

# QUARTERLY REPORT

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March 31, 2017  
(Unaudited)



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

# **PAKISTAN CASH MANAGEMENT FUND**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
<b>Board of Directors</b>	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
<b>Audit Committee</b>	Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Mirza Qamar Beg Mr. Nasim Beg	Chairman Member Member Member
<b>Human Resource &amp; Remuneration Committee</b>	Dr. Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
<b>Chief Executive Officer</b>	Mr. Muhammad Saqib Saleem	
<b>Chief Financial Officer &amp; Company Secretary</b>	Mr. Abdul Basit	
<b>Trustee</b>	<b>MCB Financial Services Limited</b> 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan. Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.mcbfsl.com.pk	
<b>Bankers</b>	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited Zarai Taraqiati Bank Limited	
<b>Auditors</b>	<b>Ernst &amp; Young Ford Rhodes Sidat Hyder</b> Chartered Accountant Progressive Plaza, Beaumont Road, P.O. Box 155411 Karachi, Sindh-75530, Pakistan.	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Transfer Agent</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
<b>Rating</b>	<b>AM2++ Asset Manager Rating assigned bt PACRA</b>	

# 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 **Pakistan Cash Management Fund's** accounts review for the nine months ended March 31, 2017.

## ECONOMY AND MONEY MARKET OVERVIEW

Positive trends in domestic economy continued where headline indicators point toward continued recovery. Stable inflation along with investment activities/spending on CPEC related projects provide an enabling environment for economy to build upon a stronger growth phase ahead. Responsiveness until now from various indicators including Large Scale Manufacturing, Credit Offtake and Foreign Direct Investment though has been below expectations however, we believe if the current macroeconomic environment alongwith impetus from CPEC in a stable political environment continues, the lagged indicators would soon start reflecting the expected performance. External Account has again worsened highlighting partly the global trade dynamics and machinery imports for CPEC. Till now chronic weaknesses in the balance of payment account has been funded through borrowing; an unsustainable source to rely on.

Trade deficit increased to USD 15.4 billion in eight months of this fiscal year compared to USD 12.1 billion in same period last year. The subdued trend in exports continued with exports falling by the 2% YoY in 8MFY17. Imports continued their trajectory up increasing by 11.2% YoY in 8MFY17. Oil imports increased by 16% courtesy volumetric growth and increase in oil prices post OPEC's decision to curtail output. The imports of machinery increased by 12% as capital goods for the various infrastructural projects continued to flow in. Remittances decreased marginally by 2% to USD 14.06 billion in 9MFY17 from USD 14.38 billion in same period last year. The cushion to Balance of Payments was provided by financial account of USD 4.5 billion where USD 1.28 billion was contributed from Foreign Direct Investment while the rest was covered through borrowings. Foreign Direct Investment was majorly supported through acquisition of Engro Foods and Dawlance by foreign investors. Overall balance of Balance of Payments stood at negative USD 1.0 billion in 8MFY17 compared to positive USD 1.0 billion in same period last year.

Foreign exchange reserves stood at USD 21.6 billion (31st March, 2017). It is pertinent to note that reserves have decreased by USD 2.5 billion from their peak seen in October, 2016 where deteriorating external account position explaining most of the volatility.

Undergoing appreciation of about 0.08% in 9MFY17, PKR continues to remain resilient against USD which also raises concerns given the relative weakness in other developing economies and also reflected from REER as measured by SBP reaching to a high of 126 depicting significant overvaluation.

Fiscal deficit increased to 2.4% (1HFY17) of GDP as against 2.2% in SPY. Total revenue declined by 1% majorly because of reduction in income from defence services and SBP's profit. Expenses increased by 11% with PSDP (16% increase) and defence expenditure (11% increase).

The LSM growth clocked in at 3.5% during the period of 7MFY17 with contribution to growth coming from automobiles, construction and consumer goods.

Inflation continued its upward trajectory with nine month inflation averaging 4.01% compared to 2.64% for 9MFY16. The withering of low base effect along with inherent increases in food and housing pricing triggered inflationary pressures alongwith increases in petroleum prices.

