

# BACHAT NAMA

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MAY 2017



# DEAR INVESTORS,

Assalam-o-Alaikum and greetings from your preferred fund manager!

Thank you for taking out your time to review our Fund Manager's report for the month of May 2017. We extend our earnest gratitude to our investors for their sustained confidence on us which has been a great motivating factor for us to continuously provide you with better quality products and services.

With all the hype about "MSCI-Emerging Market" going around, we would like to take this opportunity to brief our investors about what it actually is and what it means for our equity market. Pakistan was part of the MSCI Emerging Market Index (Emerging Market Index) from 1994 to 2008. However, the temporary closure of the Pakistan Stock Exchange in 2008 led MSCI to remove it from the Emerging Market Index as it was not meeting the liquidity criteria in order to be held eligible for Emerging Market status. Thus, Pakistan was downgraded to the Frontier Markets Index in May 2009 and it has remained as such since then.

What is the difference between Emerging and Frontier Markets and why investors should be concerned about them. While there is no universally acceptable definition of these markets, there are no clear linings which can differentiate between them. An emerging market is a country in the process of rapid growth and development with lower per capita incomes. This includes countries like Brazil, Russia, India and China. On the other hand, Frontier market is one with little market liquidity, marginally developed capital markets and lower per capita incomes vis à vis the more developed emerging markets like China and India. An estimated USD 1.5 trillion of investment falls under Emerging Market compared to USD 15 billion for frontier markets. Technically Speaking, Pakistan was out of the investment radar of global fund managers managing USD 1.5 trillion of assets. After all, only a genuinely odd investor would get excited about companies that are too small to build a meaningful position in.

The Pakistani equity market has grown significantly and its liquidity has greatly improved over the past years. Due to a number of positive developments in Pakistani equity market over previous years, Pakistan has been reclassified to Emerging Market Index last year in May 2016 and officially included in the index recently on 1st June 2017. The inclusion was an indication of the confidence of the international institutions in Pakistan's economy. Since the decision to upgrade, KSE 100 index has gained ~40%.

The classification as emerging market helps in a multitude of ways for any nation; it opens up the prospects of investments from foreign investors, introduces a degree of reliability for the particular market and enhances its capital raising abilities. Going forward we remain positive with regards to MSCI upgrade as our market is trading at a ~20% discount to the general value of a Emerging Market country. We expect active foreign investors to take interest in PSX with Pakistan being continually highlighted in foreign markets due to CPEC and other infrastructure projects.

For Investment-related queries, please call us at our Toll Free Bachat Number: 0800-62224 (0800-MCBAH) from Monday to Saturday where our friendly staff will assist you or you can email us at [info@mcbah.com](mailto:info@mcbah.com). We assure you of our best services at all times.



**Muhammad Saqib Saleem**

Chief Executive Officer



## MACRO-ENVIRONMENT REVIEW AND OUTLOOK

Fiscal budget unveiled this month, as expected remained focus on infrastructure spending and set aside a significant increase in PSDP with total consolidated development spending target of above 2.1 trn (5.9% of GDP). More importantly, government continue to target disciplined progressive recovery with GDP growth target at 6% and fiscal deficit near 4%. External Account though remains an area of concern where absent any major initiatives, government targets for improving trade deficit defy the trends witnessed during the current year. Alongside focus on external borrowing without support from FDI highlights sustainability risks in Balance of Payments.

The LSM growth recorded a sharp rebound to record a double digit growth of 10% in the month of Mar'17, taking the growth of 9MFY17 to 4.94%. Major contribution to growth came from automobiles, construction and consumer goods.

The current account witnessed a deficit of USD 7.25billion during the period of 10MFY17 compared to a deficit of USD 2.38 billion last year. Imports increased by 15.5% while exports remained flat during this period leading trade deficit to worsen by 36.43% YoY. Imports of Petroleum, Food, Machinery and transport were the biggest contributor towards trade deficit. Worker's remittances recorded marginal decrease of -2.8% to stand at USD 15.59billion during 10MFY17. Balance of payments is expected to remain under pressure due to continuing import of machinery under CPEC and rising petroleum prices coupled with increased LNG import.

As at 26th May, foreign exchange reserves stood at -USD 21.77 billion. With -USD 750million Euro bond payment to be made in June, we expect the recent recovery to reverse. The foreign exchange reserves are expected to remain under pressure with widening external account deficit.

## EQUITY MARKET REVIEW AND OUTLOOK

The day finally arrived for Pakistani Stock Market with its formal inclusion to MSCI Emerging Market Index at the month end. The index closed near 51k and gained 2.6% during the month. Prior to inclusion, the index gained more than 5% with MSCI based scrips leading the chart. Fiscal Budget also failed to live up to the market expectations with the dampener coming from a) continuation of supertax b) increase in WHT on dividends and c) change in the CGT slab to uniform rate. Though budget encourages a higher payout ratio and tax credit on new listings which are positive for market sentiments, overall sector related impacts remain muted or largely anticipated. In continuation of the full year trend, foreigners remained net sellers of near USD 60m during the month which the local investors absorbed in anticipation of incoming investment from MSCI EM funds at the month end. However market saw a startling negative outflow of USD 82 million against market expectations of USD 250 million of net inflows which resulted in tumultuous effect on market in general and MSCI Index stocks in particular. The selling from existing foreign investors caused a supply overhang which however has created attractive opportunity for investors as the fundamentals continue to remain strong with strong fiscal spending led macro economic framework.

Oil & Gas Exploration sector lead the charts, outperforming the benchmark index by 10.0% during the month, as Oil prices rose by 6% to hit a peak of USD 52/BBL on announcement of extension in cuts by OPEC and Non OPEC Oil producers. Alongside, OGDC's inclusion to the Emerging Market Index triggered a buoyancy in the sector. Similarly, Oil & Gas marketing sector gained 6.5%, with SNGP remaining on the forefront with its unexpected inclusion in the MSCI Small Cap Index. On the flip side, cement sector turned out to be a laggard losing 4.5% during the month as the economics of cartel were challenged after Cherat Cement doubled its capacity in the Northern region. As a result, cement prices were reduced by 4-5% in the region causing the stock prices to remain under pressure.

Going forward, equities may remain under pressure in the short term owing to disappointing foreign flows along with political noise getting louder. However, with Pakistan's formal inclusion to the Emerging Market Index after 8 years, Pakistan is a small fish in a big pond and given the expected strong macroeconomic performance, chances of attracting active investment from foreign funds shall remain high. Alongside, dearth of returns in the alternate asset classes will keep domestic liquidity robust. We recommend our investors to focus on the long term value offered by the local bourse through our equity funds.

