

QUARTERLY REPORT

March 31, 2017
(Unaudited)



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

MCB PAKISTAN STOCK MARKET FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
Board of Directors	Mian Mohammad Mansha Mr. Nasim Beg Mr. Muhammad Saqib Saleem Dr. Syed Salman Ali Shah Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib Mr. Mirza Qamar Beg	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Mirza Qamar Beg Mr. Nasim Beg	Chairman Member Member Member
Human Resource & Remuneration Committee	Dr. Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Financial Officer & Company Secretary	Mr. Abdul Basit	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B' S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited United Bank Limited Allied Bank Limited NIB Bank Limited Bank Al-Habib Limited Standard Chartered Bank of Pakistan Limited Summit Bank Limited	
Auditors	A.F. Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
Rating	AM2++ Asset Manager Rating assigned bt PACRA	

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB Pakistan Stock Market Fund** accounts review nine months ended March 31, 2017.

EQUITIES MARKET OVERVIEW

Pakistan Stock Exchange (PSX)'s rally faltered during 3QFY17 as the index posted a meager return of 0.7%, taking the cumulative 9MFY17 return to ~27%. Foreigners' selling remained unabated as they offloaded USD 162 mn worth of equities during the quarter, taking their total selling to USD ~485 mn during 9MFY17. Local liquidity remained robust with mutual funds, insurance and companies buying USD 131 mn, USD 419 mn and USD 152 mn respectively worth of equities.

Among the best performers, Steel sector lead the charts, outperforming the benchmark index by a massive 133% as strong infrastructural activities under the CPEC regime, along with government's favorable policies in terms of tariff protection provided to the local manufacturers provided strong investors interest in the sector. With the returns of 76%, Auto Assemblers remained the second best performers in the market. Launch of the new Honda Civic and Ciaz accompanied by expected launch of Honda BR-V, New Cultus and face-lift of Corolla triggered a rally in the sector. OMC sector also gained 63%, primarily on the back of rally in SNGP as the company announced capital projects worth PKR110 billion to be completed by 2018.

On the flip side, Fertilizers underperformed the benchmark by 26% as rising inventories coupled with discounts on urea prices took a toll on the sector. Furthermore, decline in international urea prices in the latter half of 3QFY17 eroded the pricing power of local manufacturers and dampened the potential export margins. Oil & Gas Exploration sector also underperformed the benchmark by 17% as oil prices declined by 3.8% during 9MFY17 as US inventories piled up along with increasing US rig count data. Alongside, news flows regarding OGDC and Mari's divestment by the government of Pakistan kept the performance under check in the sector.

We expect the positive momentum to continue going forward as market draws close to its graduation to MSCI EM Index. In addition, low interest rates scenario is also keeping fixed income returns subdued, which is further attracting the liquidity in the equity market. PSX is currently trading at a forward multiple of 11.0x, still at a 11.5% discount to the MSCI EM, reflecting further room for re-rating from here.

Going forward, we believe strong local liquidity is expected to mitigate the impact of adverse foreign flows. However, sooner or later, we can expect improved foreign flows in the market because of inclusion in MSCI in May 2017. We recommend our investors to focus on the long term value offered by the local bourse through our equity funds.

FUND PERFORMANCE

During the period, PSM generated a return of 32.24% as compared to a return of 27.45% witnessed by the KSE100 Index, outperforming the benchmark by 4.79%. Overall equity exposure stood at 88.4% on March 31st, 2017. The fund remained vigilant of the external factors and the investment strategy was maneuvered considering the fundamental developments. Changes in sector level allocation include decrease in exposure in Oil and Gas Exploration sector, Fertilizer while allocation was increased in Banks, Cements, and Power Generation and Distribution.

The Net Assets of the fund as at March 31st, 2017 stood at Rs. 11,562 million as compared to Rs. 8,018 million as at June 30 2016 registering an increase of 44.20%.

The Net Asset Value (NAV) per unit as at March 31, 2017 was Rs. 115.1648 as compared to opening NAV of Rs. 87.0900 per unit as at June 30, 2016 registering an increase of 28.0748 per unit.

FUTURE OUTLOOK

While government stands committed to achieving its GDP growth target of 5.7%, we expect it to remain short of desired numbers owing to below par manufacturing growth. LSM growth has posted a modest growth of 3.5% during 7MFY17, against the full year target of 5.9%. The misery of export-oriented sectors continues to haunt the manufacturing industry, as Textile and Leather industry continue to grow at dismal pace. Going forward, the recently announced export package is expected to provide some support to the export sector, nevertheless, the overvalued currency as depicted from REER (~25% overvalued as per SBP) remains a stumbling block in the way of competitiveness of the country.

The direction of general inflation is expected to be shaped by the trend in crude oil prices and currency outlook. While crude oil prices have stabilized and are expected to continue to do so, government has started to increase petroleum prices by increasing sales tax on petroleum products as tax collection so far has been below target. Similarly, the outlook of currency remains worrisome given the

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

deterioration in external factors. Thus, from next year onwards, we might foresee inflation to kick above 5.0%, compared to current average of ~4.0%.

External account remains a threat to the stabilizing economy, as recent data showed current account deficit worsened to 2.7% of GDP, against the target of 1.5% for full fiscal year. Rising imports, along with weak exports and remittances contributed to the aggravation of external account. We expect the same trend to continue for the foreseeable future until the overvaluation of currency vanishes.

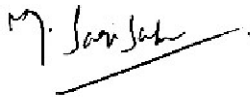
We expect interest rates to remain stable in the short term given stable inflationary trends along with government's increased focus on managing reserves through foreign borrowing. However, exchange rate overvaluation in addition with weak external account suggest a close scrutiny of the emerging trends, as the potential of inflection point remains in a form of monetary tightening.

The China Pakistan Economic Corridor is expected to provide much needed impetus to growth. Growing confidence in the economy has led to increase the quantum of investment from initially desired \$46 billion to more than \$60 billion. Local investor confidence has also improved drastically, after a long time, as witnessed by a gush of investment deals announced in the variety of sectors. Cement, Steel and Auto industry have already announced multiple expansion and green field investment plans with more to come from other industries. Given, the expansionary phase, we expect equity markets to outperform alternate asset classes. Inclusion of Pakistan to MSCI Emerging Market Index is expected to further channel liquidity in the local market. The MSCI specific companies are expected to gain limelight as formal inclusion nears. However, the volatility in global markets lead by uncertainty in global economies after Trump's induction as US President along with political uncertainty due to Panama case would keep the short term market performance in check. However, we reiterate our positive stance on the market.

ACKNOWLEDGMENT

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

For and on behalf of Board,



Muhammad Saqib Saleem
Chief Executive Officer
April 21, 2017

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی پاکستان اسٹاک مارکیٹ فنڈ کے 31 مارچ 2017ء کو ختم ہونے والی مدت کے اکاؤنٹس کا جائزہ پیش خدمت ہے۔

ایکویٹیز مارکیٹ کا مجموعی جائزہ

مالی سال 2017ء کی تیسری سہ ماہی کے دوران پاکستان اسٹاک ایکسچینج (PSX) کی کارکردگی میں ضعف رہا جیسا کہ انڈیکس میں 0.7% معمولی اضافے سے ظاہر ہے، اور یوں مالی سال 2017ء کے ابتدائی نو ماہ کا مجموعی منافع 27% ہو گیا۔ غیر ملکیوں کی فروخت بدستور ہے تاہم پوری کیونکہ انہوں نے دوران سہ ماہی 162 ملین امریکی ڈالر مالیت کی ایکویٹیز فروخت کیں، جس سے مالی سال 2017ء کے ابتدائی نو ماہ کے دوران مجموعی فروخت 485 ملین امریکی ڈالر تک پہنچ گئی۔ مقامی لیکویڈیٹی بھرپور رہی اور میڈیچل فنڈز، انشورنس اور کمپنیوں نے پالترتیب 131 ملین، 419 ملین اور 152 ملین امریکی ڈالر مالیت کی ایکویٹیز خریدیں۔