M2 growth posted year to date growth of 6.09% by the end of the March, 2017. The deposits grew seasonally by PKR 217 billion in a week supported by quarter end efforts of banks to expand balance sheet size. Moreover, the abnormal accumulation in currency in circulation (CIC) last year triggered after imposition of withholding tax on cash withdrawals has normalized with CIC to M2 ratio at 19%. The Net Domestic Assets increased by PKR 1,064 billion supported by net government sector borrowings of PKR 600 billion.

## FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 8.17% as against its benchmark return of 5.91%, an outperformance of 2.26%.

The fund's exposure was shifted towards cash as commercial banks offered relatively attractive returns compared to current yield of other money market instruments.

The Net Assets of the Fund as at March 31, 2017 stood at Rs. 1,279 million as compared to Rs. 1,993 million as at June 30, 2016 registering a decrease of 35.82%.

The Net Asset Value (NAV) per unit as at March 31, 2017 was Rs. 53.2840 as compared to opening NAV of Rs. 50.2062 per unit as at June 30, 2016 registering an increase of Rs. 3.0778 per unit.

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

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### 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 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.

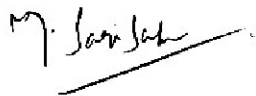
We expect interest rates to remain stable in the short term given stable inflationary trends along with government's increased focus on managing reserves through foreign borrowing. However, exchange rate overvaluation in addition with weak external account suggest a close scrutiny of the emerging trends, 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 پاکستان کیش منجمنٹ فنڈ کے 31 مارچ 2017ء کو ختم ہونے والی مدت کے اکاؤنٹس کا جائزہ پیش خدمت ہے۔

## معیشت اور بازار زر کا مجموعی جائزہ

مقامی معیشت میں مثبت رجحانات دیکھنے میں آئے اور اہم معاشی علامات مسلسل بحالی کی طرف اشارہ کر رہی ہیں۔ مستحکم افراط زر کے ساتھ ساتھ سرمایہ کارانہ سرگرمیوں / CPEC پر خرچ سے متعلق پراجیکٹس معیشت کو مضبوط تر ترقی کی راہ پر گامزن رہنے کے لئے معاون ماحول فراہم کر رہے ہیں۔ اگرچہ حالیہ مختلف علامات بشمول وسیع پیمانے کی مینوفیکچرنگ، کریڈٹ آف ٹیک اور غیر ملکی براہ راست سرمایہ کاری میں حرکت تو تھکت سے کم ہے لیکن ہم سمجھتے ہیں کہ اگر مستحکم سیاسی ماحول میں کلاں معاشیات کے موجودہ ماحول کے ساتھ ساتھ CPEC کی جانب سے ملنے والی قوت جاری رہی تو سست روی کا مظاہرہ کرنے والی علامات جلد متوقع کارکردگی کی عکاسی کرنے لگیں گی۔ خارجی اکاؤنٹ کی صورتحال دوبارہ خراب ہو گئی ہے جو کچھ حد تک عالمی تجارتی قوتوں اور CPEC کے لئے مشینری کی درآمدات کی ختمی کرتی ہے۔ ادائیگی کے توازن کے اکاؤنٹ میں دیرینہ ضعف کو حالیہ قرض کے ذریعے پورا کیا گیا ہے، لیکن اس ذریعے پر ایک محدود حد تک ہی اعتماد کیا جاسکتا ہے۔