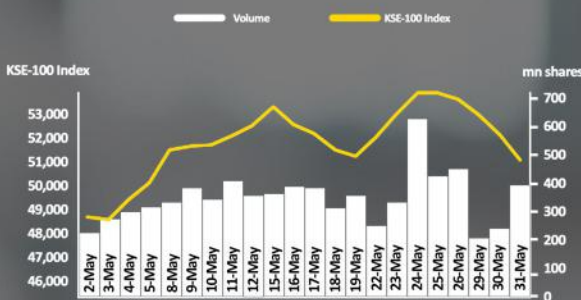
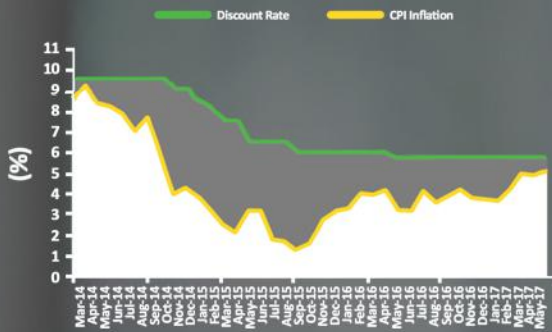
## MONEY MARKET REVIEW AND OUTLOOK

Yield curve remained almost stable during the month. Commercial banks remained active in overnight market where majority of activity was witnessed near policy rate. In the recent PIB auction, participation equaled PKR 85 billion out of which 3 years PIB received the majority of bids amounting to PKR 57 billion, whereas 5 years PIB received PKR 19 billion and 10 years PIB received only PKR 9 billion. The target of the said auction was set at PKR 50 billion. SBP accepted PKR 40 billion out of which PKR 34 billion was accepted in 3 years PIB, highlighting the fact that market is reluctant going into longer tenor bonds.

In last Treasury bill auction cut off yield for 3 and 6 months paper was maintained at previous level of 5.9910% and 6.0109% respectively, whereas cut off yield for 12 months paper was increased to 6.0499%. The target for the auction was PKR 400 billion, whereas the participation was of around PKR 399 billion out of which PKR 347 billion was accepted. Short term liquidity remained comfortable as SBP conducted regular OMOs throughout the month.

Pace of widening trade deficit remained alarmingly high which also kept on eating up the forex reserves, keeping movement particularly across longer tenor securities in check despite decent premium over policy rate and short term yields.

Going forward surge in import payments, marginal recovery in exports and slow down in worker remittances could potentially put further pressure on current account though government still remains confident on funding BoP through borrowing.





May 31, 2017

## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)
Stability Rating	AA(f) by PACRA (09-Dec-16)
Risk Profile	Low
Launch Date	1-Oct-09
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co. Chartered Accountants
Management Fee	10% of the Gross Earnings subject to a minimum fee of 0.25% of average daily Net Assets and maximum fee of 1% of average Annual Net Assets.
Front / Back end Load*	Nil
Min. Subscription	
Growth Units	PKR 500
Cash Dividend Units	PKR 500
Income Units	PKR 100,000
Listing	Pakistan Stock Exchange
Benchmark	70% three (3) months PKRV rates plus 30% three (3) months average deposit rates of three (3) AA rated scheduled Banks as selected by MUFAP
Pricing Mechanism	Backward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)
Cut off timing	Mon - Thur (9:00 AM to 1:00 PM)
During Ramadan	Fri (9:00 AM to 12:00 PM)
Leverage	Nil
*Subject to government levies	

## Investment Objective

To provide Unit-Holders competitive returns from a low risk portfolio of short duration assets while maintaining high liquidity.

## Manager's Comment

The fund generated an annualized return of 5.02% during the month against benchmark of 5.23%. The fund's exposure were maintained.

WAM of the fund was 13 days.

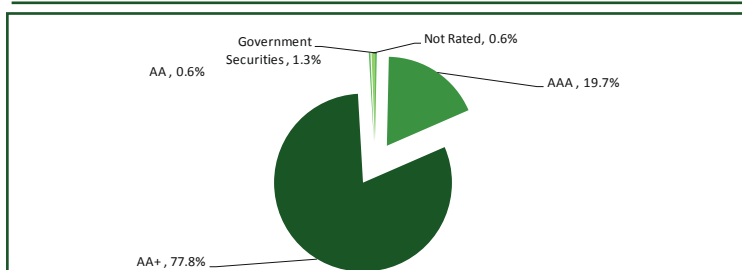
## Fund Facts / Technical Information

NAV per Unit (PKR)	106.6733
Net Assets (PKR M)	7,595
Weighted average time to maturity (Days)	13
Sharpe Ratio*	0.28
Correlation*	12%
Standard Deviation	0.040
Total expense ratio with government levy**	1.08%
Total expense ratio without government levy	0.78%

\*As against 3 month PKRV net of expenses

\*\* This includes 0.30% representing government levy, Sindh Workers' Welfare fund and SECP Fee

## Asset Quality (%age of Total Assets)



## Others

### Provision against Sindh Workers' Welfare Fund's liability

MCB-CMOP has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 11.03 million, if the same were not made the NAV per unit of MCB-CMOP would be higher by Rs. 0.1549 and YTD return would be higher by 0.15%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the nine months ended March 31, 2017 of MCB-CMOP.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	87.1%	88.7%
T-Bills	1.3%	0.4%
Term Deposits with Banks	10.4%	10.3%
Others including receivables	0.6%	0.6%
Placement with Banks and DFIs	0.0%	0.0%
Commercial Papers	0.6%	0.0%

## Performance Information (%)

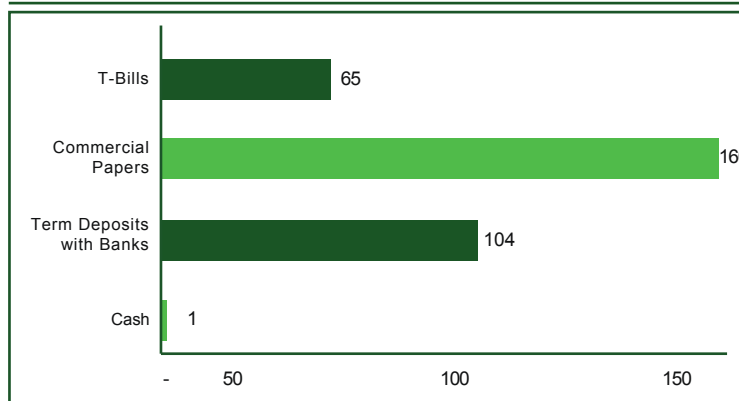
Particulars	MCB CMOP	Benchmark
Year to Date Return (Annualized)	6.88%	4.09%
Month to Date Return (Annualized)	5.02%	5.23%
180 Days Return (Annualized)	8.18%	4.31%
365 Days Return (Annualized)	6.86%	4.10%
Since inception (CAGR)*	9.04%	6.33%
Average Annual Return (Geometric Mean)	9.25	

\*Adjustment of accumulated WWF since Oct 1, 2009

## Annualized

Particulars	2012	2013	2014	2015	2016
Benchmark (%)	6.10	5.40	7.19	6.74	4.42
MCB CMOP (%)	11.30	9.20	8.25	8.83	5.77

## Asset-wise Maturity (No. of Days)



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## MUFAP's Recommended Format



## General Information

Fund Type	An Open End Scheme	
Category	Money Market Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	AAA(f) by PACRA (09-Dec-16)	
Risk Profile	Low	
Launch Date	20-March-2008	
Fund Manager	Saad Ahmed	
Trustee	MCB Financial Services Limited	
Auditor	EY Ford Rhodes, Chartered Accountants	
Management Fee	10% of the Gross Earnings subject to a minimum fee of 0.25% of average daily Net Assets.	
Front / Back end Load*	0% / 0.1% if redeemed within 3 days & if converted within 30 days	
Min. Subscription	A	PKR 5,000
	B	PKR 10,000,000
Listing	Pakistan Stock Exchange	
Benchmark	3-Month T-Bill return	
Pricing Mechanism	Backward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00AM to 10:00 AM)	
Cut off Timing	Mon - Thur (9:00AM)	
During Ramadan	Fri (9:00AM)	
Leverage	Nil	

\*Subject to government levies

## Investment Objective

The objective of PCF is to deliver regular income and provide high level of liquidity, primarily from short duration government securities investments.

