



MCB-ARIF HABIB  
Savings and Investments Limited

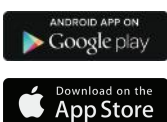


# MONEY MATTERS

Fund Manager's Report  
DECEMBER 2018



Pakistan's First Digital Savings Solution by  
MCB-Arif Habib Savings and Investments Limited



# FUND PERFORMANCE



## Fund Returns

Funds	YTD (FY 19)	(July 2017 to June 2018)	(July 2016 to June 2017)
<b>Money Market Schemes</b>			
MCB Cash Management Optimizer	7.36%	5.41%	7.11%
Pakistan Cash Management Fund	5.99%	4.67%	8.34%
<b>Income Schemes</b>			
MCB DCF Income Fund	6.46%	4.62%	6.50%
MCB Pakistan Sovereign Fund	5.53%	5.08%	5.89%
Pakistan Income Fund	7.16%	4.77%	6.90%
<b>Aggressive Fixed Income Scheme</b>			
Pakistan Income Enhancement Fund	6.70%	5.17%	5.06%
<b>Asset Allocation Schemes</b>			
MCB Pakistan Frequent Payout Fund	2.24%	4.50%	5.54%
MCB Pakistan Asset Allocation Fund	-6.73%	-2.55%	9.54%
<b>Balanced Scheme</b>			
Pakistan Capital Market Fund	-6.18%	-3.21%	25.36%
<b>Equity Scheme</b>			
MCB Pakistan Stock Market Fund	-10.86%	-7.51%	29.54%
<b>Voluntary Pension Scheme</b>			
Pakistan Pension Fund-Debt	6.47%	4.31%	4.31%
Pakistan Pension Fund-Money Market	6.44%	4.39%	4.30%
Pakistan Pension Fund-Equity	-10.68%	-9.43%	35.72%

Growth in the value of Rs.100 invested in MCB Pakistan Stock Market Fund (MCB-PSM) at inception (11<sup>th</sup> Mar, 2002)

	Value as at 31 <sup>st</sup> Dec 2018
PKR 100 invested in PSM	PKR 2,815
PKR 100 invested in KSE100 index	PKR 1,979

## Earn more with PSM



Returns are computed on the basis of NAV to NAV with dividends reinvested

Annualized Returns for: Money Market, Income, Aggressive Fixed Income, Pakistan Pension Fund (Debt and Money Market).  
Absolute Returns for: Asset Allocation, Balanced, Equity, Pakistan Pension Fund-Equity.

MCB-AH believes in providing best investment experience to our investors. Please feel free to forward your complaint/query/suggestion and we will do our best to redress the same to further improve our processes.  
For any complaint/query/suggestion, please email at [mcbah.qa@mcbah.com](mailto:mcbah.qa@mcbah.com)

# DEAR INVESTORS,

Thank you for taking out time to review our Fund Manager's Report for the month of December 2018. We would like to express our deepest gratitude to our investors for their support which motivates us to improve our services and deliver nothing but the absolute best.

2019 has arrived and we are pleased to announce that there are a number of activities in store for you. While you see everyone setting new goals for themselves, we reckon that it is the perfect time to upgrade yourselves with a new and better version of iSave. There are a number of enhanced features integrated into the new app experience. With a fresh look and improved functionality, it will enable you to navigate our offerings with ease. We believe in innovation and strive to provide a completely new user experience, tailored to suit the needs of each of our customers in order to further simplify their life. The upgraded app will be available soon on both iOS and android platforms. That is not it! There are more flagship projects in the pipeline, including the launch of our debit card, along with additional value-added services for our users.

With this launch, we tend to expand our digital payment services whereby you can withdraw money or make seamless payments at any retailer across the nation. The card will open a world of convenience and comfort, allowing you to conduct contactless transactions. It gets simple as now you can use a single platform to invest, save and make payments at any retailer.

Similarly, there are more such projects, which align our digital platform much closely with our brand and future offerings. With our commitment to deliver excellence to our customers, it gives us immense pleasure and pride to launch these projects. With our aim to improve every aspect of our online and offline presence, we strive to provide you with services that make a difference and complement your lifestyle. Stay tuned for more exciting updates.

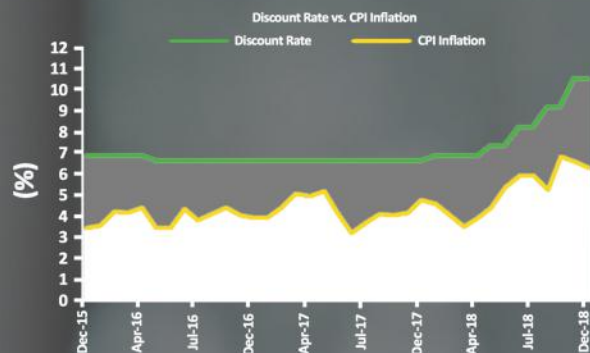
If you have any query, please feel free to contact us on our 24/7 helpline at 0800-622-24. Our investor services officers are always available to serve you, round the clock. You may also visit our website [mcbah.com](http://mcbah.com) to learn more about our products and services.



**Muhammad Saqib Saleem**

Chief Executive Officer





## MACRO-ENVIRONMENT REVIEW AND OUTLOOK

Economic uncertainty has started to fade after government has received commitments from its various allies. During the month, the government received commitment from UAE amounting to USD 3 billion in terms of Balance of Payment ("BoP") Support, while discussions are ongoing with regards to Oil Deferred Facility. Similarly, China has also committed to lend USD 2 billion for BoP support, which we believe will be enough to avert the near term external crisis.

CPI for the month of December'18 clocked in at 6.17%, which will take the average CPI for 1HFY19 to 6.1%. Inflation is expected to further jack up during the 2HFY19, owing to a low base effect and lagged impact of currency adjustments. Furthermore, government is yet to adjust electricity prices as the gap between base tariff and actual cost of generation has widened significantly. We expect CPI to average 9.3% for the 2HFY19; and should the government aim to keep real interest rates in a higher trajectory, one more hike of 50 bps cannot be ruled out.

Current account deficit clocked in at USD 1.3 billion, taking the cumulative CAD for 5MFY19 to USD 6.1 billion. While the trend in general has improved drastically, it has yet to reach sustainable levels. We believe as the impact of lower crude oil prices kicks in and as exports improve on owing to pro government policies, the CAD will be brought into a sustainable range. During the month, the foreign exchange reserves declined by USD 5 million owing to debt repayments by the central bank.

As per news articles, FBR is facing a revenue shortfall in 1HFY19, owing to which government is forced to fill the gap financial gap through additional revenue measures by announcing a mini budget during the next month. It is expected that the budget will fetch additional PKR 200 billion which shall improve the overall fiscal deficit by 0.5% of GDP.

Contractionary policies, external pressures and rising gas and electricity prices have taken their toll on large scale manufacturing which posted a decline of 0.65% YoY in the first four months of FY19. Given initial plans of the ruling government some sense of policy steps can be expected, but given the precarious economic conditions, we think term measures to address twin deficits are critical. The government has cleared the air by going for an IMF program, which we believe was the need of the hour. Alongside, the government will have to address the key structural issues to tread on the path of long term sustainable economic growth.