تجارتی خسارہ موجودہ مالی سال کے آٹھ ماہ میں بڑھ کر 15.4 بلین امریکی ڈالر تک پہنچ گیا جبکہ گزشتہ سال اسی مدت میں 12.1 بلین امریکی ڈالر تھا۔ برآمدات بدستور سست روی سے چلتے ہوئے مالی سال 2017ء کے ابتدائی آٹھ ماہ میں 2% YoY کم ہو گئیں۔ درآمدات بدستور سب رقتاری سے چلتے ہوئے مالی سال 2017ء کے ابتدائی آٹھ ماہ میں 11.2% YoY زیادہ ہو گئیں۔ تیل کی درآمدات میں 16% اضافہ ہوا جس کا سبب OPEC کے پیداوار کم کرنے کے فیصلے کے بعد حجم میں ترقی اور تیل کی قیمتوں میں اضافہ ہے۔ مشینری کی درآمدات میں 12% اضافہ ہوا جس کا سبب آفر اسٹرکچر کے مختلف منصوبوں کے لئے capital goods کی بدستور آمد ہے۔ مالی سال 2017ء کے ابتدائی نو ماہ میں ترسیل زر کم ہو کر 14.06 بلین امریکی ڈالر ہو گئی جو 2% معمولی کمی ہے، جبکہ گزشتہ سال اسی مدت میں 14.38 بلین امریکی ڈالر کی ہوئی تھی۔ ادائیگیوں کے توازن کو 4.5 بلین امریکی ڈالر کے مالیاتی اکاؤنٹ کا سہارا فراہم ہوا جس میں غیر ملکی براہ راست سرمایہ کاری نے 1.28 بلین امریکی ڈالر حصہ ڈالا جبکہ بقیہ قرضوں کے ذریعے پورا کیا گیا۔ غیر ملکی سرمایہ کاروں کے اینگریڈوڈ اور ڈاؤ لینس کے حصول کے ذریعے غیر ملکی براہ راست سرمایہ کاری کو بڑی معاونت حاصل ہوئی۔ مالی سال 2017ء کے ابتدائی آٹھ ماہ میں ادائیگیوں کا مجموعی توازن منفی 1.0 بلین امریکی ڈالر تھا، جبکہ گزشتہ سال اسی مدت میں 1.0 بلین امریکی ڈالر تھا۔

زرمبادلہ کے ذخائر 31 مارچ 2017ء کو 21.6 بلین امریکی ڈالر تھے۔ یہاں یہ بات قابل غور ہے کہ ذخائر اکتوبر 2016ء میں اپنے عروج کی سطح سے 2.5 بلین امریکی ڈالر کم ہو گئے، جبکہ خارجی اکاؤنٹ کی گرتی ہوئی صورتحال عدم استحکام کی بڑی وجہ ہے۔

پاکستانی روپے نے مالی سال 2017ء کے ابتدائی نو ماہ میں 0.08% ترقی کی اور امریکی ڈالر کے بالمقابل لچکدار رہا، جس سے خدشات بھی پیدا ہوتے ہیں کیونکہ دیگر ترقی پزیر معیشتیں نسبتاً کمزور ہیں، اور اسٹیٹ بینک آف پاکستان کے پیکائش کردہ REER سے بھی اس کی عکاسی ہوتی ہے جو 126 کی بلند سطح تک پہنچ گیا جس سے بڑے پیمانے پر پیش قدری ظاہر ہوتی ہے۔

مالیاتی خسارہ بڑھ کر مجموعی قومی پیداوار کا 2.4% ہو گیا (1HFY17) جو SPLY میں 2.2% تھا۔ مجموعی آمدنی 1% کم ہو گئی جس کا بڑا سبب دفاعی خدمات کی آمدنی اور اسٹیٹ بینک آف پاکستان کے منافع میں کمی ہے۔ اخراجات میں 11% اضافہ ہوا، بشمول PSDP (16% اضافہ) اور دفاعی اخراجات (11% اضافہ)۔

LSM ترقی مالی سال 2017ء کے ابتدائی سات ماہ کے دوران 3.5% سے شروع ہوئی، اور اس ترقی میں گاڑیوں، تعمیرات اور صارتی مصنوعات نے کردار ادا کیا۔ افراط زر میں بدستور اضافہ جاری رہا؛ نو ماہ میں افراط زر کا اوسط 4.01% تھا، جبکہ مالی سال 2017ء کے ابتدائی نو ماہ میں 2.64% تھا۔ پہلے سے پست base effect میں بتدریج کمی اور اشیائے خورد و نوش اور ہاؤسنگ کی قیمتوں میں فی نسبہ اضافہ افراط زر کے دباؤ کے ساتھ ساتھ پیٹرول کی قیمتوں میں اضافے کے محرک بنے۔

