پر بڑی ضرب پڑی۔ تاہم افراط زر کے دباؤ میں کمی کا رجحان شروع ہو گیا ہے جو مارچ میں 10.2 فیصد تھی کیونکہ پٹرولیم کی قیمتوں اور اشیائے خورد و نوش کی افراط زر میں کمی سے مجموعی افراط زر میں بھی کمی ہوئی ہے۔ بہر حال اشیائے خورد و نوش اور توانائی کے علاوہ دیگر شعبوں میں پیمائش کردہ بنیادی افراط زر قابو میں رہی اور مذکورہ مدت کے لیے اس کا اوسط 8.1 فیصد تھا۔

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020

		March 31, 2020 (Unaudited) ----- (Rupees in '000) -----	June 30, 2019 (Audited)
	Note		
ASSETS			
Balances with banks	4	4,072,132	205,926
Investments	5	-	172,374
Mark-up and other receivables		11,899	1,300
Advances and Prepayments		319	-
Receivable from MCB-Arif Habib Savings and Investment Limited - Management Company		-	396
Total assets		4,084,350	379,996
LIABILITIES			
Payable to MCB - Arif Habib Savings and Investments Limited- Management Company	6	393	-
Payable to MCB Financial Services Limited	7	93	226
Payable against purchase of investments		-	172,352
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)		396	220
Accrued and other liabilities	8	20,048	17,614
Total liabilities		20,930	190,412
NET ASSETS		4,063,420	189,584
Unit holders' fund (as per statement attached)		4,063,420	189,584
Contingencies and commitments	9		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		79,194,956	3,764,285
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		51.3091	50.3639

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements .

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

		Nine months period ended		Quarter Ended	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Note		----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----
INCOME					
		28,175	7,390	13,100	2,944
		233,881	15,241	120,145	4,547
		2,840	(593)	4,592	(60)
				</	

Earnings per unit

11

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements .

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020**

	Nine months period ended		Quarter Ended	
	March 31,	March 31,	March 31,	March 31,
	2020	2019	2020	2019
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Net income for the period after taxation	254,458	15,812	133,155	5,481
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	254,458	15,812	133,155	5,481

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital value	Undistrib- uted income / (loss)	Total	Capital value	Undistrib- uted income / (loss)	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the period	188,968	616	189,584	878,533	10,418	888,951
Issuance of 123,675,922 (March 31,2019: 9,757,339) units including additional units						
- Capital value (at net assets value per unit at beginning of the period)	6,349,325		6,349,325	490,910	-	490,910
- Element of income	84,578		84,578	14,867	-	14,867
	6,433,903	-	6,433,903	505,777	-	505,777
Redemption of 48,245,251 (March 31,2019: 22,561,003) units						
- Capital value (at net assets value per unit at beginning of the period)	(2,429,819)	-	(2,429,819)	(1,135,087)	-	(1,135,087)
- Element of income	(78,952)	(13,681)	(92,633)	(14,242)	(5,938)	(20,180)
	(2,508,771)	(13,681)	(2,522,452)	(1,149,329)	(5,938)	(1,155,267)
Total comprehensive income for the period	-	254,458	254,458	-	15,812	15,812
Interim Distribution during the year (including additional units) at the rate of Rs. 3.8058 per unit	(120,522)	(171,551)	(292,073)	(29,012)	(10,121)	(39,133)
	(120,522)	82,907	(37,615)	(29,012)	5,691	(23,321)
Net assets at end of the period	3,993,578	69,842	4,063,420	205,969	10,171	216,140
Undistributed income / (loss) brought forward comprising of:						
- Realised	594			10,418		
- Unrealised loss	22			-		
	616			10,418		
Accounting income available for distribution:						
- Relating to capital gains	2,840			-		
- Excluding capital gains	237,937			9,874		
	240,777			9,874		
Cash distribution during the period	171,551			(10,121)		
Undistributed income carried forward	69,842	-		10,171		
Undistributed income carried forward:						
- Realised	69,842			10,165		
- Unrealised	-			6		
	69,842			10,171		
	Rupees			Rupees		
Net assets value per unit at beginning of the period	50.3639			52.6287		
Net assets value per unit at the end of period	51.3091			52.8807		

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements .

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Nine months period ended	
	March 31, 2020	March 31, 2019
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	254,458	15,812
(Increase) / decrease in assets		
Investments	172,374	(199,435)
Mark-up and other receivables	(10,599)	(216)
Advances and prepayments	(319)	47
Receivable from MCB-Arif Habib Savings and Investment Limited - Management Company	396	-
	161,852	(199,604)
Increase / (decrease) in liabilities		
Payable to MCB - Arif Habib Savings and Investments Limited-	393	(53)
Payable to MCB Financial Services Limited	(133)	-
Payable to Securities and Exchange Commission of Pakistan	176	(348)
Payable against purchase of investments	(172,352)	199,429
Accrued and other liabilities	2,434	(300)
	(169,482)	198,728
Net cash generated from operating activities	246,828	14,936
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance and conversion of units (excluding additional units)	6,313,381	476,765
Payments on redemption and conversion of units	(2,522,452)	(1,155,267)
Dividend paid	(171,551)	(10,121)
Net cash used in financing activities	3,619,378	(688,623)
Net (decrease) / increase in cash and cash equivalents during the period	3,866,206	(673,687)
Cash and cash equivalents at beginning of the period	205,926	904,003
Cash and cash equivalents at end of the period	4,072,132	230,316

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements .

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



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Pakistan Cash Management Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (AHIL) as Management Company and Habib Metropolitan Bank Limited as Trustee on February 08, 2008. Subsequently, MCB financial Services Limited has been appointed as trustee of the Fund with effect from July 21, 2014.
- 1.2 The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Management Company is situated at 2nd floor, Adamjee house, Karachi, Pakistan.
- 1.3 The Fund is categorised as "money market scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in market treasury bills, short term Government instruments and reverse repurchase transactions against government securities.
- 1.4 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM2++' dated Oct 08, 2019 to the Management Company and has assigned stability rating of 'AA+(f)' dated December 24, 2019 to the Fund.
- 1.6 Title to the assets of the Fund is held in the name of MCB Financial Services Limited as Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
 - 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 International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 requirements of the Trust Deed have been followed.

- 2.1.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2019.
- 2.1.3 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 2019. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2020 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2019, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2019.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

- 2.1.4 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.1.5 In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.
- 2.1.6 This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

- 3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.
- 3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2019.

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
4. BALANCES WITH BANKS		----- (Rupees in '000) -----	
In current accounts		-	1,755
In saving accounts	4.1	4,072,132	204,171
		<u>4,072,132</u>	<u>205,926</u>

- 4.1 These carry profit at the rates ranging between 11.25% to 13.58% (2019: 4.5% to 12.6%) per annum and include Rs. 1.989 million maintained with MCB Bank Limited, (a related party) which carries profit at the rate of 11.25% per annum.

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
5. INVESTMENTS		---- (Rupees in '000) ----	
Investments by category			
'At fair value through profit or loss'			
Government securities - Market treasury bills	5.1	-	172,374

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

5.1 Market treasury bills

			Face value				As at March 31, 2020			Market value	
Name of Security	Issue Date	Marurity Date	As at July 01, 2019	Purchased during the period	Sold / matured during the period	As at March 31, 2020	Carrying value	Market value	Unrealized gain / (loss)	As a percentage of net assets	As a percentage of total investments
<div>(Rupees in '000) %</div>											
Market treasury bills - 3 months											
Market treasury bills	5/23/2019	08/21/19	175,000	-	175,000	-	-	-	-	0.00%	0.00%
Market treasury bills	01/08/19	24/10/19	-	700,000	700,000	-	-	-	-	0.00%	0.00%
Market treasury bills	02/01/20	26/03/20	-	550,000	550,000	-	-	-	-	0.00%	0.00%
Market treasury bills	07/11/19	30/01/20	-	2,300,000	2,300,000	-	-	-	-	0.00%	0.00%
Market treasury bills	10/10/19	02/01/20	-	1,625,000	1,625,000	-	-	-	-	0.00%	0.00%
Market treasury bills	12/03/20	04/06/20	-	675,000	675,000	-	-	-	-	0.00%	0.00%
Market treasury bills	16/01/20	09/04/20	-	375,000	375,000	-	-	-	-	0.00%	0.00%
Market treasury bills	16/08/19	07/11/19	-	1,450,000	1,450,000	-	-	-	-	0.00%	0.00%
Market treasury bills	18/07/19	10/10/19	-	440,000	440,000	-	-	-	-	0.00%	0.00%
Market treasury bills	21/11/19	13/02/20	-	670,000	670,000	-	-	-	-	0.00%	0.00%
Market treasury bills	24/10/19	16/01/20	-	3,400,000	3,400,000	-	-	-	-	0.00%	0.00%
Market treasury bills	29/08/19	21/11/19	-	35,000	35,000	-	-	-	-	0.00%	0.00%
Market treasury bills	30/01/20	23/04/20	-	1,700,000	1,700,000	-	-	-	-	0.00%	0.00%
Market treasury bills - 6 months											
Market treasury bills	07/11/19	07/05/20	-	500,000	500,000	-	-	-	-	0.00%	0.00%
Market treasury bills	12/03/20	10/09/20	-	550,000	550,000	-	-	-	-	0.00%	0.00%
Market treasury bills	12/09/19	12/03/20	-	2,950,000	2,950,000	-	-	-	-	0.00%	0.00%
Market treasury bills	30/12/19	02/01/20	-	1,525,000	1,525,000	-	-	-	-	0.00%	0.00%
Total as at March 31, 2020							-	-	-		
Total as at June 30, 2019							172,352	172,374	22		