بہترین کارکردگی کا مظاہرہ کرنے والوں میں اسٹیل سیکٹر سب سے آگے رہا۔ اس شعبے نے مقررہ معیار سے 133% بہتر کارکردگی کا مظاہرہ کیا جس کا سبب یہ تھا کہ CPEC کے تحت انفراسٹرکچر کی مستحکم سرگرمیوں کے ساتھ ساتھ مقامی تیار کنندگان کے لئے tariff کے تحفظ کی سازگار حکومتی پالیسیوں نے اس شعبے میں سرمایہ کاروں کی دلچسپی کو بھرپور انداز میں مائل کیا۔ گاڑیوں کے اسمبلرز 76% منافع حاصل کر کے مارکیٹ میں دوسرے بہترین کھلاڑی بن گئے۔ نئی ہنڈا سوک اور Ciaz کے متعارف ہونے اور ہنڈا BR-V، نیو کلاش اور Corolla کی face-lift کے متوقع آغاز نے اس شعبے میں بھرپور پلچل پیدا کی۔ OMC سیکٹر نے بھی 63% منافع حاصل کیا جس کا بنیادی سبب SNGP میں ترقی ہے کیونکہ کمپنی نے 110 بلین روپے مالیت کے کپٹل پراجیکٹس کا اعلان کیا جن کو 2018ء تک مکمل کر لیا جائے گا۔

دوسری جانب کھاد کے شعبے نے مقررہ معیار سے 26% کم کارکردگی کا مظاہرہ کیا کیونکہ انویٹریز میں اضافے کے ساتھ ساتھ یورپا کی قیمتوں میں ڈسکاؤنٹس نے اس شعبے کو متاثر کیا۔ علاوہ ازیں، مالی سال 2017ء کی تیسری سہ ماہی کے نصف آخر میں یورپا کی بین الاقوامی قیمتوں میں کمی کے باعث مقامی تیار کنندگان کا قیمتوں کے تعین کا اختیار بتدریج ناکارہ ہو گیا اور متوقع برآمداتی margins متاثر ہوئے۔ آئل اینڈ گیس ایکسپلوریشن سیکٹر کی کارکردگی بھی مقررہ معیار سے 17% کم رہی جیسا کہ مالی سال 2017ء کے ابتدائی نو ماہ کے دوران تیل کی قیمتوں میں 3.8% کمی سے ظاہر ہے جو امریکی انویٹریز کا ڈھیر لگ جانے اور امریکی rig کی کتنی کے اعداد و شمار میں اضافے کے باعث ہوئی۔ اس کے ساتھ ساتھ حکومت پاکستان کی طرف سے OGDC اور ماری کی divestment سے متعلق خبروں کی گردش سے سیکٹر میں کارکردگی زبردست چلی رہی۔

ہم امید کرتے ہیں کہ جوں جوں مارکیٹ MSCI EM انڈیکس تک اپنی گریجویٹیشن کے قریب پہنچ رہی ہے، یہ مثبت رفتار جاری رہے گی۔ علاوہ ازیں، انٹریسٹ کی پست شرحیں بھی فکسڈ آمدنی کے منافع کو پست رکھے ہوئے ہیں جس سے ایکویٹی مارکیٹ میں liquidity کا رجحان مزید بڑھ رہا ہے۔ PSX موجودہ طور پر 11.0x کے فارورڈ ملٹپل پر، اور ابھی تک MSCI EM کے 11.5% ڈسکاؤنٹ پر تجارت کر رہا ہے، اور اس سے عکاسی ہوتی ہے کہ یہاں سے ری-ریٹنگ کی مزید گنجائش ہے۔

علاوہ ازیں، ہم سمجھتے ہیں کہ مستحکم مقامی لیکویڈیٹی سے متوقع طور پر منفی غیر ملکی آمدات کا اثر کم ہوگا۔ تاہم مئی 2017ء میں MSCI میں شمولیت کے باعث جلد یا بدلتا خبر مارکیٹ میں بہتر غیر ملکی آمدات کی توقع کی جاسکتی ہے۔ ہم اپنے سرمایہ کاروں کو مشورہ دیتے ہیں کہ ہمارے ایکویٹی فنڈز کے ذریعے مقامی اسٹاک مارکیٹ میں پیش کردہ طویل المیعاد قدر پر توجہ مرکوز رکھیں۔

فنڈ کی کارکردگی

دوران مدت، فنڈ کا منافع 32.24% تھا، جبکہ KSE100 انڈیکس کا منافع 27.45% تھا، یعنی فنڈ کی کارکردگی مقررہ معیار سے 4.79% بہتر تھی۔ 31 مارچ 2017ء کو ایکویٹی میں مجموعی شمولیت 88.4% تھی۔ فنڈ خارجی عناصر سے چونکنا رہا اور کچھ بنیادی پیش رفت کے پوسٹ نظر سرمایہ کاری کی حکمت عملی میں مطلوبہ ترمیم کی گئی۔ سیکٹر کی سطح کے انحصار میں تبدیلیوں میں آئل اینڈ گیس ایکسپلوریشن اور فرٹیلائزر سیکٹر میں کمی، جبکہ بینکوں، سیمنٹ اور پاور جنریشن اینڈ ڈسٹری بیوٹن میں اضافہ شامل ہیں۔

31 مارچ 2017ء کو فنڈ کے net اثاثہ جات 11,562 ملین روپے تھے، جو 30 جون 2016ء کو 8,018 ملین روپے کے مقابلے میں 44.20% اضافہ ہے۔ 31 مارچ 2017ء کو net اثاثہ جاتی قدر (NAV) فی یونٹ 115.1648 روپے تھی، جو آغاز مدت یعنی 30 جون 2016ء کو 87.0900 روپے فی یونٹ کے مقابلے میں 28.0748 روپے فی یونٹ اضافہ ہے۔

مستقبل کا منظر

اگرچہ حکومت مجموعی مقامی پیداوار میں 5.7% ترقی کے اپنے ہدف کو حاصل کرنے کے لئے ہر عزم ہے، لیکن ہم سمجھتے ہیں کہ وہ مطلوبہ سہ کم مینوفیکچرنگ ترقی کے باعث مذکورہ سطح تک پہنچنے میں ناکام رہے گی۔ LSM ترقی نے مالی سال 2017ء کے ابتدائی سات ماہ کے دوران 3.5% معمولی ترقی کی جبکہ پورے سال کا ہدف 5.9% تھا۔ برآمداتی سیکٹر کی مشکلات کے سائے بدستور مینوفیکچرنگ صنعت پر منڈلا رہے ہیں اور ٹیکسٹائل اور چمڑے کی صنعت کی ترقی کی رفتار مایوس کن ہے۔

علاوہ ازیں، حالیہ اعلان کردہ برآمداتی کٹج سے برآمدات کے شعبے کو کچھ معاونت متوقع ہے، لیکن بیش قدر کرنسی، جیسا کہ REER سے ظاہر ہے (اسٹیٹ بینک آف پاکستان کے مطابق 25% بیش قدری) ملکی کی مسابقتی اہلیت کی راہ میں بہت بڑی رکاوٹ ہے۔

عمومی افراط زر کی سب سے متوقع طور پر خام تیل کی قیمتوں کے رجحان اور کرنسی کے مستقبل کے منظر کے ذریعے طے ہوگی۔ اگرچہ خام تیل کی قیمتیں مستحکم ہو گئی ہیں اور اُمید کی جارہی ہے کہ مستحکم رہیں