## Manager's Comment

The fund generated an annualized return of 4.82% during the month against its benchmark return of 5.88%. The fund was 95.2% allocated in T-Bills. WAM of the fund at month end stood at 24 Days.

The fund would remain vigilant towards the changes in macroeconomic variables and would continue to harvest attractive opportunities in the market.

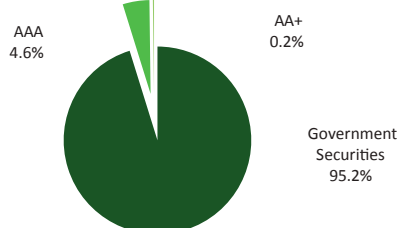
## Fund Facts / Technical Information

Particulars	PCF	Benchmark
NAV per Unit (PKR)	53.7368	
Net Assets (PKR M)	1,598	
Weighted average time to maturity (Days)	24	
Sharpe Ratio*	0.03	0.16
Correlation*	23.2%	
Standard Deviation	0.05	0.02
Total expense ratio with government levy**	0.89%	
Total expense ratio without government levy	0.66%	

\*as against 3 month PKV net of expenses

\*\*This includes 0.23% representing government levy, Sindh Workers' Welfare fund and SECP fee

## Asset Quality (%age of Total Assets)



## Others

### Provision against Sindh Workers' Welfare Fund's liability

PCF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 2.63 million, if the same were not made the NAV per unit of PCF would be higher by Rs. 0.0885 and YTD return would be higher by 0.18%. For details, investors are advised to read Note 7.2 of the latest Financial Statements for the nine months ended March 31, 2017 of PCF.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	4.8%	3.4%
T-Bills	95.2%	96.2%
Others including receivables	0.0%	0.4%

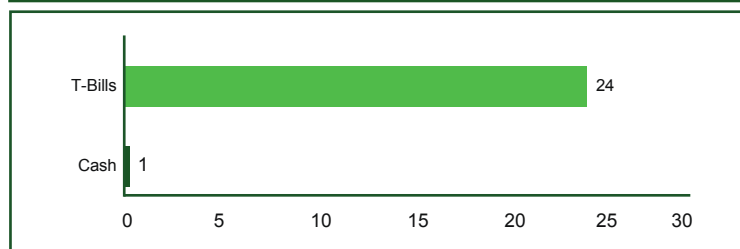
## Performance Information (%)

Particulars	PCF	Benchmark
Year to Date Return (Annualized)	7.66%	5.95%
Month to Date Return (Annualized)	4.82%	5.88%
180 Days Return (Annualized)	9.49%	5.92%
365 Days Return (Annualized)	7.53%	5.98%
Since inception (CAGR)	9.55%	10.35%
Average Annual Return (Geometric Mean)	9.69%	-

## Annualized

Particulars	2012	2013	2014	2015	2016
Benchmark (%)	13	10.5	9.56	9.83	6.75
PCF (%)	11.0	9.0	8.41	8.86	5.88

## Asset-wise Maturity (No. of Days)



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## MUFAP's Recommended Format



May 31, 2017

## General Information

Fund Type	An Open End Scheme	
Category	Income Scheme	
Asset Manager Rating	AM2 ++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	A+(f) by PACRA (09-Dec-16)	
Risk Profile	Low	
Launch Date	1-Mar-07	
Fund Manager	Saad Ahmed	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	EY Ford Rhodes, Chartered Accountants	
Management Fee	1.5% p.a.	
<b>Front-end Load*</b>		
Growth and Income Units:	Individual	1.5%
	Corporate	Nil
Bachat Units:	Nil	
<b>Back-end Load*</b>		
Growth & Income Units	Nil	
Bachat Units	3% if redeemed before completion of two years from the date of initial investment. 0% if redeemed after completion of two years from the date of initial investment.	
<b>Min. Subscription</b>		
Growth & Bachat Units	PKR 500	
Income Units	PKR 100,000	
Listing	Pakistan Stock Exchange	
Benchmark	Six(6) months KIBOR rates	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)	
Cut off Timing	Mon - Thur (9:00AM to 1:00PM)	
During Ramadan	Fri (9:00AM to 12:00 PM)	
Leverage	Nil	

\*Subject to government levies

## Investment Objective

To deliver superior fixed income returns by investing in an optimal mix of authorized debt instruments while taking into account capital security and liquidity considerations.

## Manager's Comment

During the month the fund generated an annualized return of 5.84% against its benchmark return of 6.10%. The fund increased its exposure in T-Bills from 3.1% to 3.6%. Allocations in cash was increased to 47.2%.

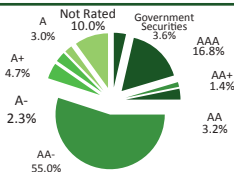
## Fund Facts / Technical Information

NAV per Unit (PKR)	112.4355
Net Assets (PKR M)	6,653
Weighted average time to maturity (Years)	1.5
Duration (Years)	1.5
Sharpe Ratio*	0.04
Correlation*	4.8%
Standard Deviation	0.10
Total expense ratio with government levy**	2.29%
Total expense ratio without government levy	1.85%

\*as against benchmark

\*\*This includes 0.44% representing government levy, Sindh workers' welfare fund and SECP fee

## Asset Quality (%age of Total Assets)



## Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. in millions)

Name & Type of Non-Compliant Investment	Outstanding face value	Value of investment before provision	Provision held, if any	Value of investment after provision	% of Net Assets	% of Gross Assets
Saudi Pak Leasing Company Limited - TFC	27.55	27.55	27.55	-	0.00%	0.00%
Security Leasing Corporation Limited - Sukuk	3.95	1.38	1.38	-	0.00%	0.00%
Security Leasing Corporation Limited - TFC	4.74	2.80	2.80	-	0.00%	0.00%
New Allied Electronics Industries - TFC	21.98	21.98	21.98	-	0.00%	0.00%
New Allied Electronics Industries - Sukuk	35.00	35.00	35.00	-	0.00%	0.00%

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## MUFAP's Recommended Format

## Others

### Provision against Sindh Workers' Welfare Fund's liability

MCB-DCFIF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 18.68 million, if the same were not made the NAV per unit of MCB-DCFIF would be higher by Rs. 0.3156 and YTD return would be higher by 0.30%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2017 of MCB-DCFIF.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager - Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	47.2%	23.1%
Term Deposits with Banks	13.9%	12.5%
PIBs	0.0%	0.0%
TFCs	25.3%	21.9%
Spread Transactions	1.4%	9.0%
T-Bills	3.6%	3.1%
Others including receivables	3.3%	22.2%
Margin Trading	5.3%	8.2%

## Performance Information (%)

Particulars	MCB - DCFIF	Benchmark
Year to Date Return (Annualized)	6.57%	6.06%
Month to Date Return (Annualized)	5.84%	6.10%
180 Days Return (Annualized)	8.11%	6.10%
365 Days Return (Annualized)	6.57%	6.12%
Since inception (CAGR)**	10.01%	10.53%
Average Annual Return (Geometric Mean)	10.27%	-