### Large Scale

(as The month of December'18 remained positive when UAE committed USD 3 billion for BOP support and second tranche, \$1 billion from a total of \$3 billion direct support package pledged by Saudi Arabia, were added to the reserves. Even after the addition of \$1 billion to the reserves foreign reserves still are dwindling at \$14.0 billion, a mere coverage of less than 2 months of imports. While talks are being held between the Mr. Khan and friendly countries, Pakistan still needs a bailout package+e of \$12 billion to bridge the financial gap caused by balance of payments crises. The external account position kept on highlighting worrisome position for the economy, yet favorable as compared to last year. Current account witnessed a deficit of \$6.1 billion in first five months of FY19 compared to \$6.8 billion in the same period last year. Current account deficit is, however, expected to be supported by a recent decline in international oil prices.

## EQUITY MARKET REVIEW AND OUTLOOK

CY18 closed itself on a negative note for the consecutive second year, as the benchmark Index KSE100 posted a loss of 8.4%. The month of Dec'18 was the worst month of the year as KSE100 retreated by 8.5%, as unexpected monetary tightening by 150 bps during the last month created a negative environment for equities. Even support of USD 3 billion by UAE could not come to rescue as overall uncertainty continued to linger towards the economy. Once again, foreign selling continued during the month with foreigners offloading USD -28 Mn worth of equities, most of which was absorbed by Insurance Companies and Individuals who bought USD -21/23 Mn respectively. During the month, volumes and values averaged around 135 Mn shares/ PKR 6,36 Bn, depicting a considerable decrease of -32/-33% MoM.

Major sectors such E&Ps, Refineries, Autos, Cements and OMCs underperformed the market generating negative returns of 12.4%/11.6%/11%/10.7%/10% respectively. E&Ps took the brunt of plunge in average international oil prices by -12%. Refineries suffered due to lower throughput. Autos, Cements and OMCs followed the thematic decline due to economic slowdown. On the flip side, only Textile Composites remained in the positive territory generating a positive return of 0.4%.

We believe equity markets generally preempt the economic conditions and as such it is important to consider whether all the economic developments are priced in or not. Therefore, overall valuations and fundamentals of universe companies do play an important role. The overall strategy should tilt towards defensive sectors (E&P's, Power, Fertilizers) while sector which will benefit from changing dynamics on macro front such as rising interest rates (Commercial Banks) should be overweight. In addition to that, government's strong focus on reviving exports should provide a boost to the outlook of export oriented sectors such as Textiles & IT. Despite being negative on cyclical, we believe there will be distressed assets and quality companies which should be looked into as they have a tendency to provide abnormal returns.

## MONEY MARKET REVIEW AND OUTLOOK

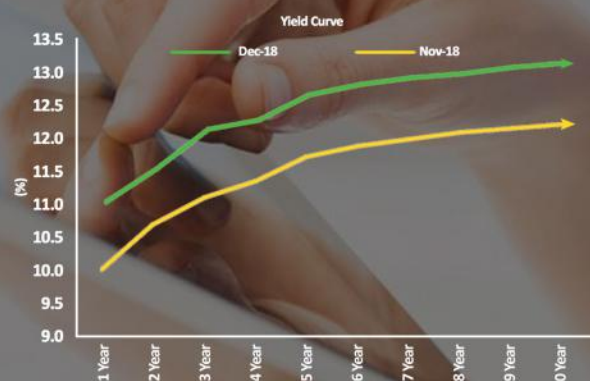
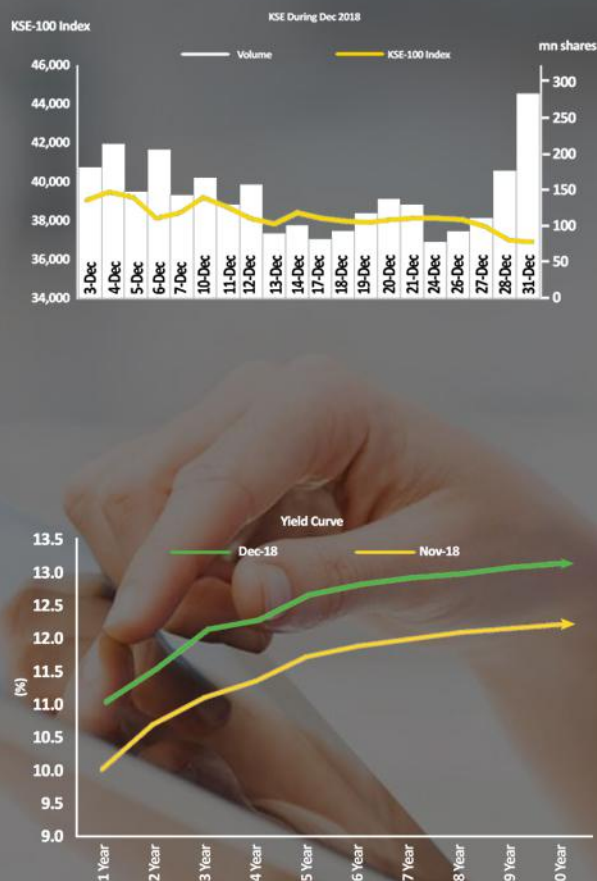
SBP increased policy rate above the market expectation in last MPS announced at November 2018 end majorly owing to rising inflation, high fiscal deficit and low foreign exchange reserves. In anticipation of further monetary tightening the yield curve during the month showed an upward trajectory. Whereas, little or no activity was witnessed in the longer tenor bond market and all major activity was seen in shorter tenor T-bills. Overnight market and short term T-bill market yield witnessed an increase towards year end due to scarcity of liquidity in the market as banks were borrowing at a very attractive rate due to banking year end

Auction for fixed coupon PIB bonds was held on December 26, 2018, and market remained pessimistic towards participating in it. Total participation of PKR 24 billion was witnessed in this auction out of which 3, 5 & 10 years tenor received bids worth PKR 9.2 billion, PKR 3.35 billion & 11.4 billion respectively. Out of total Participation 19.6bn was accepted out of which 6.68bn was accepted in 3 years, 1.75bn in 5 years and 11.23bn in 10 years at cut off yield of 12.25%, 12.70% & 13.15% in 3, 5 & 10 years respectively.

State Bank of Pakistan conducted Treasury bill auction on December 19, 2018. The auction had a total maturity of PKR 9 billion against which a meager participation of only PKR 27.4 billion was witnessed. Out of the total participation PKR 27.3 billion was in 3 months and PKR 95 million was in 6 months, whereas no participation was witnessed in 12 months bill. SBP accepted bids worth PKR 14.67 billion at a cut-off yield of 10.3013% in 3 months tenor whereas, bids in 6 months T-bill were rejected.

The only floater rate GoP Ijara SUKUK - 16 of PKR 117.7bn matured in Dec'18 against which SBP conducted auction of Bai Muajjal in which 72.55bn was accepted out of total participation of 76.55bn. Whereas, no fresh GoP Ijara SUKUK issued by SBP.

Coming months are quite critical as Pakistan would be taking key decisions with regards to funding sources and policy actions to fund the external account. With the new government exploring various options to manage its external account, an actual materialization of explored plans shall be critical in setting the economic direction.





December 31, 2018

## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)
Stability Rating	AA+(f) by PACRA (28-Dec-18)
Risk Profile	Low
Launch Date	1-Oct-09
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	A.F.Ferguson & Co., Chartered Accountants
Management Fee	7.5% 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. [Actual rate of Management Fee:0.79%]
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) <u>For same day redemption</u> Mon - Fri (9:00AM to 10:00 AM)
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 8.36% during the month against benchmark of 8.83%.WAM of the fund was 8 days.