M2 میں مارچ 2017ء کے اختتام تک 6.09% year to date ترقی ہوئی۔ اختتام سہ ماہی پر بینکوں کی بیلنس شیٹ کا حجم وسیع کرنے کی کوششوں کی مدد سے ڈپازٹس میں ایک ہفتے میں 217 بلین روپے موسمی ترقی ہوئی۔ علاوہ ازیں، گزشتہ سال نقد رقم کالے پر وہولڈنگ ٹیکس عائد کرنے کی وجہ سے زبرد گردش روپے (CIC) میں جو غیر معمولی انبار لگ گیا تھا وہ عمومی سطح پر آ گیا ہے اور CIC کا M2 سے تناسب 19% ہے۔ حکومتی سیکٹر نے 600 بلین روپے net قرضے لیے جس کی مدد سے net مقامی اثاثہ جات میں 1,064 بلین روپے اضافہ ہوا۔

## فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 8.17% ایک سال پر محیط منافع حاصل کیا، جو اس کے مقررہ معیار 5.91% کے بالمقابل 2.26% بہتر کارکردگی ہے۔ فنڈ کا exposure نقد کی طرف منتقل کیا گیا کیونکہ کمرشل بینکوں نے دیگر بازار زر کے آلات کی موجودہ آمدنی کے مقابلے میں نسبتاً کم پیشکش کی ہوئی تھی۔ 31 مارچ 2017ء کو فنڈ کے net اثاثہ جات 1,279 ملین روپے تھے، جو 30 جون 2016ء کو 1,993 ملین روپے کے مقابلے میں 35.82% کمی ہے۔ 31 مارچ 2017ء کو net اثاثہ جاتی قدر (NAV) فی یونٹ 53.2840 روپے تھی، جو آغاز مدت یعنی 30 جون 2016ء کو 50.2062 روپے فی یونٹ کے مقابلے میں 3.0778 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 پُر عزم ہے، لیکن ہم سمجھتے ہیں کہ وہ مطلوبہ سے 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 سیکٹرز 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 ٹیکس 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) منسلک کی سبائیتی اہلیت کی راہ میں بہت بڑی رکاوٹ ہے۔

عمومی افراط زر کی سمت 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 ہی 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 کرنسی کے مستقبل کا منظر خارجی عناصر میں انحطاط 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 منسلکی پیداوار کا 2.7% ہو گیا، جبکہ مکمل مالی سال کا ہدف 1.5% تھا۔ بڑھتی ہوئی درآمدات کے ساتھ ساتھ کمزور درآمدات اور ترسیل زر سے خارجی اکاؤنٹ مزید بگڑ گیا۔ قابل پیش گوئی مستقبل میں کرنسی کی بیش 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 منسلکی قرضوں کے حصول کے ذریعے چلانے پر حکومت کی بڑھتی ہوئی توجہ کی بدولت انٹریسٹ کی شرحیں مستحکم رہیں گی۔ تاہم شرح مبادلہ کی بیش 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 نکتہ تفریف 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 لہر سے ظاہر ہے۔ سیٹ، اسٹیل اور گاڑیوں کی صنعتیں پہلے ہی متحدہ قومی 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 ایک نئی 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 ماقدے 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۔

اظہارِ تشکر

بورڈ فنڈ کے گرام قدر سرمایہ کاروں، سیکورٹیز اینڈ ایچینج کمیشن آف پاکستان اور فنڈ کے ڈسٹریبیوٹرز کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹر ڈیفنڈنٹ ٹیم کی کوششوں کو بھی خراج تحسین پیش کرتے ہیں۔