گی، حکومت نے پٹرول کی مصنوعات پر سبز ٹیکس میں اضافے کے ذریعے پٹرول کی قیمتوں میں اضافہ شروع کر دیا ہے کیونکہ تاحال ٹیکس مطلوبہ ہدف سے کم وصول ہوا ہے۔ اسی طرح کرنی کے مستقبل کا منظر خارجی عناصر میں انعطاف کے باعث بدستور پریشان کن ہے۔ چنانچہ اگلے سال سے افراط زر موجودہ اوسط 4.0% کے مقابلے میں 5.0% سے بلند جاسکتی ہے۔ خارجی اکاؤنٹ استحکام کی راہ پر گامزن معیشت کے لئے بدستور خطرہ بنا ہوا ہے کیونکہ حالیہ اعداد و شمار کے مطابق کرنٹ اکاؤنٹ کا خسارہ بدتر ہو کر مجموعی ملکی پیداوار کا 2.7% ہو گیا، جبکہ کھل مالی سال کا ہدف 1.5% تھا۔ بڑھتی ہوئی درآمدات کے ساتھ ساتھ کمزور برآمدات اور تسلی زر سے خارجی اکاؤنٹ مزید بگڑ گیا۔ قابل پیش گوئی مستقبل میں کرنی کی پیش قدری ختم ہونے تک متوقع طور پر یہ رجحان جاری رہے گا۔

توقع ہے کہ مختصر میعاد میں افراط زر کے مستحکم رجحانات کے ساتھ ساتھ reserves کو غیر ملکی قرضوں کے حصول کے ذریعے چلانے پر حکومت کی بڑھتی ہوئی توجہ کی بدولت انٹریٹ کی شرحیں مستحکم رہیں گی۔ تاہم شرح مبادلہ کی پیش قدری کے علاوہ کمزور خارجی اکاؤنٹ اس بات کی طرف اشارہ کر رہے ہیں کہ ابھرتے ہوئے رجحانات کا باریک بینی کے ساتھ جانچ پڑتال کی جائے، کیونکہ کلید تفریق کی استعداد مالیاتی گرفت کو تنگ کرنے کی صورت میں برقرار ہے۔

چین پاکستان معاشی راہداری متوقع طور پر ترقی کے لئے بے حد مطلوب تحریک فراہم کرے گی۔ معیشت میں بڑھتے ہوئے اعتماد کی بدولت سرمایہ کاری کا حجم ابتدائی مطلوبہ 46 بلین ڈالر سے بڑھ کر 60 بلین ڈالر سے زائد ہو گیا ہے۔ مقامی سرمایہ کاروں کے اعتماد میں بھی ایک طویل عرصے بعد بڑے پیمانے پر اضافہ ہوا ہے، جیسا کہ مختلف شعبوں میں سرمایہ کاریوں کی بھرپور راہ سے ظاہر ہے۔ سیٹ، اسٹیل اور گاڑیوں کی صنعتیں پہلے ہی متعدد توسیعی اور گرین فیلڈ سرمایہ کاری کے منصوبوں کا اعلان کر چکی ہیں، اور دیگر صنعتوں کی طرف سے بھی ایسے اعلانات متوقع ہیں۔ موجودہ توسیعی دور کو مد نظر رکھتے ہوئے ہم توقع کرتے ہیں کہ ایکویٹی مارکیٹس متبادل اثاثہ جات کے شعبوں سے سبقت کے جائیں گی۔ MSCI ایمرجنگ مارکیٹ انڈیکس میں پاکستان کی شمولیت کی بدولت توقع ہے کہ مقامی مارکیٹ میں مزید لیکویڈیٹی پہنچے گی۔ MSCI مخصوص کمینیز متوقع طور پر باقاعدہ شمولیت کے قریب منظر عام پر آئیں گی۔ تاہم ٹرمپ کے امریکی صدر بننے کے بعد عالمی معیشتوں میں عدم یقینی کی وجہ سے عالمی مارکیٹس میں عدم استحکام، اور اس کے ساتھ ساتھ پانا ما مقدسے کے باعث ہونے والی سیاسی عدم یقینی سے مختصر میعاد کی مارکیٹ کی کارکردگی کی جانچ ہوتی رہے گی۔ بہر حال، ہم مارکیٹ کے حوالے سے اپنے مثبت نظریے کا اعادہ کرتے ہیں۔

انٹہا تنقیر

بورڈ فنڈ کے گراں قدر سرمایہ کاروں، سکیورٹیز اینڈ ایسچینج کمیشن آف پاکستان اور فنڈ کے ڈسٹریبیوٹر کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹر منجمنٹ ٹیم کی کوششوں کو بھی خراج تحسین پیش کرتے ہیں۔

برائے اور مین جانب بورڈ

سید احمد

محمد ثاقب سلیم
چیف ایگزیکٹو آفیسر
21 اپریل 2017ء

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2017


		(Un-audited) March 31, 2017 ———— (Rupees in '000) ————	(Audited) June 30, 2016
	Note		
ASSETS			
Balances with banks		1,288,900	711,745
Investments	4	10,441,914	7,476,465
Receivable against sale of investments		14,175	159,109
Dividend and profit receivable		63,617	23,678
Advances and other receivables	5	7,317	7,152
Total assets		11,815,923	8,378,149
LIABILITIES			
Payable to the Management Company		26,116	17,015
Payable to the Central Depository Company of Pakistan Limited - Trustee		1,231	824
Payable to the Securities and Exchange Commission of Pakistan		7,120	6,712
Payable against purchase of investments		71,556	137,105
Accrued expenses and other liabilities	6	147,873	198,607
Total liabilities		253,895	360,263
NET ASSETS		11,562,028	8,017,886
Unit holders' funds		11,562,028	8,017,886
Contingencies and commitments	7		
		(Number of units)	
NUMBER OF UNITS IN ISSUE		100,395,464	92,063,013
		(Rupees)	
NET ASSETS VALUE PER UNIT		115.1648	87.0913

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.



 Chief Executive Officer

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

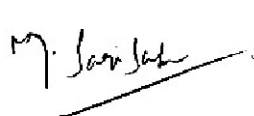


 Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

		Nine months ended March 31,		Quarter ended March 31,	
		2017	2016	2017	2016
	Note	(Rupees in '000)			
INCOME					
Capital (loss)/ gain on sale of investments - net		2,133,930	(48,592)	1,099,628	(195,845)
Dividend income and other income		315,358	240,395	87,896	90,983
Income from government securities		15,163	10,911	7,710	8,522
Profit on bank deposits		19,142	15,660	7,103	4,962
		<u>2,483,593</u>	<u>218,374</u>	<u>1,202,337</u>	<u>(91,378)</u>
Unrealised appreciation/ (diminution) on re-measurement of investments classified as at fair value through profit or loss - net	4.2	31,760	79,320	(275,999)	(31,333)
Total income		<u>2,515,353</u>	<u>297,694</u>	<u>926,338</u>	<u>(122,711)</u>
EXPENSES					
Remuneration of the Management Company		149,900	103,875	57,617	34,892
Sindh Sales tax and Federal Excise Duty on remuneration of the Management Company		19,487	33,489	7,490	11,249
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		8,246	5,945	3,128	1,993
Sindh Sales tax on Remuneration of the Trustee		1,072	832	407	279
Securities and Exchange Commission of Pakistan - annual fee		7,120	4,934	2,737	1,658
Selling and Marketing expenses	8	1,022	-	1,022	-
Allocated expense		8,469	2,771	3,255	1,989
Securities transaction cost		45,098	10,855	22,790	4,193
Settlement and bank charges		3,011	1,735	1,512	470
Fees and subscriptions		95	347	99	199
Auditors' remuneration		734	761	326	238
Others		369	279	53	126
Total expenses		<u>244,623</u>	<u>165,823</u>	<u>100,436</u>	<u>57,286</u>
Net income / (loss) from operating activities		<u>2,270,731</u>	<u>131,871</u>	<u>825,902</u>	<u>(179,997)</u>
Net element of income/ (loss) and capital gains/ (losses) included in prices of units issued less those in units redeemed					
Arising from capital gain/ (loss) and unrealised gain/ (loss)		108,283	56,669	73,723	(5,049)
Arising from other (loss) / gain		(13,763)	(9,888)	(12,609)	(4,102)
Provision for Workers' Welfare Fund	6.1	54,159	-	54,159	-
Net income / (loss) for the period before taxation		<u>2,419,409</u>	<u>178,652</u>	<u>941,174</u>	<u>(189,148)</u>
Taxation	10	-	-	-	-
Net income / (loss) for the period after taxation		<u>2,419,409</u>	<u>178,652</u>	<u>941,174</u>	<u>(189,148)</u>
Other comprehensive income / (loss) for the period					
<i>Items that may be reclassified to profit and loss account</i>					
Net unrealised appreciation / (diminution) in value of investments classified as available for sale - net		359,548	(511,192)	(609,214)	91,337
Total comprehensive income / (loss) for the period		<u>2,778,957</u>	<u>(332,540)</u>	<u>331,960</u>	<u>(97,811)</u>
Earnings per unit	11				