## Fund Facts / Technical Information

NAV per Unit (PKR)	100.7500
Net Assets (PKR M)	13,952
Weighted average time to maturity (Days)	8
Sharpe Ratio*	0.01
Standard Deviation	0.14
Correlation**	3.35%
Total expense ratio with government levy***	0.60%
Total expense ratio without government levy	0.43%

\*As against 12 month PKRV

\*\*As against Benchmark

\*\*\* This includes 0.17% representing government levy, Sindh Workers' Welfare fund and SECP Fee

## Annualized

Particulars	2014	2015	2016	2017	2018
Benchmark (%)	7.19	6.74	4.42	4.18	5.35
MCB CMOP (%)	8.25	8.83	5.77	7.11	5.41

## 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. 29.78 million ,if the same were not made the NAV per unit of MCB-CMOP would be higher by Rs. 0.2150 and YTD return would be higher by 0.22% .For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2018' 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	Head of Research

## Asset Allocation (%age of Total Assets)

Particulars	Dec-18	Nov-18
Cash	73.6%	0.3%
Commercial Paper	4.8%	3.6%
Others including receivables	1.0%	0.2%
Placement with Bank & DFIs	7.1%	0.0%
T-Bills	0.0%	93.7%
TDRs	13.5%	2.2%

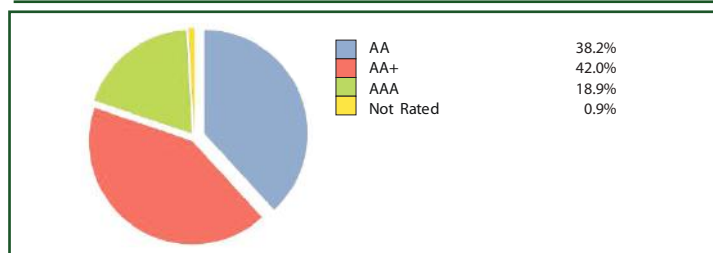
## Performance Information (%)

Particulars	MCB CMOP	Benchmark
Year to Date Return (Annualized)	7.36	7.43
Month to Date Return (Annualized)	8.36	8.83
180 Days Return (Annualized)	7.38	7.43
365 Days Return (Annualized)	6.47	6.51
Since inception (CAGR)*	8.56	6.28
Average Annual Return (Geometric Mean)	8.85	-

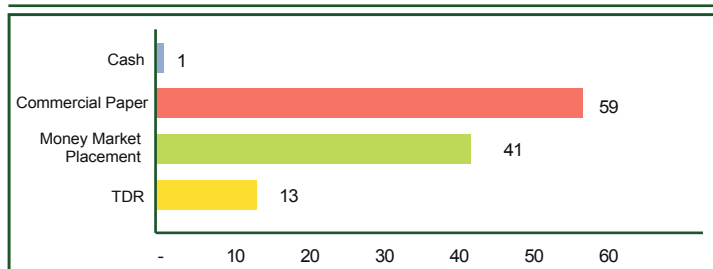
\*Adjustment of accumulated WWF since Oct 1, 2009

Returns are computed on the basis of NAV to NAV with dividends reinvested

## Asset Quality (%age of Total Assets)



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



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### MUFAP's Recommended Format





December 31, 2018

## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)
Stability Rating	AA+(f) by PACRA (28-Dec-18)
Risk Profile	Low
Launch Date	20-March-2008
Fund Manager	Saad Ahmed
Trustee	MCB Financial Services Limited
Auditor	A.F.Ferguson & Co., Chartered Accountants
Management Fee	10% of the Gross Earnings subject to a minimum fee of 0.25% of average daily Net Assets. [Actual rate of Management Fee:0.99%]
Front end Load*	Nil
Back end Load*	Nil
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	70% three(3) months PKRV rates + 30% three (3) months average deposit rates of three (3) AA rated scheduled Banks selected by MUFAP.
Pricing Mechanism	Backward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM) For same day redemption Mon - Fri (9:00AM to 10:00AM)
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 6.28% during the month against benchmark of 8.86%.

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
NAV per Unit (PKR)	51.8309
Net Assets (PKR M)	353
Weighted average time to maturity (Days)	1
Sharpe Ratio*	0.01
Correlation**	12.33%
Standard Deviation	0.05
Total expense ratio with government levy***	1.23%
Total expense ratio without government levy	1.02%

\*as against 12 month PKRV

\*\*as against Benchmark

\*\*\*This includes 0.21% representing government levy, Sindh Workers' Welfare fund and SECP fee

## Annualized

Particulars	2014	2015	2016	2017	2018
Benchmark (%)	9.56	9.83	6.75	6.07	5.35
PCF (%)	8.41	8.86	5.88	8.34	4.67

## 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. 2.08 million, if the same were not made the NAV per unit of PCF would be higher by Rs. 0.3054 and YTD return would be higher by 0.61%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2018' 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	Head of Research

## Asset Allocation (%age of Total Assets)

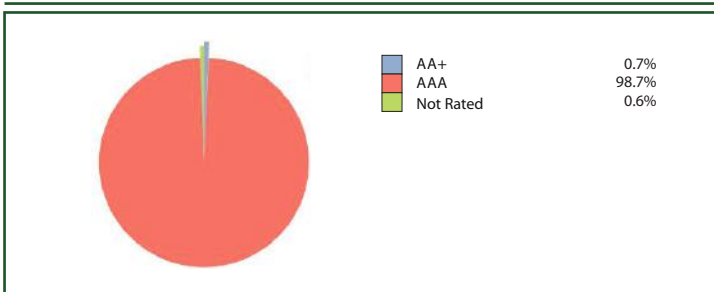
Particulars	Dec-18	Nov-18
Others including receivables	0.6%	0.3%
Cash	99.4%	3.7%
T-Bills	0.0%	96.0%

## Performance Information (%)

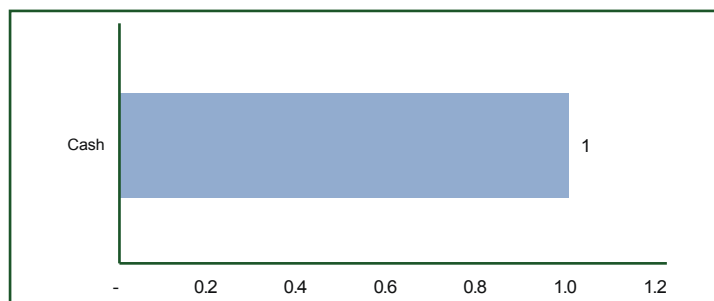
Particulars	PCF	Benchmark
Year to Date Return (Annualized)	5.99	7.36
Month to Date Return (Annualized)	6.28	8.86
180 Days Return (Annualized)	5.99	7.38
365 Days Return (Annualized)	5.34	6.41
Since inception (CAGR)	8.97	9.55
Average Annual Return (Geometric Mean)	9.01	-

Returns are computed on the basis of NAV to NAV with dividends reinvested

## Asset Quality (%age of Total Assets)



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



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### MUFAP's Recommended Format



## General Information

Fund Type	An Open End Scheme	
Category	Income Scheme	
Asset Manager Rating	AM2 ++ (AM Two Double Plus) by PACRA (08-Oct-18 )	
Stability Rating	A+(f) by PACRA (28-Dec-18)	
Risk Profile	Low	
Launch Date	1-Mar-07	
Fund Manager	Saad Ahmed	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	A.F.Ferguson & Co., 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)	
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 7.36% against its benchmark return of 10.67%. Allocations in cash was increased.