برائے اور مین جانب بورڈ

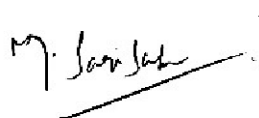
سید ناصر حسین

محمد ثاقب سلیم  
چیف ایگزیکٹو آفیسر  
21 اپریل 2017ء

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

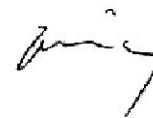
	<i>Note</i>	(Unaudited) 31 March 2017	(Audited) 30 June 2016
		(Rupees in '000)	
<b>Assets</b>			
Balances with banks	5	1,293,952	756,620
Investments	6	-	1,274,258
Income and other receivable		1,841	2,262
<b>Total assets</b>		1,295,793	2,033,140
<b>Liabilities</b>			
Payable to Management Company		886	932
Accrued expenses and other liabilities	7	15,586	39,226
<b>Total liabilities</b>		16,471	40,158
<b>Net assets</b>		1,279,322	1,992,982
<b>Unit holders' fund</b>		1,279,322	1,992,982
		(Number of units)	
<b>Number of units in issue</b>		24,009,510	39,695,909
		(Rupees)	
<b>Net assets value per unit</b>		53.2840	50.2062

The annexed notes 1 to 12 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**

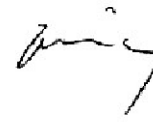
	Note	Nine months ended 31 March		Quarter ended 31 March	
		2017	2016	2017	2016
		(Rupees in '000)			
<b>Income</b>					
Capital gain on sale of investment - net		(238)	895	28	358
Income from Investments		48,511	58,115	15,469	15,851
Profit on bank deposits		14,845	5,821	3,786	1,742
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss'		-	(49)	-	(36)
Other income		6	15	3	1
<b>Total income</b>		<b>63,123</b>	<b>64,797</b>	<b>19,285</b>	<b>17,916</b>
<b>Expenses</b>					
Remuneration of Management Company		6,319	6,495	1,929	1,777
Sales tax and federal excise duty on remuneration of Management Company		821	2,095	250	573
Expenses allocated by Management Company and related sales tax		1,182	231	362	231
Provision for workers welfare fund		(24,884)	-	(24,884)	-
Brokerage and settlement charges		104	86	48	7
<b>Total expenses</b>		<b>(16,458)</b>	<b>8,907</b>	<b>(22,295)</b>	<b>2,588</b>
		<b>79,581</b>	<b>55,890</b>	<b>41,580</b>	<b>15,328</b>
Net element of (loss) / income and capital gains / (losses) included in prices of units issued less those in units redeemed :					
- arising from capital (loss) / Gain and unrealised (loss) / Gain		54	(130)	10	(9,812)
- arising from other Income		(5,710)	(7,105)	(3,695)	10,470
		<b>(5,655)</b>	<b>(7,235)</b>	<b>(3,684)</b>	<b>658</b>
<b>Net income for the period before taxation</b>		<b>73,924</b>	<b>48,655</b>	<b>37,894</b>	<b>15,986</b>
Taxation	8	-	-	-	-
<b>Net income for the period after taxation</b>		<b>73,924</b>	<b>48,655</b>	<b>37,894</b>	<b>15,986</b>
<b>Earnings per unit</b>	9				

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.



**Chief Executive Officer**

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

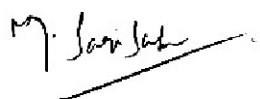


**Director**

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

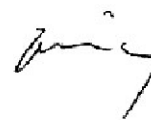
	Nine months ended March 31,		Quarter ended March 31,	
	2017	2015	2017	2015
	(Rupees in '000)			
<b>Net income for the period after taxation</b>	<b>73,924</b>	<b>48,655</b>	<b>37,894</b>	<b>15,986</b>
<b>Other comprehensive income:</b>				
Items to be reclassified to profit or loss in subsequent period				
Net unrealized gain on revaluation of 'available for sale' investment	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>73,924</b>	<b>48,655</b>	<b>37,894</b>	<b>15,986</b>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.