## Annualized

Particulars	2012	2013	2014	2015	2016
Benchmark (%)	12.2	9.3	9.57	10.57	7.01
MCB-DCFIF (%)	10.8	9.8	10.79	12.64	6.23

\*\*One off hit of 4% due to SECP directive on TFCs' portfolio Adjustment of accumulated WWF since July 1, 2008

## Top 10 TFC Holdings (%age of Total Assets)

Company Name	Percentage
Bank Alfalah Limited (20-Feb-13)	5.4%
Habib Bank Limited (19-Feb-16)	5.1%
Askari Bank Limited (30-Sep-14)	4.1%
Bank Al Habib Limited (17-Mar-16)	3.2%
Standard Chartered Bank (Pakistan) Limited (29-Jun-12)	2.7%
Bank Alfalah Limited - Floating (02-Dec-09)	1.9%
Engro Fertilizer Limited (09-Jul-14)	0.9%
Bank Al Falah Limited - Fixed (02-Dec-09)	0.9%
Ghani Gases Limited (2-Feb-17)	0.7%
Faysal Bank Limited (27-Dec-10)	0.4%





May 31, 2017

## General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus ) by PACRA (08-Jun-16)
Stability Rating	A+(f) by PACRA (09-Dec-16)
Risk Profile	Low
Launch Date	11-Mar-2002
Fund Manager	Syed Mohammad Usama Iqbal
Trustee	Central Depository Company of Pakistan Limited
Auditor	A.F.Ferguson & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front -end Load*	Individual 2% Corporate Nil
Back-end Load*	Nil
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	Six(6) months KIBOR rates
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)
Cut off Timing	Mon - Thur (9:00AM to 1:00PM)
During Ramadan	Fri (9:00AM to 12:00 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

The objective of the Fund is to deliver returns primarily from debt and fixed income investments without taking excessive risk.

## Manager's Comment

During the month the fund posted an annualized return of 7.55% against its benchmark return of 6.04%. Weighted Average Time to Maturity of the Fund stood at 1.2 years. Exposure in Cash was increased from 35% to 59.9% while exposure in TFCs was maintained at 19.1%.

## Fund Facts / Technical Information

NAV per Unit (PKR)	57.0617
Net Assets (PKR M)	1,503
Weighted average time to maturity (Years)	1.2
Duration (Years)	1
Sharpe Ratio	0.03
Correlation	6.18%
Standard Deviation	0.18
Total expense ratio with government levy*	2.28%
Total expense ratio without government levy	1.82%

\* This includes 0.46% representing government levy, Sindh workers' welfare fund and SECP fee.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager - Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

## Others

### Provision against Sindh Workers' Welfare Fund's liability

PIF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 3.28 million, if the same were not made the NAV per unit of PIF would be higher by Rs. 0.1243 and YTD return would be higher by 0.23%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the nine months ended March 31, 2017 of PIF.

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	59.9%	35.0%
TFCs	19.1%	18.6%
Spread Transactions	0.0%	6.5%
T-Bills	3.3%	3.2%
Term Deposits with Banks	8.2%	7.7%
PIBs	0.5%	0.5%
Others including receivables	2.6%	18.3%
Margin Trading	6.4%	10.2%

## Performance Information (%)

Particulars	PIF	Benchmark
Year to Date Return (Annualized)	7.02%	6.02%
Month to Date Return (Annualized)	7.55%	6.04%
180 Days Return (Annualized)	8.83%	6.00%
365 Days Return (Annualized)	6.92%	6.07%
Since inception (CAGR)	9.70%	8.92%
Average Annual Return (Geometric Mean)	9.86%	-

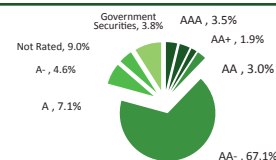
## Annualized

Particulars	2012	2013	2014	2015	2016
Benchmark (%)	13.30	11.00	9.33	10.43	6.97
PIF(%)	9.40	7.20	8.13	11.31	6.14

## Top 10 TFC Holdings (%age of Total Assets)

Bank Alfalah Limited (20-Feb-13)	4.5%
Habib Bank Limited (19-Feb-16)	3.3%
Ghani Gases Limited (02-Feb-17)	3.1%
Bank Al Habib Limited (17-Mar-16)	3.0%
Askari Bank limited (23-Dec-11)	2.5%
Askari Bank limited (30-Sep-14)	1.7%
Bank Al Falah Limited- Floating (02-Dec-09)	1.0%
Byco Oil Pakistan Limited - PPTFC	0.1%
PACE Pakistan Limited (15-Feb-08)	0.0%
Telecard Limited (27-May-05)	0.0%

## Asset Quality (%age of Total Assets)



## Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. in millions)

Name & Type of Non-Compliant Investment	Outstanding face value	Value of investment before provision	Provision held, if any	Value of investment after provision	% of Net Assets	% of Gross Assets
Pace Pakistan Limited TFC	49.94	49.94	49.94	-	0.00%	0.00%
Telecard Limited- TFC	31.09	31.09	31.09	-	0.00%	0.00%
Trust Investment Bank Limited - TFC	18.74	18.74	18.74	-	0.00%	0.00%

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## MUFAP's Recommended Format



May 31, 2017

## General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)
Stability Rating	AA-(f) by PACRA (09-Dec-16)
Risk Profile	Low to Moderate
Launch Date	1-March-2003
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	10% of the gross revenue subject to a minimum fee of 0.5% of the net assets and maximum fee of 1.5% of the net assets of the Scheme.
<b>Front-end Load*</b>	Type A Units For Individual 1.5% For Corporate Nil
<b>Back-end Load*</b>	Type B "Bachat " Units Type A Units Nil Type B "Bachat " Units 3% if redeemed before completion of two years from the date of initial investment. 0% if redemption after completion of two years from the date of initial investment.
<b>Min. Subscription</b>	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	6 month PKRV rates
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)
Cut off Timing	Mon - Thur (9:00AM to 1:00 PM)
During Ramadan	Fri (9:00AM to 12:00 PM)
Leverage	Nil
*Subject to government levies	

## Investment Objective

The objective of the fund is to deliver income primarily from investment in government securities.

## Manager's Comment

During the month, the fund generated an annualized return of 5.07% as against its benchmark return of 5.79%. Allocation in T-Bills was increased from 78.8% to 84.6% last month, while exposure in Cash was decreased to 13.2%.

WAM of the fund stood at 72 days at month end.