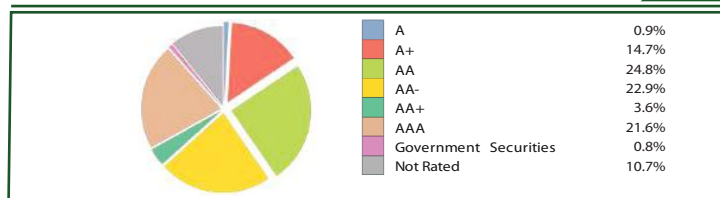
## Fund Facts / Technical Information

NAV per Unit (PKR)	109.9295
Net Assets (PKR M)	3,709
Weighted average time to maturity (Years)	1.9
Sharpe Ratio*	0.04
Standard Deviation	0.09
Correlation**	9.74%
Total expense ratio with government levy***	1.26%
Total expense ratio without government levy	1.04%

\*as against 12 month PKRV \*\*as against benchmark

\*\*\*This includes 0.22% 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
New Allied Electronics Industries - Sukuk	35.00	35.00	35.00	-	0.00%	0.00%
New Allied Electronics Industries - TFC	21.98	21.98	21.98	-	0.00%	0.00%
Saudi Pak Leasing Company Limited - TFC	27.55	27.55	27.55	-	0.00%	0.00%

## 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. 24.33million, if the same were not made the NAV per unit of MCB-DCFIF would be higher by Rs. 0.7213 and YTD return would be higher by 0.68%. For details investors are advised to read Note 5.1 of the latest Financial Statements for the quarter ended September 30, 2018' of MCB-DCFIF.

## Members of the Investment Committee

Muhammad Sagib 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	Head of Research

## Asset Allocation (%age of Total Assets)

Particulars	Dec-18	Nov-18
TFCs	37.1%	35.1%
Cash	51.3%	28.6%
Others including receivables	10.8%	13.4%
Term Deposit Receipts	0.0%	8.6%
T-Bills	0.8%	6.0%
Spread Transactions	0.0%	4.7%
PIBs	0.0%	3.6%

## Performance Information (%)

Particulars	MCB - DCFIF	Benchmark
Year to Date Return (Annualized)	6.46	9.17
Month to Date Return (Annualized)	7.36	10.67
180 Days Return (Annualized)	6.48	9.22
365 Days Return (Annualized)	5.72	7.79
Since Inception (CAGR)**	9.36	10.08
Average Annual Return (Geometric Mean)	9.51	-

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

Returns are computed on the basis of NAV to NAV with dividends reinvested

## Annualized

Particulars	2014	2015	2016	2017	2018
Benchmark (%)	9.57	10.57	7.01	6.09	6.22
MCB-DCFIF (%)	10.79	12.64	6.23	6.50	4.62

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

Bank Alfalah Limited (20-Feb-2013)	8.1%
Bank Al-Habib Limited (17-Mar-2016)	7.1%
Dawood Hercules Corporation Limited (16-Nov-2017)	7.0%
Askari Bank Limited (30-Sep-2014)	5.0%
Dawood Hercules Corporation Limited (01-Mar-2018)	2.6%
The Bank Of Punjab (23-Apr-2018)	2.0%
Jahangir Siddiqui And Company Limited (06-Mar-2018)	1.8%
The Bank Of Punjab (23-Dec-2016)	1.3%
Jahangir Siddiqui And Company Limited (18-Jul-2017)	1.3%
Ghani Gases Limited (02-Feb-2017)	0.9%

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## MUFAP's Recommended Format



December 31, 2018

## General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)
Stability Rating	A+(f) by PACRA (28-Dec-18)
Risk Profile	Low
Launch Date	11-Mar-2002
Fund Manager	Syed Mohammad Usama Iqbal
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 of 0.25% of the average daily net assets and maximum of 1.5% of the average daily net assets of the scheme.) [Actual rate of Management Fee : 1.06%]
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)
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 8.03% against its benchmark return of 10.67%. Weighted Average Time to Maturity of the fund stood at 2 years. Exposure in Cash was increased.

## Fund Facts / Technical Information

NAV per Unit (PKR)	55.7185
Net Assets (PKR M)	1,501
Weighted average time to maturity (Years)	2.0
Sharpe Ratio	0.05
Standard Deviation	0.13
Correlation**	7.83%
Total expense ratio with government levy*	0.87%
Total expense ratio without government levy	0.69%

\* This includes 0.18% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

\*\*as against Benchmark

## 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	Head of Research

## 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. 5.42 million, if the same were not made the NAV per unit of PIF would be higher by Rs. 0.2010 and YTD return would be higher by 0.37%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2018' of PIF.

## Asset Allocation (%age of Total Assets)

Particulars	Dec-18	Nov-18
Cash	53.4%	44.3%
Margin Trading	3.6%	4.3%
T-Bills	0.6%	2.6%
Others including receivables	2.5%	2.3%
TFCs	39.9%	44.6%
PIBs	0.0%	1.9%

## Performance Information (%)

Particulars	PIF	Benchmark
Year to Date Return (Annualized)	7.16	9.17
Month to Date Return (Annualized)	8.03	10.67
180 Days Return (Annualized)	7.16	9.17
365 Days Return (Annualized)	6.27	7.53
Since inception (CAGR)	9.31	8.74
Average Annual Return (Geometric Mean)	9.45	-

Returns are computed on the basis of NAV to NAV with dividends reinvested

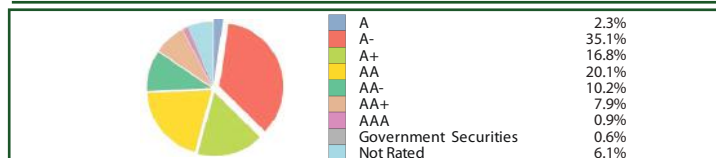
## Annualized

Particulars	2014	2015	2016	2017	2018
Benchmark (%)	9.33	10.43	6.97	6.05	5.90
PIF(%)	8.13	11.31	6.14	6.90	4.77

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

Jahangir Siddiqui And Company Limited (06-Mar-2018)	7.2%
Dawood Hercules Corporation Limited (16-Nov-2017)	6.6%
Askari Bank Limited (30-Sep-2014)	6.2%
Bank Al-Habib Limited (17-Mar-2016)	5.4%
The Bank Of Punjab (23-Apr-2018)	4.0%
Bank Alfalah Limited (20-Feb-2013)	3.3%
International Brands Limited (15-Nov-2017)	3.2%
Ghani Gases Limited (02-Feb-2017)	2.2%
Dawood Hercules Corporation Limited (01-Mar-2018)	1.6%
Byco Petroleum Pakistan Limited (18-Jan-2017)	0.1%

## 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





December 31, 2018

## General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)
Stability Rating	AA-(f) by PACRA (28-Dec-18)
Risk Profile	Low to Moderate
Launch Date	1-March-2003
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., 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. [Actual rate of Management Fee : 1.00%]
Front -end Load*	Type A Units For Individual 1.5% For Corporate Nil
Back-end Load*	Type B "Bachat " Units Nil Type A Units Nil Type B "Bachat " Units Nil 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	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)
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 6.51% as against its benchmark return of 10.48%. Allocation in T-Bill s was slightly decreased. While exposure in Cash was increased. WAM of the fund stood at 60 days at month end.