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.



Chief Executive Officer

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

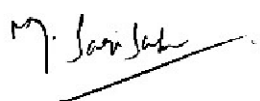


Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017**

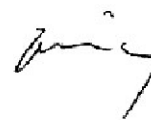
	Nine months ended March 31,		Quarter ended March 31,	
	2017	2016	2017	2016
	----- (Rupees in '000') -----			
Undistributed income brought forward	2,990,795	2,232,950	4,693,628	3,171,662
Net element of income/(loss) and capital gains/(losses) included in the prices of units issued less those in units redeemed - transferred from unit holder's fund	348,576	443,949	123,978	(126,963)
Net income/(loss) for the period	2,419,409	178,652	941,174	(189,148)
	2,767,985	622,601	1,065,152	(316,111)
Undistributed income carried forward	5,758,780	2,855,551	5,758,780	2,855,551

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.



Chief Executive Officer

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

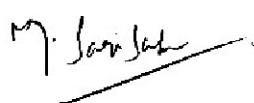


Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDER'S FUND (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

	Nine months ended March 31,		Quarter ended March 31,	
	2017	2016	2017	2016
	(Rupees in '000)			
Net assets at beginning of the period	8,017,886	6,075,006	10,982,995	7,312,027
Issue of 74,479,877 (2016: 59,203,556) units and 31,929,638 (2016: 19,255,771) units for the nine months and quarter ended respectively	7,898,380	4,729,222	3,725,645	1,477,148
Redemption of 66,147,426 (2016: 45,732,709) units and 29,467,692 (2016: 23,801,694) units for the nine months and quarter ended respectively	(7,038,674)	(3,564,950)	(3,417,457)	(1,840,558)
	859,706	1,164,272	308,188	(363,410)
Net element of (income)/loss and capital (gains)/losses included in prices of units issued less those in units redeemed :				
- amount representing (income) / loss and capital (gains) / losses transferred to the Income Statement				
Arising from capital (gain) / loss and unrealised (gain) / loss	(108,283)	(56,669)	(73,723)	5,049
Arising from other loss / (gain)	13,763	9,888	12,609	4,102
- amount representing (income) / loss and capital gains/(losses) that forms part of the unit holder's fund transferred to Distribution Statement	(348,576)	(443,949)	(123,978)	126,963
	(443,095)	(490,730)	(185,091)	136,114
Net element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed - amount representing unrealised income	348,576	443,949	123,978	(126,963)
Capital gain / (loss) on sale of investments - net	2,133,930	(48,592)	1,099,628	(195,845)
Unrealised appreciation / (diminution) on re-measurement of investments classified as fair value through profit or loss - net	31,760	79,320	(275,999)	(31,333)
Other income for the period - net	253,718	147,924	117,545	38,030
Unrealised appreciation in fair value of investments classified as 'available for sale during the period' - net	359,548	(511,192)	(609,214)	91,337
Total comprehensive income / (loss) for the period	2,778,956	(332,540)	331,959	(97,811)
Net assets at end of the period	11,562,028	6,859,957	11,562,028	6,859,957

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.



Chief Executive Officer

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

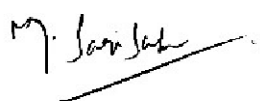


Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

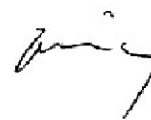
	Nine months ended March 31,		Quarter ended March 31,	
	2017	2016	2017	2016
	(Rupees in '000)			
A. CASH FLOWS FROM OPERATING ACTIVITIES				
Net income / (loss) for the period	2,419,409	178,652	941,174	(189,148)
Adjustments for:				
Element of (income)/loss and capital (gains)/losses included in prices of units issued less those in units redeemed				
Arising from capital (gain)/loss and unrealised (gain)/loss	(108,283)	(56,669)	(73,723)	4,817
Arising from other gain / (loss)	13,763	9,888	12,609	4,334
Provision for Workers' Welfare Fund	(54,159)	-	(54,159)	-
Unrealised (appreciation)/diminution on re-measurement of investments classified as at fair value through profit or loss - net	(31,760)	(79,320)	275,999	31,333
	<u>2,238,971</u>	<u>52,551</u>	<u>1,101,901</u>	<u>(148,664)</u>
(Increase) / decrease in assets				
Investments	(2,574,141)	(1,048,993)	(481,180)	342,001
Receivable against sale of investments	144,934	(167,415)	77,194	(185,234)
Receivable against issue of units	-	-	20,518	-
Dividend and profit receivable	(39,939)	(71,743)	(53,195)	(79,114)
Advances and other receivables	(166)	526	13	2
	<u>(2,469,312)</u>	<u>(1,287,625)</u>	<u>(436,650)</u>	<u>77,655</u>
Increase / (decrease) in liabilities				
Payable to the Management Company	9,101	632	3,851	(157)
Payable to the Central Depository Company of Pakistan Limited - Trustee	407	191	129	(8)
Payable to the Securities and Exchange Commission of Pakistan	408	453	2,737	1,658
Payable against purchase of investments	(65,550)	(93,303)	(312,203)	25,007
Accrued expenses and other liabilities	3,425	(4,506)	(103,478)	4,660
	<u>(52,209)</u>	<u>(96,533)</u>	<u>(408,964)</u>	<u>31,160</u>
Net cash (used in)/generated from operating activities	A			
	<u>(282,551)</u>	<u>(1,331,607)</u>	<u>256,287</u>	<u>(39,849)</u>
B. CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received from units sold	7,898,380	4,729,222	3,725,645	1,477,148
Cash paid on units redeemed	(7,038,674)	(3,564,950)	(3,417,457)	(1,840,558)
Net cash generated from / (used) in financing activities	B			
	<u>859,706</u>	<u>1,164,272</u>	<u>308,188</u>	<u>(363,410)</u>
Net increase / (decrease) in cash and cash equivalents during the period A + B	577,155	(167,335)	564,474	(403,259)
Cash and cash equivalents at beginning of the period	711,745	390,276	724,426	626,200
Cash and cash equivalents at end of the period	<u>1,288,900</u>	<u>222,941</u>	<u>1,288,900</u>	<u>222,941</u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.