**Chief Executive Officer**

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

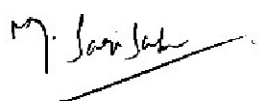


**Director**

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

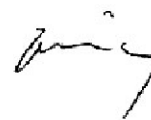
	Nine months ended 31 March		Quarter ended 31 March	
	2017	2016	2017	2016
	(Rupees in '000)			
Undistributed income brought forward	4,994	4,212	38,346	35,835
Net income for the period	73,924	48,655	37,894	15,986
Net element of (loss) / income and capital (losses) / gains included in the prices of units issued less those in units redeemed - transferred to Distribution Statement	(3,264)	(1,015)	(586)	31
<b>Undistributed income carried forward</b>	<b>75,654</b>	<b>51,853</b>	<b>75,654</b>	<b>51,853</b>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.



**Chief Executive Officer**

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



**Director**

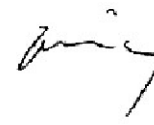
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDER'S FUND (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017**

	Nine months ended 31 March		Quarter ended 31 March	
	2017	2016	2017	2016
	<b>(Rupees in '000)</b>			
Net assets at the beginning of the period	1,992,982	1,442,251	1,384,216	1,117,629
Issue of 27,601,317 units (2016: 33,879,053 units) and 6,078,449 units (2016: 4,344,322 units) for the nine months and quarter ended respectively	1,414,638	1,725,375	320,114	222,198
Redemption of 43,287,716 units (2016: 40,786,285 units) and 8,922,522 units (2016: 4,127,056 units) for the nine months and quarter ended respectively	(2,207,877) (793,239)	(2,078,986) (353,611)	(466,586) (146,472)	(210,625) 11,573
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed				
- amount representing loss / (income) and realised capital losses / (gains) - transferred to the Income Statement :				
- arising from capital (loss) / gain and unrealised (loss) / gain	(54)	130	(10)	9,812
- arising from other Income	5,710	7,105	3,695	(10,470)
- amount representing unrealised capital (gains) / losses - transferred to the Distribution Statement	3,264	1,015	586	(31)
	8,919	8,250	4,270	(689)
Net element of (loss) / income and capital gains / (losses) included in prices of units issued less those in units redeemed - transferred to Distribution Statement	(3,264)	(1,015)	(586)	31
Net income for the period (excluding net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss' and capital (loss) / gain on sale of investments)	74,163	47,809	37,867	15,664
Capital (loss) / gain on sale of investments	(238)	895	28	358
Net unrealised (diminution) / appreciation in value of investments classified as 'at fair value through profit or loss'	-	(49)	-	(36)
	73,924	48,655	37,894	15,986
Net assets as at the end of the period	1,279,322	1,144,530	1,279,322	1,144,530
Net assets value per unit as at end of the period	53.2840	52.3727	53.2840	52.3727

The annexed notes 1 to 12 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

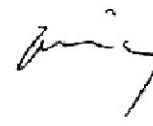
	Nine months ended March 31,		Quarter ended March 31,	
	2017	2016	2017	2016
	(Rupees in '000)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income for the period before taxation	73,924	48,655	37,894	15,986
<i>Adjustments for non-cash charges and other items:</i>				
Net unrealised diminution / (appreciation) in fair value of investments classified as 'at fair value through profit or loss'	-	49	-	36
Net element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed:				
- arising from capital loss / (gain) and unrealised loss / (gain)	(54)	130	(10)	9,812
- arising from other Income	5,710	7,105	3,695	(10,470)
	5,655	7,235	3,684	(658)
	79,579	55,939	41,578	15,364
<b>Decrease / (increase) in assets</b>				
Investments	1,274,257	199,846	(1)	2,650
Income and other receivable	421	1,815	2,541	982
	1,274,678	201,662	2,540	3,633
<b>(decrease) / Increase in liabilities</b>				
Payable to Management Company	(46)	(372)	(136)	184
Accrued expenses and other liabilities	(23,641)	(750,425)	(26,039)	210
	(23,687)	(750,796)	(26,175)	393
<b>Net cash generated / (used in) from operating activities</b>	1,330,571	(493,195)	17,944	19,390
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Receipts from issuance of units	1,414,638	1,725,375	320,114	222,198
Payments on redemption of units	(2,207,877)	(2,078,986)	(466,586)	(210,626)
<b>Net cash used in financing activities</b>	(793,239)	(353,611)	(146,472)	11,572
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	537,332	(846,806)	(128,528)	30,962
<b>Cash and cash equivalents at beginning of the period</b>	756,620	1,175,694	1,422,480	297,926
<b>Cash and cash equivalents at end of the period</b>	1,293,952	328,888	1,293,952	328,888