## Fund Facts / Technical Information

NAV per Unit (PKR)	54.5600
Net Assets (PKR M)	591
Weighted average time to maturity (Days)	60.0
Sharpe Ratio*	0.003
Correlation***	20.12%
Standard Deviation	0.15
Total expense ratio with government levy**	0.84%
Total expense ratio without government levy	0.67%

\*Against 12M PKRV

\*\*This includes 0.17% representing government levy, Sindh Workers' Welfare Fund and SECP fee

\*\*\*as against Benchmark

## 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. 4.85 million, if the same were not made the NAV per unit of MCB-PSF would be higher by Rs. 0.4478 and YTD return would be higher by 0.84%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2018' 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	Head of Research

## Asset Allocation (%age of Total Assets)

Particulars	Dec-18	Nov-18
T-Bills	41.2%	68.8%
Others including Receivables	0.4%	1.2%
PIBs	0.5%	26.7%
Cash	57.9%	3.3%

## Performance Information (%)

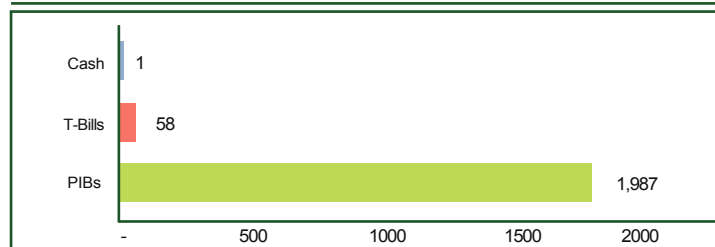
Particulars	MCB-PSF	Benchmark
Year to Date Return (Annualized)	5.53	8.92
Month to Date Return (Annualized)	6.51	10.48
180 Days Return (Annualized)	5.53	8.92
365 Days Return (Annualized)	5.39	7.31
Since inception (CAGR)	7.43	8.31
Average Annual Return (Geometric Mean)	7.15	-

Returns are computed on the basis of NAV to NAV with dividends reinvested

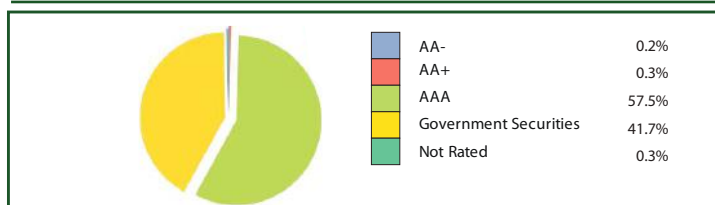
## Annualized

Particulars	2014	2015	2016	2017	2018
Benchmark (%)	9.11	10.41	6.93	5.88	5.74
MCB-PSF (%)	9.26	16.58	7.30	5.89	5.08

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



## Asset Quality (%age of Total Assets)



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## MUFAP's Recommended Format



December 31, 2018

## General Information

Fund Type	An Open End Scheme
Category	Aggressive Fixed Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)
Stability Rating	A+(f) by PACRA (28-Dec-18)
Risk Profile	Low to Moderate
Launch Date	28-Aug-2008
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	A.F. Ferguson & 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 [Actual rate of Management Fee : 1.45%]
Front -end Load*	For Type A Units : 2% For Individual For Corporate Nil Type B Units : 2% For Individual For Corporate Nil 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.
Back-end Load*	
Min. Subscription	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)
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 a return of 9.74% against its benchmark return of 11.21%. Exposure in cash was increased.

## Fund Facts / Technical Information

NAV per Unit (PKR)	54.8999
Net Assets (PKR M)	871
Weighted average time to maturity (Years)	2.9
Sharpe Ratio*	0.05
Correlation**	15.75%
Standard Deviation	0.12
Total expense ratio with government levy***	1.09%
Total expense ratio without government levy	0.89%

\*as against 12 month PKRV

\*\*as against benchmark

\*\*\*This includes 0.2% representing government levy, Sindh Workers' Welfare Fund and SECP fee

## Annualized

Particulars	2014	2015	2016	2017	2018
Benchmark (%)	8.73	11.75	7.52	6.40	6.53
PIEF (%)	8.73	13.63	8.33	5.06	5.17

## 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. 5.68 million, if the same were not made the NAV per unit of PIEF would be higher by Rs. 0.3585 and YTD return would be higher by 0.68% .For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2018' 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	Head of Research

## Asset Allocation (%age of Total Assets)

Particulars	Dec-18	Nov-18
Others including receivables	2.2%	2.3%
Cash	46.9%	38.9%
TFCs	50.9%	56.0%
T-Bills	0.0%	2.8%

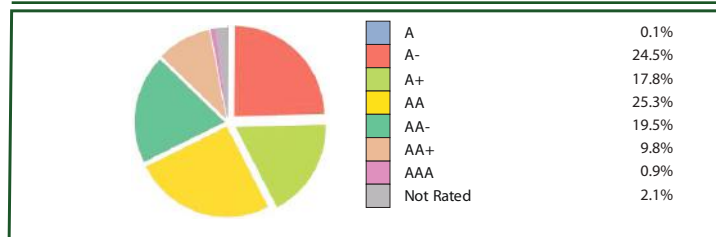
## Performance Information (%)

Particulars	PIEF	Benchmark
Year to Date Return (Annualized)	6.70	9.72
Month to Date Return (Annualized)	9.74	11.21
180 Days Return (Annualized)	6.72	9.77
365 Days Return (Annualized)	5.91	8.22
Since inception (CAGR)	9.86	10.40
Average Annual Return (Geometric Mean)	9.64	-

## Returns are computed on the basis of NAV to NAV with dividends reinvested Top TFC Holdings (%age of Total Assets)

Dawood Hercules Corporation Limited (16-Nov-17)	11.9%
Bank Al Habib Limited (17-Mar-16)	10.0%
Jahangir Siddiqui & Company Limited (18-Jul-17)	9.4%
The Bank of Punjab (23-Dec-16)	9.3%
Askari Bank Limited (30-Sep-14)	4.6%
Bank Al Falah Limited (20-Feb-13)	3.5%
The Bank of Punjab (23-Apr-18)	2.3%
Byco Petroleum Pakistan Limited (18-Jan-17)	0.1%

## Asset Quality (%age of Total Assets)



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### MUFAP's Recommended Format



December 31, 2018

## General Information

Fund Type	An Open End Scheme
Category	Asset Allocation Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)
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	Deloitte Yousuf Adil & Co. Chartered Accountants
Management Fee	2% p.a.
Front end Load*	Growth & Cash Dividend Units Front End Load for other than online / Website Investor (s).....3% Front End Load for online / website Investor (s)..... Nil Bachat Units (Two Years) Nil Bachat Units (Three Years) Nil Growth & Cash Dividend Units Nil Bachat Units (Two Years): - 3% if redeemed before completion of two years from 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.
Back-end Load*	Class "B" Units Year since purchase of units First 3% Second 2% Third 1% Fourth and beyond 0% Backend Load
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)
Leverage	Nil
*Subject to government levies	

## 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 -6.10% in December 2018 compared to the benchmark of 1.08%. Exposure in equities was slightly increased. Similarly allocation towards cash was increased. While the rest was in TFC's.