Chief Executive Officer

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



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB Pakistan Stock Market Fund ("the Fund") was established under a Trust Deed executed between Arif Habib Investments Limited (now MCB-Arif Habib Savings and Investments Limited) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on October 23, 2001 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 28, 2002 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) [repealed by Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules)].
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 24th Floor, Centre Point, Off. Shaheed-e-Millat Expressway, Near KPT interchange, Karachi, Pakistan.
- 1.3 The Fund has been categorised as equity scheme and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund. The units are listed on the Pakistan Stock Exchange. The Fund primarily invests in listed equity securities. However, it also invests in cash instruments and treasury bills not exceeding 90 days in maturities.
- 1.4 The Pakistan Credit Rating Agency (PACRA) has assigned Management quality rating of Am2++ dated June 8, 2016 to the Management Company.
- 1.5 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund. The duration of the Fund is perpetual. However, SECP or the Management Company may wind it up on the occurrence of certain events as specified in the offering document of the Fund.
events as specified in the offering document of the Fund.

2. STATEMENT OF COMPLIANCE

- 2.1 This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP) shall prevail.
- 2.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published annual audited financial statements of the Fund for the period ended June 30, 2016.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

3. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

3.1 The accounting policies adopted for the preparation of the condensed interim financial information for the nine months and quarter ended March 31, 2017 are the same as those applied in the preparation of the published annual audited financial statements for the year ended June 30, 2016.

3.2 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the published annual audited financial statements as at and for the year ended June 30, 2016. The development in relation to estimation of provision in respect of Workers' Welfare Fund is given in note 6.1.

3.3 The financial risk management objectives and policies are consistent with those disclosed in the published annual audited financial statements of the Fund for the year ended June 30, 2016.

3.4 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period

There are certain amended standards and interpretations that are mandatory for the accounting periods beginning on or after July 1, 2016 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are, therefore, not detailed in this condensed interim financial information.

3.5 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain amended standards and interpretations that are mandatory for the accounting periods beginning on or after July 1, 2017 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not detailed in this condensed interim financial information.

4. INVESTMENTS

INVESTMENTS		(Unaudited) March, 31 2017	(Audited) June, 30 2016
	Notes	----(Rupees in '000)----	
Available for sale			
Listed equity securities	4.1	3,208,443	7,246,274
At fair value through profit or loss			
Listed equity securities	4.2	7,233,471	230,191
Government securities	4.3	-	-
		7,233,471	230,191
		10,441,914	7,476,465

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

4.1 Listed equity securities - Available for sale

Name of the Investee Company	As at July 1, 2016	Purchase during the period	Bonus / right issue during the period	Sales during the period	As at March 31, 2017	As at March 31, 2017			Market value as percentage of net assets	Market value as percentage of total investments	Market value as percentage of total paid up capital of the investee company
						Carrying Value	Market value	Appreciation/(depreciation)			
Shares of listed companies - fully paid ordinary shares / certificates of Rs. 10 each unless stated otherwise											

AUTOMOBILE ASSEMBLER											
GHANDHARA NISSAN LTD	-	360,000	-	360,000	-	-	-	-	0.00%	0.00%	0.00%
HONDA ATLAS CARS (PAKISTAN) LIMITED	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
INDUS MOTORS COMPANY LIMITED	-	4,150	-	-	4,150	6,467	6,605	138	0.06%	0.06%	0.01%
PAK SUZUKI MOTOR CO	-	-	-	-	-	6,467	6,605	138	0.06%	0.06%	0.00%
AUTOMOBILES PARTS AND ACCESSORIES											
THEAL LIMITED (Per value of Rs. 5)	3,700	-	-	3,700	-	-	-	-	0.00%	0.00%	0.00%
CABLE AND ELECTRICAL GOODS											
PAK ELEKTRON	3,252,000	2,900,000	-	5,553,500	598,500	40,712	55,122	14,410	0.48%	0.53%	0.00%
						40,712	55,122	14,410	0.48%	0.53%	
CHEMICALS											
ARCHROMA PAKISTAN LIMITED	-	34,900	-	29,830	5,000	2,966	3,838	872	0.03%	0.04%	0.01%
ENGRO POLYMER & CHEMICAL	-	3,926,500	-	3,926,500	-	-	-	-	0.00%	0.00%	0.00%
ICI PAKISTAN	457,750	-	-	346,950	110,800	46,868	123,637	76,769	1.07%	1.18%	0.12%
ITTEHAD CHEMICALS LTD	-	600,000	-	600,000	-	-	-	-	0.00%	0.00%	0.00%
LINDE PAKISTAN	41,900	-	-	41,900	-	-	-	-	0.00%	0.00%	0.00%
						49,834	127,475	77,641	1.10%	1.22%	
CONSTRUCTION AND MATERIALS (CEMENT)											
CHEERAT CEMENT	1,651,500	634,000	-	891,300	1,394,200	153,479	266,585	113,106	2.31%	2.55%	0.79%
DEWAN CEMENT	-	3,494,000	-	3,494,000	-	-	-	-	0.00%	0.00%	0.00%
D.G. KHAN CEMENT	421,000	1,960,000	-	2,381,000	-	-	-	-	0.00%	0.00%	0.00%
KOHAT CEMENT LTD	237,200	-	-	237,200	-	-	-	-	0.00%	0.00%	0.00%
LUCKY CEMENT	854,900	100,000	-	664,800	290,100	162,834	242,927	80,093	2.10%	2.33%	0.09%
MAPLE LEAF CEMENT FACTORY LTD	-	550,000	-	550,000	-	-	-	-	0.00%	0.00%	0.00%
PIONEER CEMENT LTD	2,936,500	250,000	-	3,186,500	-	-	-	-	0.00%	0.00%	0.00%
						316,313	509,512	193,199	4.41%	4.88%	
COMMERCIAL BANKS											
ASKARI BANK LIMITED	-	2,200,000	-	2,200,000	-	-	-	-	0.00%	0.00%	0.00%
BANK AL HABIB LIMITED	-	5,169,500	-	5,169,500	-	-	-	-	0.00%	0.00%	0.00%
HABIB BANK LIMITED	3,581,888	490,000	-	3,074,900	996,988	190,014	268,798	78,784	2.32%	2.57%	0.07%
HABIB METROPOLITAN BANK	-	2,614,000	-	2,614,000	-	-	-	-	0.00%	0.00%	0.00%
MCB BANK LIMITED	274,900	1,437,300	-	1,712,200	-	-	-	-	0.00%	0.00%	0.00%
MEEZAN BANK LIMITED	-	2,286,500	-	2,194,500	92,000	4,932	6,578	1,646	0.06%	0.06%	0.01%
NATIONAL BANK OF PAKISTAN	-	750,000	-	50,000	700,000	52,230	52,269	39	0.45%	0.50%	0.03%
UNITED BANK LIMITED	2,493,300	2,438,600	-	3,604,800	1,237,100	223,431	281,601	58,070	2.44%	2.70%	0.10%
						478,107	609,246	138,539	5.27%	5.83%	
ENGINEERING											
AMRELI STEELS LIMITED	1,878,500	1,054,000	-	2,932,500	-	-	-	-	0.00%	0.00%	-
CRESCENT STEEL & ALLIED PROD	-	307,000	-	307,000	-	-	-	-	0.00%	0.00%	-
MUGHAL IRON & STEEL	12,000	1,902,500	-	1,902,740	11,750	1,036	1,659	623	0.01%	0.02%	0.01%
						1,836	1,659	623	0.01%	0.02%	
FERTILIZER											
DAWOOD HERCULES CORPORATION	-	662,300	-	662,300	-	-	-	-	-	-	0.00%
ENGRO FERTILIZER LIMITED	3,505,500	4,262,500	-	6,759,000	1,009,000	67,536	63,224	(4,312)	0.55%	0.61%	0.01%
ENGRO CORPORATION LIMITED	2,108,100	80,000	-	2,188,100	-	-	-	-	0.00%	0.00%	0.00%
FATIMA FERTILIZER COMPANY	-	185,500	-	185,500	-	-	-	-	0.00%	0.00%	0.00%
FAUJI FERTILIZER COMPANY LTD	-	850,000	-	850,000	-	-	-	-	-	-	0.00%
						67,536	63,224	(4,312)	0.55%	0.61%	
FOOD AND PERSONAL CARE PRODUCTS											
AL-SHAHEER CORPORATION	9,092	-	1,363	-	10,455	585	489	(96)	0.00%	0.00%	0.01%
MURREE BREWERY COMPANY	112,000	-	-	112,000	-	-	-	-	0.00%	0.00%	0.00%
						585	489	(96)	0.00%	0.00%	0.00%