## Fund Facts / Technical Information

NAV per Unit (PKR)	56.03
Net Assets (PKR M)	2,796
Weighted average time to maturity (Days)	72
Duration (Days)	72
Sharpe Ratio*	0.003
Correlation	20.20%
Standard Deviation	0.16
Total expense ratio with government levy**	1.11%
Total expense ratio without government levy	0.88%

\*Against 12M PKRV

\*\*This includes 0.23% representing government levy, Sindh workers' welfare fund and SECP fee

## Others

### Provision against Sindh Workers' Welfare Fund's liability

MCB-PSF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 5.03 million, if the same were not made the NAV per unit of MCB-PSF would be higher by Rs. 0.1009 and YTD return would be higher by 0.19%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2017 of MCB-PSF.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager - Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	13.2%	17.8%
T-Bills	84.6%	78.8%
PIBs	1.9%	3.1%
Others including Receivables	0.3%	0.3%

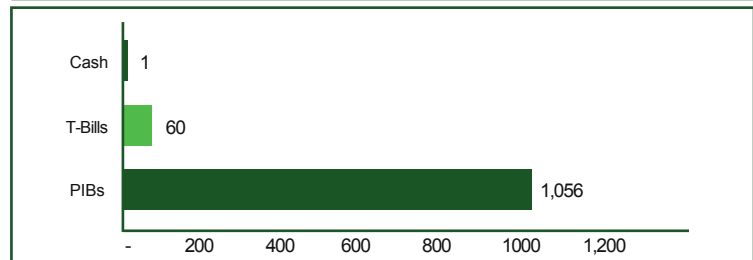
## Performance Information (%)

Particulars	MCB-PSF	Benchmark
Year to Date Return (Annualized)	5.80%	5.85%
Month to Date Return (Annualized)	5.07%	5.79%
365 Days Return (Annualized)	5.96%	5.91%
180 Days Return (Annualized)	7.16%	5.84%
Since inception (CAGR)	7.66%	8.47%
Average Annual Return (Geometric Mean)	7.34%	-

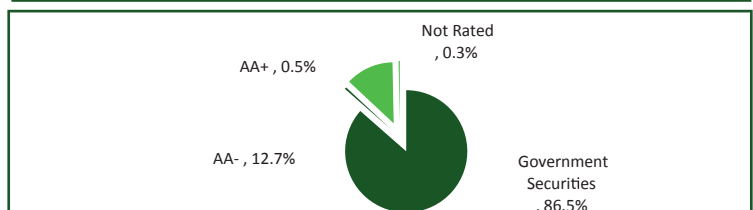
## Annualized

Particulars	2012	2013	2014	2015	2016
Benchmark (%)	13.30	11.00	9.11	10.41	6.93
MCB-PSF (%)	11.30	12.30	9.26	16.58	7.30

## Asset-wise Maturity (No. of Days)



## Asset Quality (%age of Total Assets)



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## MUFAP's Recommended Format





May 31, 2017

## General Information

Fund Type	An Open End Scheme	
Category	Aggressive Fixed Income Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	A+(f) by PACRA (09-Dec-16)	
Risk Profile	Low to Moderate	
Launch Date	28-August-2008	
Fund Manager	Saad Ahmed	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants	
Management Fee	15% of the gross earnings subject to a minimum fee of 0.25% of the average daily net assets and maximum fee of 1.5% of average Annual Net Assets	
<b>Front-end Load*</b>	For Type A Units : For Individual 2% For Corporate Nil	
	Type B Units : For Individual 2% For Corporate Nil	
<b>Back-end Load*</b>	For Type C "Bachat" Units Nil Type A & Type B Units Nil Type C "Bachat" Units 3% if redeemed before completion of two (2) years from the date of initial investment. 0% if redeemed after completion of two (2) years from the date of initial investment.	
<b>Min. Subscription</b>	Type A Units	PKR 500/-
	Type B Units	PKR 10,000,000/-
	Type C "Bachat" Units	PKR 500/-
Listing	Pakistan Stock Exchange	
Benchmark	One (1) year KIBOR rates	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)	
Cut off Timing	Mon - Thur (9:00AM to 1:00 PM)	
During Ramadan	Fri (9:00AM to 12:00 PM)	
Leverage	Nil	
*Subject to government levies		

## Investment Objective

The objective of the Fund is to deliver return from aggressive investment strategy in the debt and fixed income market

## Manager's Comment

During the month the fund generated an annualized return of 5.31% as against its benchmark return of 6.46%. The exposure in PIBs was increased. Exposure in TFCs and Term Deposits stood at 20.4% and 17.7%, respectively. Exposure in cash increased to 40.2% from 21.0% in the previous month.

## Fund Facts / Technical Information

NAV per Unit (PKR)	55.5837
Net Assets (PKR M)	2,362
Weighted average time to maturity (Years)	1.6
Duration (Years)	1.5
Sharpe Ratio*	0.04
Correlation*	15.62%
Standard Deviation	0.12
Total expense ratio with government levy**	2.24%
Total expense ratio without government levy	1.85%

\*as against benchmark

\*\*This includes 0.39% representing government levy, Sindh Workers' Welfare Fund and SECP fee

## Annualized

Particulars	2012	2013	2014	2015	2016
Benchmark (%)	13.70	12.30	8.73	11.75	7.52
PIEF (%)	8.90	7.20	8.73	13.63	8.33

## Others

### Provision against Sindh Workers' Welfare Fund's liability

PIEF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 3.97 million, if the same were not made the NAV per unit of PIEF would be higher by Rs. 0.0934 and YTD return would be higher by 0.18%. For details investors are advised to read Note 7.2 of the latest Financial Statements for the nine months ended March 31, 2017 of PIEF.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	40.2%	21.0%
PIBs	0.8%	0.7%
TFCs	20.4%	18.5%
T-Bills	3.1%	2.8%
Term Deposits with Banks	17.7%	14.4%
Others including receivables	3.0%	13.4%
Margin Trading	6.7%	21.8%
Spread Transactions	0.0%	3.7%
Commerical Papers	8.1%	3.7%

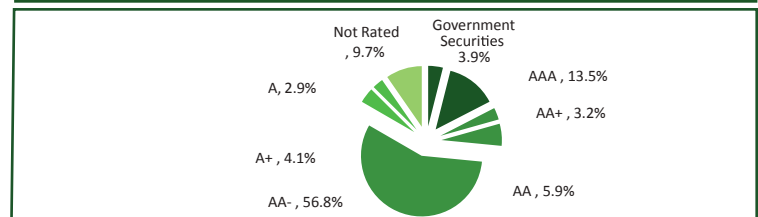
## Performance Information (%)

Particulars	PIEF	Benchmark
Year to Date Return (Annualized)	4.97	6.38
Month to Date Return (Annualized)	5.31	6.46
180 Days Return (Annualized)	6.06	6.41
365 Days Return (Annualized)	5.49	6.44
Since inception (CAGR)	10.63	10.91
Average Annual Return (Geometric Mean)	10.37	-

## Top TFC Holdings (%age of Total Assets)

Habib Bank Limited (19-Feb-16)	5.2%
The Bank of Punjab (23-Dec-16)	4.1%
Askari Bank Limited (23-Dec-11)	3.5%
Askari Bank Limited (30-Sep-14)	3.2%
Bank Alfalah Limited (20-Feb-13)	2.5%
Bank Al Habib Limited (17-Mar-16)	1.9%
Byco Oil Pakistan Limited - PPTFC	0.0%
Eden Housing Limited (31-Mar-08)	0.0%
PACE Pakistan Limited (15-Feb-08)	0.0%

## Asset Quality (%age of Total Assets)



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## MUFAP's Recommended Format



May 31, 2017

## General Information

Fund Type	An Open End Scheme	
Category	Asset Allocation Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch Date	17-Mar-08	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	A.F. Ferguson & Co. Chartered Accountants	
Management Fee	2% p.a.	
Front/Back end Load*	Growth & Cash Dividend Units	3%
	Bachat Units (Two Years)	Nil
Back-end Load*	Bachat Units (Three Years)	Nil
	Growth & Cash Dividend Units	Nil
	Bachat Units (Two Years):	- 3% if redeemed before completion of two years from the date of initial investment. - 0% if redemption after completion of two years from the date of initial investment.
	Bachat Units (Three Years):	- 3% if redeemed before completion of three years from the date of initial investment. - 0% if redemption after completion of three years from the date of initial investment.
Min. Subscription	PKR 500	
Listing	Pakistan Stock Exchange	
Benchmark	6 months KIBOR plus 200 bps	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00 AM to 4:30 PM)	
Cut off Timing During Ramadan	Mon - Thur (9:00 AM to 1:00 PM) Fri (9:00 AM to 12:00 PM)	
Leverage	Nil	
*Subject to government levies		