## Fund Facts / Technical Information

NAV per Unit (PKR)	73.6449
Net Assets (PKR M)	2,816
Sharp Ratio*	-0.011
Standard Deviation	0.56
Correlation	73.64%
Total expense ratio with government levy**	1.82%
Total expense ratio without government levy	1.63%

\*as against 12 month PKRV \*\*This includes 0.19% representing government levy, Sindh Worker's Welfare Fund and SECP fee

## Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	993,253	6,252,504

## Performance Information (%)

Particulars	MCB -PAAF	Benchmark
Year to Date Return	-6.73	5.68
Month to Date Return	-6.10	1.08
180 Days Return	-4.05	5.58
365 Days Return	-5.11	10.25
Since inception*	68.24	-

\*Adjustment of accumulated WWF since July 1, 2008

Returns are computed on the basis of NAV to NAV with dividends reinvested

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## MUFAP's Recommended Format

## 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. 9.07 million, if the same were not made the NAV per unit of MCB-PAAF would be higher by Rs. 0.2373 and YTD return would be higher by 0.30%. For details investors are advised to read Note 7.2 of the latest Financial Statements for the quarter ended September 30, 2018' 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	Head of Research
Mohammad Aitazaz Farooqui, CFA	Senior Research Analyst

## Asset Allocation (%age of Total Assets)

Particulars	Dec-18	Nov-18
TFCs	8.5%	6.7%
Cash	29.9%	0.7%
Others including receivables	1.6%	3.4%
T-Bills	0.0%	31.9%
Stocks / Equities	60.0%	48.4%
Term Deposit Receipts	0.0%	8.9%

## Absolute

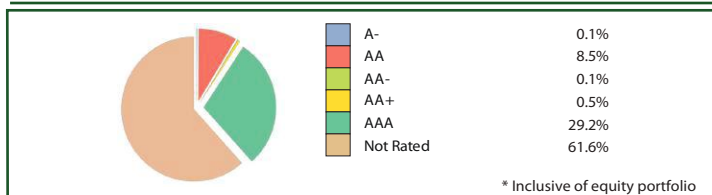
Particulars	2014	2015	2016	2017	2018
Benchmark (%)	NA	8.85*	9.86	7.75	8.71
MCB-PAAF (%)	11.95	19.41	3.21	9.54	-2.55

\* November-14 to June-15

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

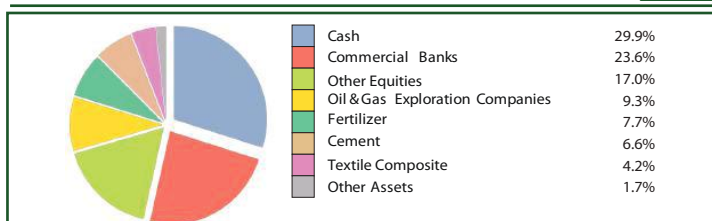
United Bank Limited	Equity	7.3%
Bank Al Falah Limited	Equity	5.0%
Dawood Hercules Corporation Limited (01-Mar-18)	Sukuk	4.3%
Lucky Cement Limited	Equity	4.3%
Bank Al-Habib Limited (17-Mar-16)	TFC	3.9%
Oil & Gas Development Company Limited	Equity	3.6%
Engro Polymer and Chemicals Limited	Equity	3.6%
Bank Of Punjab	Equity	3.1%
Pakistan Petroleum Limited	Equity	2.9%
Pakistan Oilfields Limited	Equity	2.8%

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



\* Inclusive of equity portfolio

## Sector Allocation (%age of Total Assets)







December 31, 2018

## General Information

Fund Type	An Open End Scheme
Category	Asset Allocation Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)
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	Deloitte Yousuf Adil & 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 [Actual rate of Management Fee : 1.11%]
Front end Load*	3%
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	First five business days of every month
Cut off Timing	Mon - Fri (9:00 AM to 4:30 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

Considering market dynamics fund remain underweight in equities. Fund will keep exploring opportunities and will timely allocate funds in areas where it could balance risk and reward to its unit holders.

## Performance Information (%)

Particulars	MCB PFPF	Benchmark
Year to Date Return	2.24	4.09
Month to Date Return	-0.23	0.43
365 days Return	4.94	6.78
180 days Return	2.24	4.09
Since inception	16.76	20.63

Returns are computed on the basis of NAV to NAV with dividends reinvested  
Absolute

	2016**	2017	2018
Benchmark (%)	4.36	5.88	4.88
MCB-PFPF (%)	3.54	5.54	4.50

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

## Fund Facts / Technical Information

NAV per Unit (PKR)	101.0066
Net Assets (PKR M)	327
Total expense ratio with government levy*	1.20%
Total expense ratio without government levy	1.01%

\*This includes 0.19% representing government levy, Sindh Workers' Welfare fund and SECP fee

## 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. 2.28 million, if the same were not made the NAV per unit of MCB-PFPF would be higher by 0.7045 and YTD return would be higher by 0.71% .For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2018' of MCB-PFPF.

## 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	Head of Research
Mohammad Aitazaz Farooqui, CFA	Senior Research Analyst

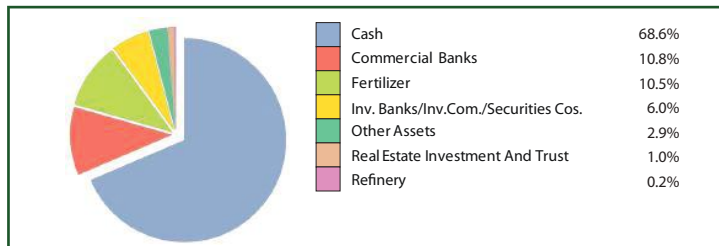
## Asset Allocation (%age of Total Assets)

Particulars	Dec-18	Nov-18
TFCs	23.9%	17.1%
Cash	68.6%	18.4%
Others including receivables	2.9%	5.4%
T-Bills	0.0%	54.2%
Stock / Equities	4.6%	4.9%

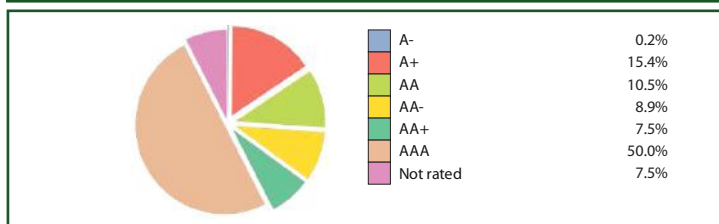
## Top Holdings (%age of Total Assets)

Dawood Hercules Corporation Limited (01-Mar-2018)	Sukuk	10.5%
The Bank Of Punjab (23-Dec-2016)	TFC	7.2%
Jahangir Siddiqui And Company Limited (06-Mar-2018)	TFC	6.0%
United Bank Limited	Equity	3.7%
Dolmen City REIT	Equity	1.0%
Byco Petroleum Pakistan Limited (18-Jan-2017)	Sukuk	0.3%
Kohinoor Textile Mills Limited	Equity	0.0%

## Sector Allocation (%age of Total Assets)



## Asset Quality (%age of Total Assets)



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### MUFAP's Recommended Format



December 31, 2018

## General Information

Fund Type	An Open End Scheme
Category	Balanced Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)
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	A.F.Ferguson & 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)
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 -6.68% in December 2018 against its benchmark of -6.53%. During the month we increased exposure in Cash. Exposure in equity was slightly 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	Head of Research
Mohammad Aitazaz Farooqui, CFA	Senior Research Analyst

## Performance Information (%)

Particulars	PCM	Benchmark			
Year to Date Return	-6.18	-8.43			
Month to Date Return	-6.68	-6.53			
180 days Return	-6.18	-8.43			
365 days Return	-2.79	-5.03			
Since Inception	592.41	496.06			
<i>Returns are computed on the basis of NAV to NAV with dividends reinvested</i>					
	2014	2015	2016	2017	2018
Benchmark (%)	27.12	13.92	8.89	19.62	-4.32
PCM (%)	26.10	31.11	5.17	25.36	-3.21

## Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	194,833	1,217,880

## DISCLAIMER

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## MUFAP's Recommended Format

## Others

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

PCMF has maintained provisions against Sindh Worker's Welfare Fund's Liability to the tune of Rs. 3.90million, if the same were not made the NAV per unit of PCMF would be higher by Rs. 0.0747 and YTD return would be higher by 0.67%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2018' of PCMF.