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

Name of the Investee Company	As at July 1, 2016	Purchases during the period	Bonns / Right Issue during the period	Sales during the period	As at March 31, 2017	As at March 31, 2017			Market value as percentage of net assets	Market value as percentage of total investments	Market value as percentage of total paid up capital of the investee company
						Carrying Value	Market value	Appropriation/(in millions)			
Share of listed companies - fully paid ordinary share / certificates of Rs. 10 each unless stated otherwise											
GLASS AND CERAMICS	1,122,000	-	-	-	1,122,000	-	-	-	0.00%	-	-
TARIQ GLASS INDUSTRIES	-	-	-	-	-	-	-	-	0.00%	-	-
INSURANCE	271,600	-	-	-	271,600	-	-	-	0.00%	-	-
IGI INSURANCE LIMITED	-	-	-	-	-	-	-	-	0.00%	-	-
MISCELLANEOUS	-	457,500	-	-	457,500	-	-	-	0.00%	-	-
MACPAC FILMS LIMITED	-	-	-	-	-	-	-	-	0.00%	-	-
OIL AND GAS EXPLORATION COMPANIES	230,600	184,050	-	-	261,650	206,490	397,831	191,341	3.44%	3.81%	0.24%
MAMARI PETROLEUM COMPANY	4,004,400	605,000	-	-	3,640,400	144,649	145,683	(966)	1.24%	1.38%	0.02%
OIL & GAS DEVELOPMENT CO LTD	1,564,900	205,000	-	-	616,600	207,083	274,418	67,335	2.37%	2.63%	0.26%
PAKISTAN OILFIELDS LIMITED	5,168	-	-	-	5,168	0	-	(0)	0.00%	0.00%	0.00%
PAKISTAN PETROLEUM LTD	-	-	-	-	-	588,222	815,933	287,789	7.89%	7.82%	-
OIL AND GAS MARKETING COMPANIES	-	387,000	-	-	387,000	-	-	-	0.00%	-	-
HASCOL PETROLEUM	2,060,500	-	-	-	2,060,500	-	-	-	0.00%	-	-
HI-TECH LUBRICANTS	915,700	485,600	-	-	1,401,300	-	-	-	0.00%	-	-
PAKISTAN STATE OIL CO. LTD.	-	4,627,000	-	-	4,627,000	-	-	-	0.00%	-	-
SUI NORTHERN GAS	-	1,900,000	-	-	1,900,000	-	-	-	0.00%	-	-
SUI SOUTHERN GAS	-	-	-	-	-	-	-	-	0.00%	-	-
PAPER AND BOARD	269,750	199,850	-	-	469,600	-	-	-	0.00%	-	-
PACKAGES LIMITED	-	-	-	-	-	-	-	-	0.00%	-	-
TEXTILE COMPOSITE	973,000	1,153,500	-	-	973,000	75,490	106,159	29,669	0.00%	0.00%	0.00%
GULAHMED TEXTILE	-	7,895,500	-	-	2,075,000	86,635	125,683	39,048	1.09%	1.20%	0.86%
KOENOR TEXTILE MILLS LTD	4,000	2,041,000	-	-	2,045,000	-	-	-	0.00%	0.00%	0.00%
NISHAT (CHUNIAN) LIMITED	-	-	-	-	-	162,125	234,841	68,716	2.00%	2.31%	-
NISHAT MILLS LTD	-	-	-	-	-	-	-	-	-	-	-
POWER GENERATION & DISTRIBUTION	327,000	3,116,500	-	-	327,000	11,844	13,080	1,236	0.11%	0.13%	0.09%
ALTERN ENERGY LIMITED	-	614,000	-	-	1,872,400	224,462	243,397	12,935	2.12%	2.35%	0.16%
HUB POWER COMPANY LTD	3,393,000	7,219,500	-	-	2,769,500	234,262	213,329	(16,933)	1.88%	2.08%	0.31%
KOT ADDU POWER CO. LTD	26,832,500	8,399,000	-	-	9,550,500	78,824	78,123	(701)	0.08%	0.07%	0.03%
K-ELECTRIC LTD	5,667,500	50,000	-	-	1,244,000	38,165	27,629	(10,536)	0.00%	0.00%	0.00%
LAIPER POWER	-	-	-	-	-	595,587	881,558	(13,999)	0.24%	0.26%	0.33%
PAKAGEN POWER LIMITED	-	-	-	-	-	-	-	-	-	-	-
PEARMACHUTICALS	165,950	102,500	-	-	163,400	113,306	153,521	40,215	1.33%	1.47%	0.17%
ABBOTT LABORATORIES PAKISTAN	36,402	-	5,515	-	4,617	1,250	2,918	1,668	0.03%	0.03%	0.00%
SEARLE COMPANY	-	-	-	-	-	114,586	156,439	41,883	1.86%	1.80%	-
REFINERY	-	230,000	-	-	230,000	-	-	-	-	-	-
ATCOCK REFINERY LIMITED	-	-	-	-	-	-	-	-	-	-	-
TEXTILE SPINNING	-	147,700	-	-	147,700	-	-	-	0.00%	-	-
GADCON TEXTILE	-	-	-	-	-	-	-	-	0.00%	-	-
TECHNOLOGY AND COMMUNICATIONS	1,520,000	381,000	-	-	671,000	41,698	56,278	8,580	0.00%	0.00%	0.00%
AVANCEON LIMITED	-	706,000	-	-	-	-	-	-	0.00%	-	-
NETSOL TECHNOLOGIES	-	3,907,000	-	-	750	39	63	24	0.00%	0.00%	0.00%
P.T.C.L. "A"	2,362,250	187,000	-	-	-	41,737	50,341	8,604	0.00%	0.00%	0.00%
SYSTEMS LIMITED	-	-	-	-	-	-	-	-	-	-	-
Total at March 31, 2017						2,425,387	3,308,443	785,685	27.74%	30.71%	
Total at June 30, 2016						6,923,766	7,246,274	432,588	90.37%	96.90%	

* These represent transactions with related parties
** The above include shares with a market value aggregating to Rs. 228.52 million which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular no. 11 dated October 23, 2007 issued by the SECP.