## Others

### Provision against Sindh Workers' Welfare Fund's liability

MCB-PAAF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 8.53 million, if the same were not made the NAV per unit of MCB-PAAF would be higher by Rs. 0.2679 and YTD return would be higher by 0.34%. For details investors are advised to read Note 7.2 of the latest Financial Statements for the nine months ended March 31, 2017 of MCB-PAAF.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	18.2%	5.2%
TFCs	4.4%	5.8%
Stocks / Equities	37.6%	45.0%
Spread Transactions	4.9%	0.0%
T-Bills	22.5%	29.7%
PIBs	0.1%	0.1%
Term Deposits with Banks	8.1%	12.9%
Others including receivables	4.2%	1.3%

## Absolute

Particulars	2012	2013	2014	2015	2016
Benchmark (%)	NA	NA	NA	8.85*	9.86
MCB-PAAF (%)	8.7	19.20	11.95	19.41	3.21

\* November-14 to June-15

## Investment Objective

MCB Pakistan Asset Allocation Fund is an asset allocation fund and its objective is to aim to provide a high absolute return by investing in equity and debt markets.

## Manager's Comment

The Fund posted a return of 0.42% during the month against the benchmark return of 0.69%, while since inception return stood at 88.59%. Exposure in equities was decreased.

## Fund Facts / Technical Information

NAV per Unit (PKR)	88.2287
Net Assets (PKR M)	2,811
Sharp Ratio*	0.001
Beta**	0.17
Max draw up	266.96%
Max draw down	-48.57%
Standard Deviation	0.55
Total expense ratio with government levy***	3.43%
Total expense ratio without government levy	2.68%

\*as against 3 Year PIB, \*\* against KSE 30

\*\*\*This includes 0.75% representing government levy, Sindh Workers' Welfare Fund and SECP fee

## Performance Information (%)

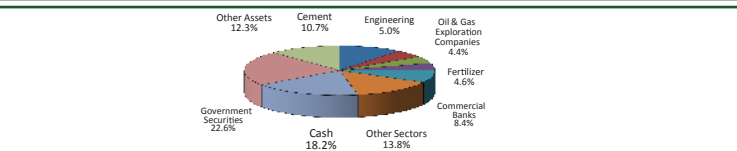
Particulars	MCB -PAAF	Benchmark
Year to Date Return	11.60%	7.03%
Month to Date Return	0.42%	0.69%
180 Days Return	3.04%	4.10%
365 Days Return	12.67%	9.66%
Since inception*	88.59%	

\*Adjustment of accumulated WWF since July 1, 2008

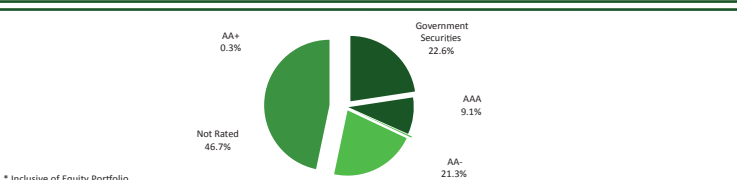
## Top 10 Holdings (%age of Total Assets)

Engro Corporation Limited	Equity	4.5%
Habib Bank Limited (19-Feb-16)	TFC	4.1%
International Steels Limited	Equity	3.9%
Lucky Cement Limited	Equity	3.8%
D.G. Khan Cement Company Limited	Equity	2.9%
Oil & Gas Development Company Limited	Equity	2.4%
Kot Addu Power Company Limited	Equity	2.3%
United Bank Limited	Equity	2.0%
Indus Motors Company Limited	Equity	1.8%
Hub Power Company Limited	Equity	1.6%

## Sector Allocation (%age of Total Assets)



## Asset Quality (%age of Total Assets)\*



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## MUFAP's Recommended Format



May 31, 2017

## General Information

Fund Type	An Open End Scheme
Category	Asset Allocation Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	16-Nov-15
Fund Manager	Awais Abdul Sattar, CFA
Trustee	MCB Financial Services Limited
Auditor	A.F. Ferguson & Co. Chartered Accountants
Management Fee	15% of the gross earnings subject to a minimum of 0.25% of the average daily net assets and maximum of 2% of the average daily net assets of the scheme
Front end Load*	3%
Back end Load*	Nil
Min. Subscription Listing	PKR 500
Benchmark	Pakistan Stock Exchange KSE 100 Index and Six (6) months KIBOR rates on the basis of actual proportion held by the Scheme
Pricing Mechanism	Forward
Dealing Days	First five business days of every month
Cut off Timing	Mon - Fri (9:00 AM to 4:30 PM)
Cut off Timing	Mon - Thur (9:00 AM to 1:00 PM)
During Ramadan	Fri (9:00 AM to 12:00 PM)
Leverage	Nil
*Subject to government levies	

## Investment Objective

The objective of the Fund is to provide investors regular monthly payments by investing Fund's assets in Debt and Equity instruments.

## Manager's Comment

During the month, the Fund posted a return of 0.54% against its benchmark return of 0.52%. The fund increased its exposure in cash from 7.9% to 8.9%. Exposure in T-bills decreased to 18.0% and PIBs increased from 32.8% to 33.9%.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Mohammad Aitazaz Farooqui	Research Analyst

## Performance Information (%)

Particulars	MCB PFPF	Benchmark
Year to Date Return	5.26	6.25
Month to Date Return	0.54	0.52
365 days Return	5.80	6.98
180 days Return	2.67	3.15
Since inception	8.99	10.89

## Absolute

	2016**
Benchmark (%)	4.36
MCB-PFPF (%)	3.54

\*\* From November 16, 2015 to June 30, 2016

## Others

### Provisions against Sindh Workers' Welfare Fund's liability

MCB-PFPF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1.35 million, if the same were not made the NAV per unit of MCB PFPF would be higher by Rs. 0.1444 and YTD return would be higher by 0.15%. For details investors are advised to read Note 6.2 of the latest Financial Statements for the nine months ended March 31, 2017 of MCB-PFPF.