## Asset Allocation (%age of Total Assets)

Particulars	Dec-18	Nov-18
Cash	34.8%	4.7%
T-Bills	0.0%	32.4%
Stocks / Equities	63.8%	61.4%
Others including receivables	1.2%	1.3%
TFCs	0.2%	0.2%

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

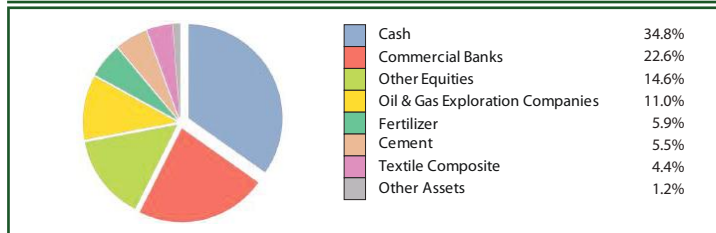
Bank Al Falah Limited	Equity	5.8%
United Bank Limited	Equity	5.6%
MCB Bank Limited	Equity	4.9%
Pakistan Petroleum Limited	Equity	4.7%
Oil & Gas Development Company Limited	Equity	4.6%
Engro Polymer and Chemicals Limited	Equity	4.2%
Lucky Cement Limited	Equity	3.9%
Bank Of Punjab	Equity	3.7%
Engro Fertilizer Limited	Equity	3.4%
Hub Power Company Limited	Equity	2.9%

## Fund Facts / Technical Information

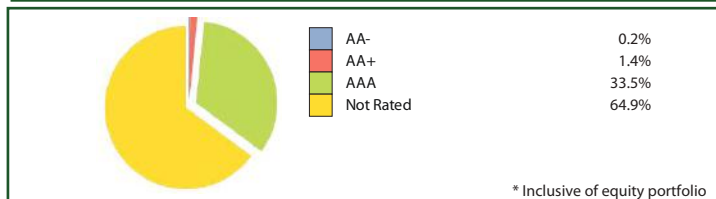
Particulars	PCM
NAV per Unit (PKR)	10.4700
Net Assets (PKR M)	546
Sharpe Ratio	0.04
Standard Deviation	0.79
Total expense ratio with government levy*	1.79%
Total expense ratio without government levy	1.6%

\*This includes 0.19% representing government levy, Sindh Worker's Welfare Fund and SECP fee

## Sector Allocation (%age of Total Assets)



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



\* Inclusive of equity portfolio



December 31, 2018

## General Information

Fund Type	An Open End Scheme	
Category	Equity Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)	
Stability Rating	Not Applicable	
Risk Profile	High	
Launch Date	11-Mar-2002	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	EY Ford Rhodes, 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	
Benchmark	Pakistan Stock Exchange	
Pricing Mechanism	KSE 100 Index	
Dealing Days	Forward	
Cut off Timing	Monday - Friday	
Leverage	Mon - Fri (9:00AM to 4:30 PM)	
	Nil	

\*Subject to government levies

## Investment Objective

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

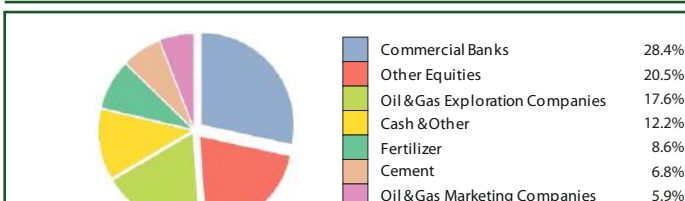
## Manager's Comment

The Fund's NAV dropped by 9.4% in December 2018 compared to its benchmark drop of 8.5%. For fiscal year to date, the Fund posted a drop of 10.9% compared to 11.56% drop in the benchmark, resulting in an outperformance of 70 basis points. At the month end, the fund was 87.8% invested 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	Head of Research
Mohammad Aitazaz Farooqui, CFA	Senior Research Analyst

## Sector Allocation (%age of Total Assets)



## 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. 57.88 million, if the same were not made the NAV per unit of MCB-PSMF would be higher by Rs. 0.4614 and YTD return would be higher by 0.49%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2018' of MCB-PSM.

## Asset Allocation (%age of Total Assets)

Particulars	Dec-18	Nov-18
Cash	11.8%	7.4%
Others including receivables	0.4%	1.3%
T-Bills	0.0%	5.0%
Stocks / Equities	87.8%	86.3%

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

Oil & Gas Development Company Limited	7.2%
United Bank Limited	6.7%
Bank Al Falah Limited	6.0%
Engro Polymer and Chemicals Limited	4.9%
Pakistan Petroleum Limited	4.8%
Hub Power Company Limited	4.4%
MCB Bank Limited	4.4%
Lucky Cement Limited	3.9%
Pakistan Oilfields Limited	3.7%
Engro Corporation Limited	3.3%

## Fund Facts / Technical Information

Particulars	MCB-PSM	KSE-100
NAV per Unit (PKR)	84.5137	
Net Assets (PKR M)	10,601	
Price to Earning (x)*	7.54	7.70
Dividend Yield (%)	6.14	7.10
No. of Holdings	47	100
Weighted. Avg Mkt Cap (PKR Bn)	124	136
Sharpe Ratio	0.05	0.04
Beta	0.74	
Correlation***	90.35%	
Standard Deviation	1.06	1.29
Total expense ratio with government levy**	1.66%	
Total expense ratio without government levy	1.47%	

\*prospective earnings

\*\*This includes 0.19% representing government levy, Sindh Worker's Welfare Fund and SECP fee

\*\*\*as against benchmark

## Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	3,808,091	22,918,901

## Performance Information (%)

Particulars	MCB-PSM	Benchmark
Year to Date Return	-10.86	-11.56
Month to Date Return	-9.41	-8.47
180 days Return	-7.12	-8.13
365 days Return	-7.14	-8.41
Since inception	2,714.97	1,879.31

Returns are computed on the basis of NAV to NAV with dividends reinvested

	2014	2015	2016	2017	2018
Benchmark (%)	41.16	16.01	9.84	23.24	-10.00
MCB-PSM (%)	34.78	39.35	5.25	29.54	-7.51

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## General Information

Fund Type	An Open End Scheme
Category	Voluntary Pension Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Oct-18)
Stability Rating	Not Applicable
Launch Date	29-Jun-2007
Fund Manager	Syed Abid Ali
Trustee	Central Depository Company of Pakistan Limited
Auditor	EY Ford Rhodes, 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)
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 -9.46% while the KSE-100 return stood at -8.47%. Overall equity allocation was increased.