The annexed notes 1 to 12 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**

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### **1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Pakistan Cash Management Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (AHIL) as Management Company and Habib Metropolitan Bank Limited as Trustee on February 08, 2008.
- 1.2 Pursuant to the merger of MCB Asset Management Company Limited with and into Arif Habib Investments Limited (AHIL), the name of AHIL has been changed to MCB-Arif Habib Savings and Investments Limited.
- 1.3 The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Management Company is situated at 24th Floor, Centre Point, Off. Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi, Pakistan.
- 1.4 The Fund is categorised as "Money Market scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in treasury bills, short term government instruments and reverse repurchase transactions against government securities.
- 1.5 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'Am2++' dated June 08, 2016 to the Management Company and 'AAA(f)' stability rating to the Fund dated December 09, 2016.
- 1.7 Title to the assets of the Fund is held in the name of MCB Financial Services Limited as Trustee of the Fund.

### **2. BASIS OF PREPARATION**

- 2.1 This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.
- 2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2016.
- 2.3 These condensed interim financial statements are unaudited.
- 2.4 These condensed interim financial statements are presented in Pak rupees, which is the functional and presentation currency of the Fund. Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

### **3. ACCOUNTING POLICIES AND ESTIMATES**

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2016. The accounting policies and methods of computation adopted in preparation of this condensed interim financial statements are same as those applied in preparation of financial statements of the Fund for the year ended June 30, 2016.

### **4. TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund as at March 31, 2017 is 0.71% which includes 0.16% 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 2% prescribed under the NBFC Regulations, 2008 for a collective investment scheme categorized as an "Money Market Scheme".

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

**5. BALANCES WITH BANKS**

Balances with bank  
- Savings account

(Unaudited) 31 March 2017 (Rupees in '000)	(Audited) 30 June 2016 (Rupees in '000)
1,293,952	756,620

5.1

5.1 These carry markup rates ranging from 3.75% to 6.18% (30 June 2016: 3.75% to 6.25%)

**6. INVESTMENTS**

'At fair value through profit and loss'

Government securities

-	1,274,258
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6.1

**6.1 Government securities**

Issue date

As at 1 July 2016	Face value		As at 31 March 2017	Balance as at 31 March 2017		Market value as a percentage of net assets	Market value as a percentage of total investments
	Purchased during the period	Disposed / matured during the period		Carrying value	Market value (diminution)		
(Rupees in '000)							

*Market Treasury Bills*

Treasury bills - 3 months  
Treasury bills - 6 months  
Treasury bills - 12 months

30,000	7,704,000	7,734,000	-	-	-	-	-
-	1,800,000	1,800,000	-	-	-	-	-
1,250,000	3,645,500	4,895,500	-	-	-	-	-

31 March 2017

30 June 2016

-	-	-
1,274,238	1,274,258	20

**7. ACCRUED EXPENSES AND OTHER LIABILITIES**

Federal exercise duty payable  
Provision for Workers' Welfare Fund  
Withholding tax  
Zakat payable  
Others

(Unaudited) 31 March 2017 (Rupees in '000)	(Audited) 30 June 2016 (Rupees in '000)
11,933	11,933
1,996	26,880
1,373	196
-	79
284	138
15,586	39,226

7.1

7.2

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

- 7.1 There is no change in the status of petition with SHC as reported in note 8.1 to the annual financial statements of the Fund for the year ended June 30, 2016.

Furthermore, the Federal Government vide Finance Act, 2016 has excluded asset management companies and other non banking finance companies from charge of FED on their services.