4.4.2 Listed equity securities at fair value through profit or loss - held for trading

MCB Pakistan Stock Market Fund

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017**

Name of the Investee Company	As at July 1, 2016	Purchases during the period	Bonus / right Issue during the period	Sales during the period	As at March 31, 2017	As at March 31, 2017			Market value as percentage of net assets	Market value as percentage of total investments	Market value as percentage of total paid up capital of the investee company
						Carrying Value	Market value	Appreciation/(diminution)			
Shares of listed companies - fully paid ordinary shares / certificates of Rs. 10 each unless stated otherwise											
FERTILIZER											
DAWOOD HERCULES CORPORATION	-	61,800	-	61,800	-	-	-	-	0.00%	0.00%	0.01%
ENGRO FERTILIZER LIMITED	-	6,859,500	-	4,323,000	2,536,500	176,648	158,937	(17,711)	1.37%	1.32%	0.00%
ENGRO CORPORATION LIMITED	51,700	1,429,100	-	190,700	1,290,100	471,173	474,783	3,610	4.11%	4.55%	0.00%
FATIMA FERTILIZER COMPANY	-	1,581,000	-	1,581,000	-	-	-	-	0.00%	0.00%	0.00%
FAUJI FERTILIZER BIN QASIM LTD	-	2,288,000	-	2,288,000	-	-	-	-	0.00%	0.00%	0.00%
FAUJI FERTILIZER COMPANY LTD	-	1,367,400	-	1,367,400	-	-	-	-	0.00%	0.00%	0.00%
						647,821	633,720	(14,101)	5.48%	6.07%	
GLASS & CERAMICS											
SHABIR TILES & CERAMICS LTD	-	3,430,000	-	-	3,430,000	52,597	55,326	2,729	0.48%	0.02%	0.00%
TARIQ GLASS INDUSTRIES	-	535,400	-	-	535,400	63,361	63,263	(98)	0.55%	0.00%	0.01%
						115,958	118,589	2,631	1.03%	0.02%	
INSURANCE											
IGI INSURANCE LIMITED	86,667	-	-	86,667	-	-	-	-	0.00%	0.00%	0.00%
						-	-	-	0.00%	0.00%	
INV.BANKS/INV.CO M./SECURITIES COS.											
JAHANGIR SIDDIQUI & CO LTD	-	1,500,000	-	1,500,000	-	-	-	-	0.00%	0.00%	0.00%
						-	-	-	0.00%	0.00%	
LEASING COMPANIES											
ORIX LEASING PAKISTAN LTD	-	500,000	-	500,000	-	-	-	-	0.00%	0.00%	0.00%
						-	-	-	0.00%	0.00%	
LEATHER AND TANNERIES											
SERVICE INDUSTRIES	-	41,900	-	1,200	40,700	54,659	59,713	5,054	0.52%	0.57%	0.34%
						54,659	59,713	5,054	0.52%	0.57%	
MISCELLANEOUS											
TPL PROPERTIES LTD	-	2,500,000	-	2,500,000	-	-	-	-	0.00%	0.00%	0.00%
TRI-PAK FILMS	-	189,200	-	5,000	184,200	55,465	46,647	(8,818)	0.40%	0.45%	0.47%
						55,465	46,647	(8,818)	0.40%	0.45%	
OIL AND GAS EXPLOURATION COMPANIES											
MARI PETROLEUM COMPANY	-	118,500	-	49,000	69,900	92,450	106,281	13,831	0.92%	1.02%	0.06%
OIL & GAS DEVELOPMENT CO LTD	-	1,955,600	-	765,000	1,190,600	180,502	176,578	(3,924)	1.53%	1.69%	0.03%
PAKISTAN OILFIELDS LIMITED	-	213,000	-	129,200	83,800	44,457	37,295	(7,162)	0.32%	0.36%	0.04%
PAKISTAN PETROLEUM LTD	32	2,313,200	-	2,313,232	-	-	-	-	0.00%	0.00%	0.00%
						317,409	320,154	2,745	2.77%	3.07%	
OIL AND GAS MARKETING COMPANIES											
ATTOCK PETROLEUM LIMITED	-	77,400	-	6,000	71,400	49,618	45,324	(4,294)	0.39%	0.43%	0.09%
HASCOL PETROLEUM	-	310,000	-	310,000	-	-	-	-	0.00%	0.00%	0.00%
HI-TECH LUBRICANTS	-	858,500	-	858,500	-	-	-	-	0.00%	0.00%	0.00%
PAKISTAN STATE OIL CO LTD.	-	328,700	-	328,700	-	-	-	-	0.00%	0.00%	0.00%
SHELL PAKISTAN	-	22,200	-	-	22,200	13,763	14,480	717	0.13%	0.14%	0.02%
SUI NORTHERN GAS	-	5,870,000	-	4,305,000	1,565,000	130,170	223,435	93,265	1.93%	2.14%	0.25%
SUI SOUTHERN GAS	-	6,543,500	-	6,543,500	-	-	-	-	0.00%	0.00%	0.00%
						193,551	283,239	89,688	2.45%	2.71%	

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

		(Un-audited) March, 31 2017	(Audited) June, 30 2016
	Note	(Rupees in '000)	
4.4 Unrealized (diminution) / appreciation on remeasurement of investments classified as 'available-for-sale' - net			
Market value of investments	4.1	3,208,443	7,246,274
Cost of investments	4.1	2,425,387	6,822,766
		783,055	423,508
Less: Net unrealized appreciation in value of investments classified as 'available for sale' at beginning of the year		423,508	225,208
		359,548	198,300
5. ADVANCES AND SECURITY DEPOSITS			
Advance tax		3,996	3,896
Security deposits - National Clearing Company of Pakistan Limited		2,500	2,500
- Central Depository Company of Pakistan Limited		500	500
Others		256	256
		7,252	7,152
6. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Workers' Welfare Fund	6.1	53,475	107,634
Federal Excise Duty and related tax on:			
- Management fee	6.2	54,774	54,774
- Sales load		3,933	3,933
Unclaimed dividend		9,837	9,838
Brokerage		12,796	12,459
Auditors' remuneration		435	639
Withholding tax on dividend and others		7,389	7,004
Printing and related expenditure		342	386
Zakat		10	580
Other		4,882	1,360
		147,873	198,607

- 6.1** The Finance Act, 2008 had introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes (CISs) / mutual funds whose income exceeded Rs 0.5 million in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher. In light of this, the Mutual Funds Association of Pakistan (MUFAP) filed a constitutional petition in the Honourable Sindh High Court (SHC) challenging the applicability of WWF on CISs which is pending adjudication. Similar cases were disposed of by the Peshawar and the Lahore High Courts in which these amendments were declared unlawful and unconstitutional. However, these decisions were challenged in the Supreme Court of Pakistan.

Subsequently, the Finance Act, 2015 introduced an amendment under which CISs / mutual funds have been excluded from the definition of "industrial establishment" subject to WWF under the WWF Ordinance. Consequently, mutual funds are not subject to this levy after the introduction of this amendment which is applicable from tax year 2016. Accordingly, no further provision in respect of WWF was made with effect from July 1, 2015.

On November 10, 2016 the Supreme Court of Pakistan (SCP) has passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition in the SCP against the said judgment, which is pending hearing. While the petitions filed by the CISs on the matter are still pending before the SHC, the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) has taken legal and tax opinions on the impact of the SCP judgement on the CISs petition before the SHC. Both legal and tax advisors consulted were of the view that the judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgement of the SCP.

Furthermore, as a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies (including the Management Company of the Fund) whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have mutual funds excluded from the applicability of Sindh WWF.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds and considering the legal opinion obtained on these matters, MUFAP has recommended the following to all its members on January 12, 2017:

- the entire provision against the Federal WWF held by the CISs till June 30, 2015, to be reversed on January 12, 2017; and
- the provision in respect of Sindh WWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015) on January 12, 2017.

Accordingly, the provision for Sindh WWF is being made on a daily basis going forward.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on January 12, 2017 and the SECP vide its letter dated February 1, 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ mutual funds. Accordingly, the Fund has recorded these adjustments in its books on January 12, 2017. As on March 31, 2017 the impact of reversal of federal WWF and provision of Sindh WWF are as follows:

	Amount —(Rupees in '000')—
Reversal of Federal WWF (As at June 30, 2016)	107,634
Charge of Sindh WWF	53,475

- 6.2 The cumulative net effect of WWF is Rs. 54.159 M, if this had not been made on March 31, 2017 would have resulted in a decrease in the net asset value per unit of the Fund by Re. 0.54.

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

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

'During the period ended, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan. Thereafter, during the pendency of the present civil petition, the Supreme Court has 'suspended the operation of the impugned judgment of the SHC. The matter is still pending adjudication.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED amounting to Rs. 58.71 million (June 30, 2016: Rs. 58.71 million) made for the period from June 13, 2013 till June 30, 2016 is being retained in the condensed interim financial information of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2017 would have been higher by Rs. 0.0006 per unit (June 30, 2016: Rs 0.64).