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Stock / Equities	1.7%	3.5%
Cash	8.9%	7.9%
PIBS	33.9%	32.8%
T-Bills	18.0%	30.7%
Term Deposits with Banks	17.7%	20.0%
Margin Trading	4.4%	0.8%
TFCs	0.1%	0.1%
Others including receivables	6.9%	4.2%
Spread Transactions	8.4%	0.0%

## Top Holdings (%age of Total Assets)

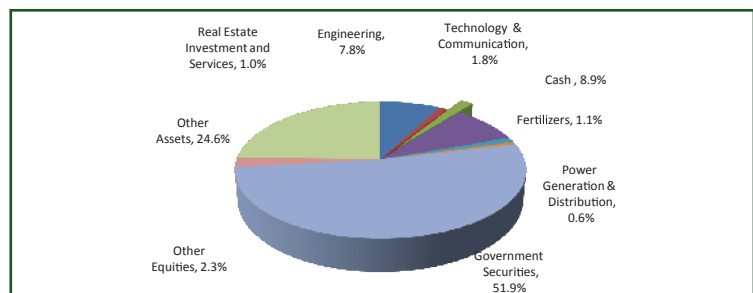
International Steels Limited	Equity	7.4%
Dolmen City REIT	Equity	1.0%
TRG Pakistan	Equity	1.0%
Pakistan Petroleum Limited	Equity	0.5%
Engro Corporation Limited	Equity	0.1%
Byco Oil Pakistan Limited	Sukuk	0.1%

## Fund Facts / Technical Information

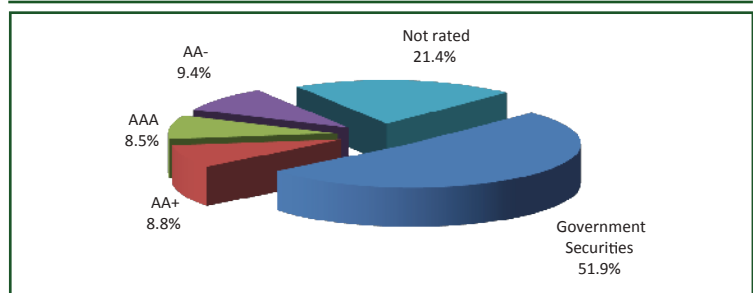
NAV per Unit (PKR)	101.5690
Net Assets (PKR M)	948
Total expense ratio with government levy*	2.05%
Total expense ratio without government levy	1.67%

\*This includes 0.38% representing government levy, Sindh Workers' Welfare fund and SECP fee

## Sector Allocation (%age of Total Assets)



## Asset Quality (%age of Total Assets)



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## MUFAP's Recommended Format



May 31, 2017

## General Information

Fund Type	An Open End Scheme	
Category	Balanced Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch Date	24-Jan-2004	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants	
Management Fee	2.0% p.a.	
Front end Load*	For Individual	2%
	For Corporate	Nil
Back end Load*	Nil	
Min. Subscription	PKR 500	
Listing	Pakistan Stock Exchange	
Benchmark	KSE 100 Index and Six (6) months KIBOR rates on the basis of actual proportion held by the Scheme	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00 AM to 4:30 PM)	
Cut off Timing	Mon - Thur (9:00 AM to 1:00 PM)	
During Ramadan	Fri (9:00 AM to 12:00 PM)	
Leverage	Nil	
*Subject to government levies		

## Investment Objective

The objective of the Fund is to provide investors a mix of income and capital growth over medium to long term from equity and debt investments.

## Manager's Comment

The fund posted a return of 1.74% during the month against the benchmark return of 2.34%. The Fund decreased its exposure in equities, while exposure was taken in T-Bills.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

## Performance Information (%)

Particulars	PCM	Benchmark			
Year to Date Return	31.24	28.31			
Month to Date Return	1.74	2.34			
180 days Return	16.43	14.93			
365 days Return	33.71	32.80			
Since inception	698.31	629.74			
	2012	2013	2014	2015	2016
Benchmark (%)	11.6	29.2	27.12	13.92	8.89
PCM (%)	9.4	28.10	26.10	31.11	5.17

## Others

### Provision against Sindh Workers' Welfare Fund's liability

PCMF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 4.05 million, if the same were not made the NAV per unit of PCMF would be higher by Rs. 0.0780 and YTD return would be higher by 0.73%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2017 of PCMF.

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	5.9%	27.1%
T-Bills	19.6%	0.0%
TFCs	0.1%	0.1%
Stocks / Equities	64.1%	66.8%
Term Deposit Receipts	6.6%	4.8%
Others including receivables	3.7%	1.2%

## Top 10 Holdings (%age of Total Assets)

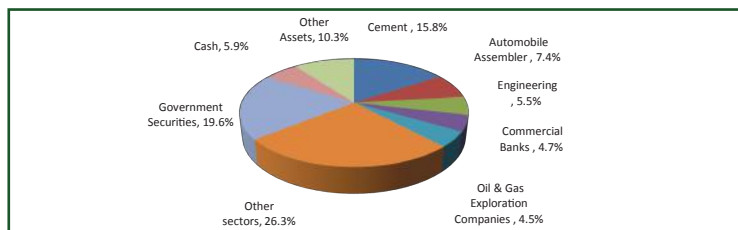
Lucky Cement Limited	Equity	6.6%
Hub Power Company Limited	Equity	3.9%
D.G. Khan Cement Company Limited	Equity	3.7%
Mari Petroleum Company Limited	Equity	3.5%
United Bank Limited	Equity	3.2%
Engro Corporation Limited	Equity	3.0%
Sui Northern Gas Company Limited	Equity	2.9%
International Industries Limited	Equity	2.8%
Pak Elektron Limited	Equity	2.5%
Indus Motors Company Limited	Equity	2.0%

## Fund Facts / Technical Information

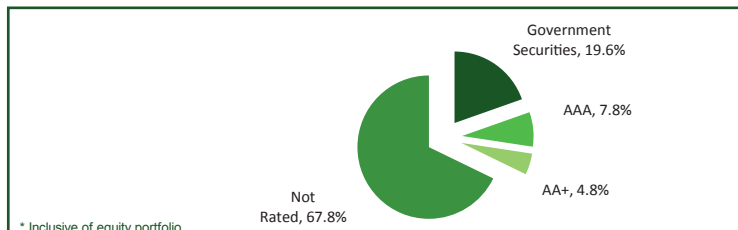
Particulars	PCM	Benchmark
NAV per Unit (PKR)	14.03	
Net Assets (PKR M)	729	
Sharpe Ratio	0.050	0.049
Beta	0.94	
Max draw up	723.16%	652.61%
Max draw down	-44.71%	-46.24%
Standard Deviation	0.80	0.76
Total expense ratio with government levy*	3.63%	
Total expense ratio without government levy	2.72%	

\*This includes 0.91% representing government levy, Sindh workers' welfare fund and SECP Fee

## Sector Allocation (%age of Total Assets)



## Asset Quality (%age of Total Assets)



\* Inclusive of equity portfolio

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## MUFAP's Recommended Format





May 31, 2017

## General Information

Fund Type	An Open End Scheme	
Category	Equity Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch Date	11-Mar-2002	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	A.F. Ferguson & Co. Chartered Accountants	
Management Fee	2.0% p.a.	
Front end Load*		
Growth Units:	Individual	3%
	Corporate	Nil
Bachat Units:	Nil	
Back end Load*		
Growth Units:	Nil	
Bachat Units:	3% if redeemed before completion of two years from the date of initial investment 0% if redemption after completion of two years from the date of initial investment	
Min. Subscription Listing	PKR 500 Pakistan Stock Exchange	
Benchmark	KSE 100 Index	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)	
Cut off Timing During Ramadan	Mon - Thur (9:00AM to 1:00 PM) Fri (9:00AM to 12:00 PM)	
Leverage	Nil	
*Subject to government levies		

## Others

### Provision against Sindh Workers' Welfare Fund's liability

MCB-PSM has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 69.36 million, if the same were not made the NAV per unit of MCB-PSM would be higher by Rs. 0.6563 and YTD return would be higher by 0.75%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2017 of MCB-PSM.