6 PAYABLE TO THE MANAGEMENT COMPANY

Note

**March 31,
2020
(Unaudited)** **June 30,
2019
(Audited)**
----- (Rupees in '000) -----

Remuneration payable	6.1	185	-
Sindh sales tax on remuneration payable	6.2	24	-
Back office fee payable	6.3	162	-
Sales load payable		22	-
		393	-

6.1 As per amendment in the offering document, the management company with effect from August 08, 2019 can charge management fee upto 10% of the gross earnings of the scheme, calculated on daily basis. As per regulation 61 of the NBFC Regulations 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding 1% of the average annual net assets for money market scheme. Previously, the management fee is being calculated on the lower of 10% of the Fund's operating revenue or 1% of average daily net assets subject to minimum fee of 0.25% of average daily net assets.

6.2 Sindh Sales tax on remuneration to the Management Company has been charged at the rate of 13% (June 30, 2019: 13%).

6.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The Management Company has allocated expenses to the Fund based on its discretion subject to not being higher than actual expense which has also been approved by the Board.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	Note	----- (Rupees in '000) -----	
7 Payable to MCB Financial Services Limited			
Trustee fee payable	7.1	83	200
Sindh sales tax on trustee fee payable	7.2	11	26
		94	226

- 7.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the period, Trustee with effect from July 8, 2019 has revised its tariff to 1% of the gross earnings of the Fund, calculated on daily basis, subject to a minimum monthly remuneration to Rs.0.05 million. Previously, The minimum monthly remuneration was Rs.0.2 million.

Further, effective from October 10, 2019, Trustee has revised its tariff as follows:

	-----Rupees in '000-----				
Particular	Net assets up to				Net assets exceeding
	1,500,000	4,000,000	6,000,000	10,000,000	10,000,000
Revised Trustee Fee	50	75	150	300	500

Accordingly the Fund has charged Trustee Fee during the period.

- 7.2** Sales tax on remuneration of the Trustee has been charged at the rate of 13% (June 30, 2019: 13%).

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	Note	----- (Rupees in '000) -----	
8 ACCRUED AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	7,476	2,283
Federal Excise Duty on remuneration to the Management Company	8.2	11,933	11,933
Withholding tax payable		59	7
Brokerage payable		29	-
Auditors' remuneration		389	324
Others		162	3,067
		20,048	17,614

8.1 Provision for Sindh Workers' Welfare Fund (SWWF)

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, 2019. 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 March 31, 2020 would have been higher by Re. 0.094 per unit (June 30, 2019 Re. 0.61 per unit).

8.2 Federal Excise Duty on remuneration to the Management Company

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2019. 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 March 31, 2020 would have been higher by Re. 0.15 per unit (June 30, 2019: Re. 3.17 per unit).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at March 31, 2020 and June 30, 2019.

10 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 available for distribution for the year as reduced by capital gains whether realized or unrealized 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 available for distribution other than 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. The management intends to distribute the income to be earned by the Fund during the year ending June 30, 2019 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.