Debt sub-fund generated an annualized return of 8.34% during the month. Exposure in cash was increased.

Money Market sub-fund generated an annualized return of 7.53% during the month. Exposure in Cash 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	Head of Research
Mohammad Aitazaz Farooqui, CFA	Senior Research Analyst

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

Pakistan Petroleum Limited	7.5%
United Bank Limited	7.1%
Bank Al Falah Limited	6.6%
Oil & Gas Development Company Limited	6.1%
Engro Fertilizer Limited	5.7%
Hub Power Company Limited	5.4%
Lucky Cement Limited	4.8%
Pakistan Oilfields Limited	4.7%
Engro Corporation Limited	4.0%
Engro Polymer and Chemicals Limited	3.8%

## Others

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

PPF-DT has maintained provisions against Sindh Workers' Welfare Fund's Liability to the tune of Rs. 1.86 million, if the same were not made the NAV per unit would be higher by Rs. 0.8263 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 quarter ended September 30, 2018' of PPF.

PPF-EQ has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 3.77 million, if the same were not made the NAV per unit would be higher by Rs. 2.3364 and YTD return would be higher by 0.46%. For details investors are advised to read Note 7.2 of the latest Financial Statements for the quarter ended September 30, 2018' of PPF.

PPF-MM has maintained provisions against Sindh Workers' Welfare Fund's Liability to the tune of Rs. 0.48 million, if the same were not made the NAV per unit would be higher by Rs. 0.5156 and YTD return would be higher by 0.24%. For details investors are advised to read Note 7.2 of the latest financial Statements for the quarter ended September 30, 2018' of PPF.

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

Particulars	Dec-18	Nov-18
Cash	76.3%	5.4%
Others including receivables	0.7%	0.3%
T-Bills	0.0%	70.8%
Commercial Paper	4.2%	4.3%
Term Deposit Receipts	18.8%	19.2%

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

Particulars	Dec-18	Nov-18
Cash	51.2%	13.3%
T-Bills	21.8%	52.4%
Others including receivables	0.9%	0.8%
Commercial Paper	6.9%	8.8%
PIBs	0.7%	0.9%
TFCs	18.5%	23.8%

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

Particulars	Dec-18	Nov-18
Other equity sectors	24.1%	23.4%
Fertilizer	12.6%	10.4%
Power Generation & Distribution	5.5%	4.6%
Cement	7.9%	8.1%
Oil & Gas Exploration Companies	18.3%	14.7%
Commercial Banks	28.5%	28.5%
Cash	2.2%	7.6%
Other including receivable	0.9%	2.7%

## Performance Information & Net Assets

Particulars	PPF-EQ*	PPF-DT**	PPF-MM**
Year to Date Return (%)	-10.68	6.47	6.44
Month to Date Return (%)	-9.46	8.34	7.53
Since inception (%)	357.11	8.19	7.37
Net Assets (PKR M)	737.05	557.74	211.06
NAV Per Unit (PKR)	457.20	247.49	226.54

Returns are computed on the basis of NAV to NAV with dividends reinvested

	2014	2015	2016	2017	2018
PPF - EQ*	49.60	37.95	10.77	35.72	-9.43
PPF - DT**	7.16	16.85	7.35	4.31	4.31
PPF - MM**	7.15	7.17	4.40	4.30	4.39

\* Total Return

\*\* Annualized return

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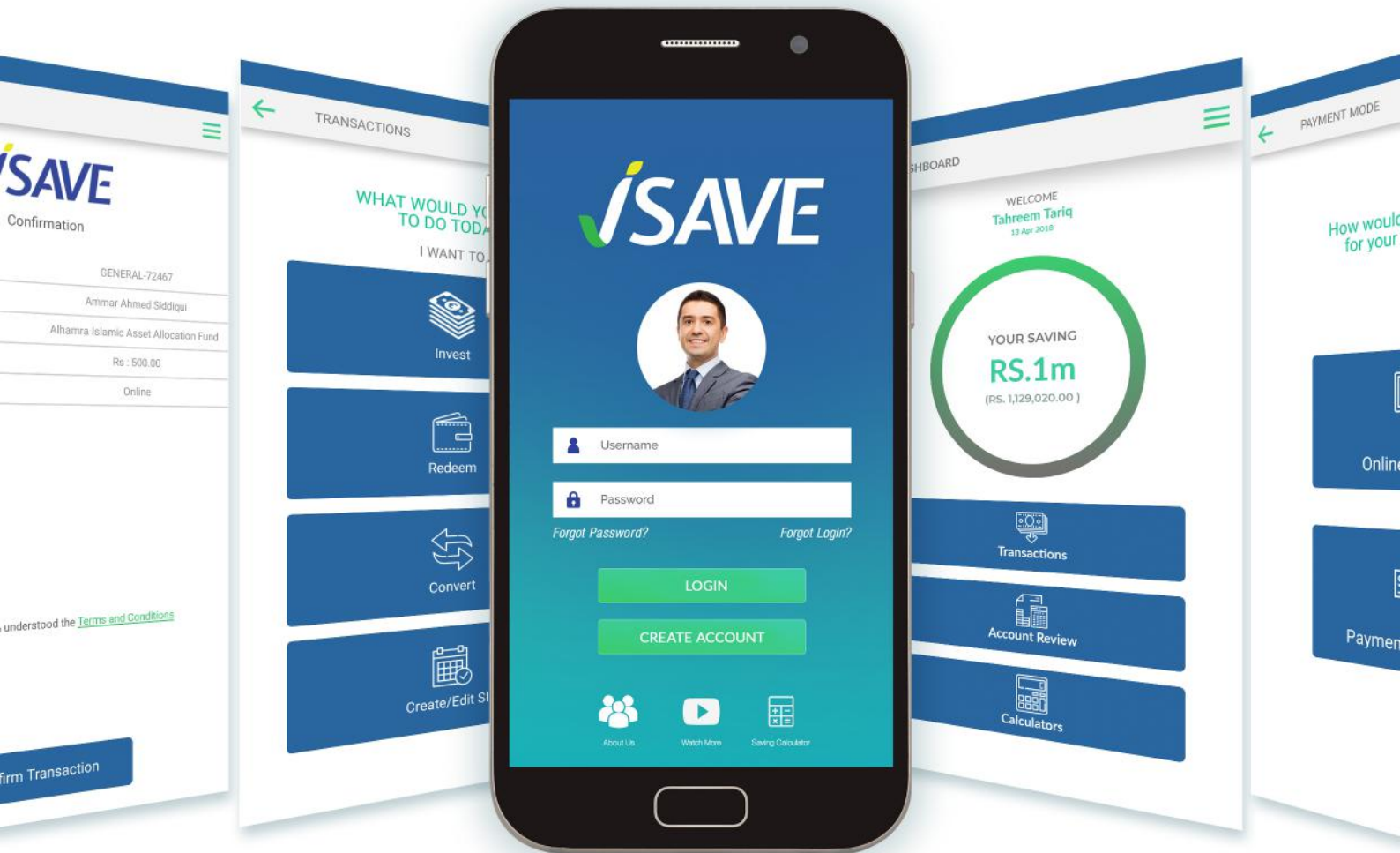


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