## Asset Allocation (%age of Total Assets)

Particulars	May-17	Apr-17
Stocks / Equities	82.7%	89.1%
Cash	3.6%	2.5%
T-Bills	5.5%	7.2%
Others including receivables	8.2%	1.2%

## Top 10 Equity Holdings (%age of Total Assets)

Lucky Cement Limited	7.4%
Hub Power Company Limited	5.3%
United Bank Limited	5.2%
Engro Corporation Limited	5.1%
Oil and Gas Development Company Limited	4.1%
Sui Northern Gas Company Limited.	3.6%
Cherat Cement Company Limited	3.5%
Pak Elektron Limited	3.4%
Maple Leaf Cement Factory Limited	3.1%
Mari Petroleum Company Limited	2.8%

## Investment Objective

The objective of the fund is to provide investors long term capital appreciation from its investment in Pakistani equities

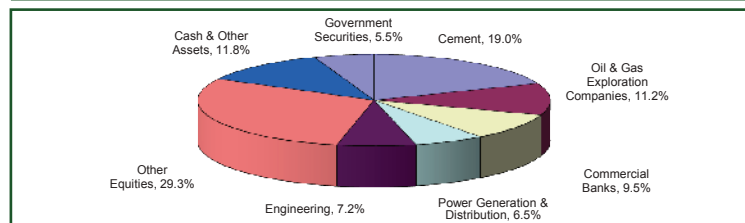
## Manager's Comment

The fund posted a 2.52% return for May 2017 compared to 2.62% increase in the Benchmark return, resulting in a slight underperformance. For FY17TD however, the fund outperformed the benchmark by 577 basis point as the fund posted a 39.67% return (benchmark: 33.90%). During the month we gradually reduced our exposure in MSCI Emerging Market stocks, resultantly exposure in Banks was reduced by 5.24% to 9.50%. Similarly we reduced exposure in cement stocks from 22% to 19.0% during the month. The Fund was invested 82.70% in equities while remaining in cash and cash equivalent.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Abid Ali	Asset Class Specialist-Equities
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

## Sector Allocation (%age of Total Assets)



## Fund Facts / Technical Information

Particulars	MCB-PSM	KSE-100
NAV per Unit (PKR)	121.6419	
Net Assets (PKR M)	12,854	
Price to Earning (x)*	11.44	11.61
Dividend Yield (%)	3.93	5.6%
No. of Holdings	64	100
Weighted. Avg Mkt Cap (PKR Bn)	136.61	169
Sharpe Ratio	0.07	0.05
Beta	0.75	1.0
Correlation	91.3%	
Max draw up	4115.48%	3361.45%
Max draw down	-56.21%	-69.28%
Standard Deviation	1.08	1.31
Total expense ratio with government levy**	3.69%	
Total expense ratio without government levy	2.65%	

\*prospective earnings

\*\*This includes 1.04% representing government levy, Sindh Workers' Welfare fund and SECP fee

## Performance Information (%)

Particulars	MCB-PSM	Benchmark			
Year to Date Return	39.67	33.90			
Month to Date Return	2.52	2.62			
180 days Return	19.05	16.92			
365 days Return	42.95	40.29			
Since inception	3581.36	2601.52			
	2012	2013	2014	2015	2016
Benchmark (%)	10.40	52.20	41.16	16.01	9.84
MCB-PSM (%)	11.30	49.40	34.78	39.35	5.25

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## MUFAP's Recommended Format



## General Information

Fund Type	An Open End Scheme
Category	Voluntary Pension Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)
Stability Rating	Not Applicable
Launch Date	29-Jun-2007
Fund Manager	Syed Abid Ali
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousof Adil & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load*	3% / 0%
Min. Subscription	PKR 500
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 5:00 PM)
Cut off Timing During Ramadan	Mon - Thur (9:00AM to 1:00 PM) Fri (9:00AM to 12:00 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

The investment objective of the fund is to seek steady returns with a moderate risk for investors by investing in a portfolio of equity, short - medium term debt and money market instruments.

## Manager's Comment

During the month, equity sub-fund generated return of 1.93% while the KSE-100 return stood at 2.62%. Overall equity allocation was decreased.

Debt sub-fund generated an annualized return of 4.34% during the month. Exposure in TDRs was increased.

Money Market sub-fund generated an annualized return of 4.06% during the month. Funds exposure in T-Bills was increased.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

## Top 10 Equity Holdings (%age of Total Assets)- Equity Sub Fund

Lucky Cement Limited	7.0%
Hub Power Company Limited	5.5%
Engro Corporation Limited	5.4%
United Bank Limited	4.8%
Habib Bank Limited	4.5%
Mari Petroleum Company Limited	4.5%
International Industries Limited	3.9%
Cherat Cement Company Limited	3.6%
Pakistan Oil Fields Limited	3.5%
Oil and Gas Development Company Limited	3.3%

## Others

### Provision against Sindh Workers' Welfare Fund's liability

PPF-EQ has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.4.29 million, if the same were not made the NAV per unit would be higher by Rs.3.2225 and YTD return would be higher by 0.77%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the nine months ended March31,2017 of PPF.

PPF-DT has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.1.14 million, if the same were not made the NAV per unit would be higher by Rs.0.5233 and YTD return would be higher by 0.24%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the nine months ended March31,2017 of PPF.

PPF-MM has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.0.26 million, if the same were not made the NAV per unit would be higher by Rs.0.3322 and YTD return would be higher by 0.16%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the nine months ended March31,2017 of PPF.

## PPF - Money Market (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	0.5%	17.5%
T-Bills	65.5%	46.5%
Others including receivables	0.3%	0.6%
Term Deposits with Banks	33.7%	35.4%

## PPF - Debt (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	5.2%	4.4%
PIBs	11.6%	11.5%
TFCs	15.0%	14.9%
T-Bills	31.4%	34.7%
Others including receivables	0.9%	1.0%
Term Deposits with Banks	35.9%	33.5%

## PPF - Equity (%age of Total Assets)

Particulars	May-17	Apr-17
Cash	6.3%	2.0%
Cement	16.4%	23.1%
Commercial Banks	13.2%	12.6%
Automobile Assembler	9.2%	10.5%
Oil & Gas Exploration Companies	11.8%	10.0%
Power Generation and Distribution	6.4%	6.5%
Other equity sectors	36.0%	34.3%
Others including receivables	0.7%	1.0%

## Performance Information & Net Assets

Particulars	PPF-EQ*	PPF-DT**	PPF-MM**		
Year to Date Return (%)	45.19	4.28	4.29		
Month to Date Return (%)	1.93	4.34	4.06		
Since inception (%)	504.45	8.71	7.74		
Net Assets (PKR M)	804.35	497.32	161.47		
NAV (Rs. Per unit)	604.57	228.93	209.48		
	2012	2013	2014	2015	2016
PPF - EQ*	15.10	55.70	49.60	37.95	10.77
PPF - DT**	10.90	10.10	7.16	16.85	7.35
PPF - MM**	10.30	8.20	7.15	7.17	4.40

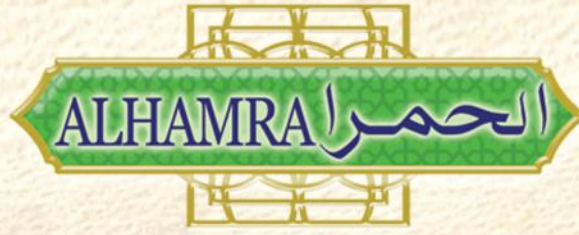
\* Total Return

\*\* Annualized return

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