11 EARNINGS PER UNIT

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

12 TOTAL EXPENSE RATIO

The Annualized total expense ratio of the Fund is 0.53% as on March 31, 2020 (March 31, 2019: 2.41%) and this includes 0.29% (March 31, 2019: 0.27%) representing Government Levy, Sindh Workers' Welfare Fund (SWWF) and SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme for a collective investment scheme categorized as Money Market Scheme.

13 TRANSACTION WITH CONNECTED PERSON / RELATED PARTIES

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

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

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

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

13.1 Unit Holders' Fund

	March 31, 2020 (Unaudited)							
	As at July 01, 2019	Issued for cash	Redeemed	As at March 31, 2020	As at July 01, 2019	Issued for cash	Redeemed	As at March 31, 2020
	----- Units -----				----- (Rupees in '000) -----			
Associated company								
Hyundai Nishat Motor Private Limited Employees Provident Fund	-	42,495		42,495	-	2,180	-	2,180
MCB Arif Habib savings and investments Limited	-	4,794,606	4,794,606	-	-	250,601	250,779	-
Key management personnel	-	235,875	235,872	3	-	12,374	12,527	-
Mandate under discretionary portfolio services	-	13,922,985	13,785,211	137,774	-	728,371	722,465	7,069

	March 31, 2019 (Unaudited)							
	As at July 01, 2018	Issued for cash	Redeemed	As at March 31, 2019	As at July 01, 2018	Issued for cash	Redeemed	As at March 31, 2019
	Units				(Rupees in '000)			
Associated company								
Arif Habib Dolmen REIT Management Limited	2,250	88	2,338	-	118	4	119	-
Adamjee Insurance Co.LTD. Employees Gratuity Fund	-	331,781	331,781	-	-	17,182	17,285	-
Adamjee Insurance Co.LTD. Employees Provident Fund	-	665,836	665,836	-	-	34,482	34,688	-
MCB Arif Habib savings and investments Limited	-	4,261,010	4,261,010	-	-	222,356	222,491	-
Key management personnel	10	1,010	1,020	-	-	53	54	-
Mandate under discretionary portfolio services	11,548,897	2,982,577	14,531,474	-	607,856	127,732	738,104	-

	March 31, 2020 (Unaudited)	March 31, 2019 (Unaudited)
13.2 Transactions during the period:		
Management Company		
MCB Arif Habib Savings and Investment Limited		
Remuneration (including indirect taxes)	1,730	2,283
Expense allocated by the Management Company and related taxes	1,009	271
Group / Associated Companies		
MCB Bank Limited		
Mark-up on bank deposits	287	175
Bank Charges	5	8
Purchase of securities having face value Rs. Nil (2019: Rs 300 million)	-	297,703
MCB Financial Services Limited - Trustee		
Remuneration (including indirect taxes)	979	2,034
Silk Bank Limited		
Purchase of securities having face value Rs. Nil (2019: Face value of Rs.225 Million)**	-	220,565
Arif Habib Limited - Brokerage house		
Brokerage and settlement charges*	-	6
Next Capital Limited - Brokerage House		
Brokerage expense*	-	-

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

	March 31, 2019 (Unaudited)	June 30, 2019 (Audited)
	----- (Rupees in '000) -----	
13.3 Balances outstanding at period end:		
Management Company		
MCB Arif Habib Savings and Investment Limited		
Remuneration payable	185	-
Sales tax on remuneration payable	24	-
Expenses allocated by the Management Company	162	-
Receivable from MCB-Arif Habib Savings and Investment Limited - Management Company	-	396
Sale Load Payable	22	-
Group / Associated Companies		
MCB Bank Limited		
Balances with bank	1,989	4,145
Mark-up receivable on bank deposits	6	101
MCB Financial Services Limited - Trustee		
Remuneration payable	83	200
Sales tax on remuneration payable	11	26
Arif Habib Limited - Brokerage house		
Brokerage and settlement charges payable*	-	-

* 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 transactions with connected persons as the ultimate counter parties are not connected persons.

14. GENERAL

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

14.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. However, no significant rearrangements or reclassifications were made in these condensed interim financial statements to report.

15. DATE FOR AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 20, 2020 by the Board of Directors of the Management Company.

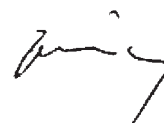
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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

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