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at March 31, 2017 and June 30, 2016.

8 SELLING AND MARKETING EXPENSES

The Securities and Exchange Commission of Pakistan "the Commission", in exercise of its power through Circular No. 40 of 2016 amended through Circular No. 05 of 2017 prescribed the conditions for asset management companies for permissibility of charging selling and marketing expenses to open end equity, asset allocation and index funds subject to a maximum of 0.4% per annum of net assets of the fund or actual, whichever is lower, from January 1, 2017 to December 31, 2019, an initially allowed period of three years.

Management after approval of their Board of Directors and fulfillment of criteria prescribed by the Commission, has accordingly made an accrual of Rs. 1.2 million since March 24, 2017 at the maximum rate of 0.4% per annum of net assets of the fund being less than the actual expenses allocable to the Fund.

9 TOTAL EXPENSE RATIO

'The Total Expense Ratio (TER) of the Fund as at March 31, 2017 is 2.91% which includes 0.74% representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 4% prescribed under the NBFC Regulations, 2008 for a collective investment scheme categorized as "Equity scheme".

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

10. TAXATION

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

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute at least 90% of the income earned during the year by the Fund to the unit holders. Accordingly, no provision has been made in this condensed interim financial statement.

11. EARNINGS PER UNIT

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

12. TRANSACTIONS WITH CONNECTED PERSONS

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

Remuneration to the Management Company and the Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed of the Fund. All other transactions with connected persons are in the normal course of business and carried out on agreed terms.

	Nine months ended March 31,		Quarter ended March 31,	
	2017	2016	2017	2016
	(Rupees in '000)			
12.1 Details of transactions with related parties / connected persons				
MCB - Arif Habib Savings and Investment Limited - Management Company				
Remuneration including indirect taxes	169,387	137,364	65,107	46,141
Issue of 1,535,762 (2016: 256,591) units and 252,601 (2016: Nil) units for the nine months and quarter ended respectively	162,762	19,980	29,751	-
Redemption of 2,217,985 (2016: Nil) units and 1,450,563 (2016: Nil) units for the nine months and quarter ended respectively	245,000	-	170,000	-
Payment of conversion cost	545	1,136	-	-
Allocated expense	8,469	2,771	3,255	1,989
Selling & Marketing expense	1,022	-	1,022	-
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of the trustee including indirect taxes	9,318	6,777	3,535	2,272
CDS charges	1,412	624	758	179
Arif Habib Limited				
Brokerage*	2,604	1,313	858	(1,313)
Next Capital Limited				
Brokerage*	2,596	1,053	1,008	435
MCB Bank Limited				
Bank charges	102	106	43	23
Mark-up income	334	3,679	134	400
Dividend income	5,224	3,200	5,224	729
D.G Khan Cement Company Limited				
Dividend income	3,529	60	-	60

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017**

Nishat Mills Limited				
Dividend income	10,205	-	-	-
Nishat Power Limited				
Dividend income	359	-	359	-
Nishat Chunian Limited				
Dividend income	14,964	-	-	-
Adamjee life Assurance Company Limited - IMF				
Issue of 2,008,447 (2016: 7,909,005) units and 305,864 (2016: 4,499,872) units for the nine months and quarter ended respectively	195,000	641,000	35,000	350,000
Redemption of 3,628,627 (2016: Nil) units and 1,508,103 (2016: Nil) units for the nine months and quarter ended respectively	391,000	-	176,000	-
Dividend income	-	675	-	-
Adamjee life Assurance Company Limited - NUIL				
Issue of 427,031 (2016: Nil) units and Nil (2016: Nil) units for the nine months and quarter ended respectively	40,000	-	-	-
Redemption of 1,426,876 (2016: Nil) units and 2,201,751 (2016: Nil) units for the nine months and quarter ended respectively	150,000	-	40,000	-
Directors and executive of the Management Company				
Issue of 184,813 (2016: 251,315) units and 22,690 (2016: 11,340) units for the nine months and quarter ended respectively	18,774	20,435	2,858	867
Redemption of 211,110 (2016: 237,373) units and 21,399 (2016: 131,028) units for the nine months and quarter ended respectively	21,310	18,907	2,766	10,353
Mandate Under Discretionary Portfolio Services				
Issue of 15,251,282 (2016: 3,086,208) units and 11,269,135 (2016: 1,346,930) units for the nine months and quarter ended respectively	1,638,815	248,055	1,243,543	103,600
Redemption of 15,709,304 (2016: 5,808,059) units and 12,207,308 (2016: 399,908) units for the nine months and quarter ended respectively	1,677,924	450,902	1,336,249	29,850
MCB Employees Provident Fund				
Redemption of Nil (2016: 4,189,296) units and Nil (2016: 4,189,296) units for the nine months and quarter ended respectively	-	329,907	-	329,907
MCB Employees Pension Fund				
Redemption of Nil (2016: 3,210,371) units and Nil (2016: 3,210,371) units for the nine months and quarter ended respectively	-	252,817	-	252,817

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017**

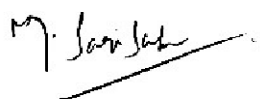
12.2 Amounts outstanding as at the period / year end	(Unaudited) March, 31 2017 —(Rupees in '000)—	(Audited) June, 30 2016
MCB - Arif Habib Savings and Investment Limited - Management Company		
Remuneration payable	19,971	12,793
Sales tax payable on management fee	2,596	1,791
Sales load payable	1,300	1,092
Sindh sales tax payable on sales load	194	153
Conversion cost payable	-	545
Allocated expense payable	998	641
Selling & Marketing expense payable	1,022	-
Central Depository Company of Pakistan Limited - Trustee		
Security deposit	500	500
Remuneration payable	1,121	824
Sales tax payable	141	-
MCB Bank Limited		
Balance with bank	3,976	106,946
Accrued mark-up	37	123
Sales load payable	315	-
1,306,000 Shares held (June 30, 2016: 274,900 shares)	296,984	60,483
Next Capital Limited		
Brokerage payable	792	457
Arif Habib Limited		
Brokerage payable	234	1,418
Nishat Mills Limited		
1,332,700 shares held (June 30, 2016: 1,579,000)	220,162	170,375
Lalpir Power Limited		
Nil shares held (June 30, 2016: 8,399,000)	-	182,258
Pakgen Power Limited		
1,244,000 shares held (June 30, 2016: 5,667,500)	27,629	136,303
D.G. Khan Cement Company Limited		
1,149,300 shares held (June 30, 2016: 421,000 shares)	267,097	80,196
Nishat Chunian		
4,993,000 shares held (June 30, 2016: Nil shares)	302,426	-
Nishat Power Limited		
358,500 shares held (June 30, 2016: Nil shares)	18,301	-
Adamjee life Assurance Company Limited - IMF		
14,007,250 units held (June 30, 2016: 15,627,429 units)	1,613,142	1,360,993
MCB Arif Habib Savings and Investment Limited		
1,239,913 units held (June 30, 2016: 1,922,136 units)	142,794	167,399
Adamjee life Assurance Company Limited - NUIL Fund		
1,263,685 units held (June 30, 2016: 2,263,530 units)	145,532	197,131
D.G Khan Cement Company Limited Employees Provident Fund Trust		
132,411 units held (June 30, 2016: 132,411 units)	15,249	11,532
Directors and executive of the Management Company		
59,550 units held (June 30, 2016: 157,877 units)	6,858	17,240
Mandate Under Discretionary Portfolio Services		
10,460,310 units held (June 30, 2016: 4,031,484 units)	1,204,660	452,383

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017**

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

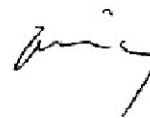
13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 21, 2017.



Chief Executive Officer

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



Director

MCB-Arif Habib Savings and Investments Limited

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