In view of the pending decision and as a matter of abundant caution, the Management Company of the Fund has made a provision for FED in the books of accounts of the Fund with effect from June 13, 2013 to June 30, 2016 aggregating to Rs.11.933 million (June 30, 2016: Rs.11.933 million). Had the said provision of FED and related taxes not been recorded in the books of account of the Fund, the net assets value per unit of the Fund would have been higher by Re.0.50 per unit as at March 31, 2017 (June 30, 2016: Re.0.30 per unit).

- 7.2 The Finance Act, 2008 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 / Mutual Funds (CISs) 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.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). During the period, the SCP passed a judgment on November 10, 2016, declaring the insertion of amendments introduced in the Finance Act pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. The Federal Board of Revenue has filed a petition in the SCP against the said judgment, which is

Further, as a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh WWF Act, 2014. The Mutual Funds Association of Pakistan (MUFAP) believes that the Mutual Funds are not liable to pay Sindh WWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

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

Furthermore, in the Finance Act 2015, the mutual funds have been excluded from the levy of WWF. As this change

- i. The provision against the Federal WWF held by the Mutual Funds till June 30, 2015 to be reversed on January 12, 2017; and
- ii. Provision against Sindh WWF, on prudent basis, should be made from the date of enactment of the Sindh WWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017 and SECP vide its letter dated February 01, 2017 advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosure in the financial statements of 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 (up to June 30, 2016)	26,880
Charge of Sindh WWF	1,509

The cumulative net effect of WWF is Rs. 24.884M, had the provision of Federal WWF not reversed and Sindh WWF not charged in the books of accounts of the fund the Net Asset value of the Fund would be lower by Re. 1.04 as at March 31, 2017.

## 8. TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed in cash amongst the unit holders. The Management Company intends to distribute not less than 90% of its annual accounting income in cash, if any, to comply with the above clause at year end. Accordingly, no tax provision has been made in these condensed interim financial statements for the period ended March 31, 2017.

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

## 9. EARNINGS PER UNIT

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

## 10. TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, its related entities, Central Depository Company of Pakistan Limited (being the Trustee of the Fund), other Funds managed by the Management Company and Directors, Key Management Personnel and Officers of the Management Company, and Unit Holders having more than 10% holding in the Fund.

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

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

### 10.1 Details of the transactions with connected persons are as follows:

	Nine months ended 31 March		Quarter ended 31 March	
	2017	2016	2017	2016
	(Rupees in '000)			
<b>Management Company</b>				
Remuneration (including indirect taxes)	7,140	8,590	2,179	2,350
Expenses allocated by management company and related sales tax	1,182	231	362	231
Bank Charges received		106	-	-
<b>MCB Bank Limited</b>				
Profit on bank deposits	291	776	115	33
Purchase of Securities Face Value 300,000,000 (2016: 250,000,000) and Face value (2016: Nil) for the nine months and quarter ended respectively	297,980	246,075	-	-
Sale of Securities Face Value 1,370,000,000 (2016: 200,000,000) and Face Value 1,045,000,000 (2016: 200,000,000) for the nine months and quarter ended respectively	1,492,757	199,052	1,169,174	199,052
<b>Next Capital Limited*</b>				
Brokerage	2	8	2	-
<b>Arif Habib Limited*</b>				
Brokerage	19	3	19	-
<i>Other Related Parties:</i>				
<b>Directors and Executives of the Management Company</b>				
Issue of 12,292 units (2016: Nil units) and Nil units (2016: Nil units) for the nine months and quarter ended respectively	650	-	-	-
Redemption of Nil units (2016: Nil units) and Nil units (2016: Nil units) for the nine months and quarter ended respectively	-	-	-	-

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

	<b>Nine months ended 31 March</b>		<b>Quarter ended 31 March</b>	
	2017	2016	2017	2016
	<b>(Rupees in '000)</b>			
<b>Getz Pharma Pakistan Employees Provident Fund</b>				
Issue of 367,802 units (2016: Nil units) and 367,802 units (2016: Nil units) for the nine months and quarter ended respectively	18,500	-	18,500	-
Redemption of 158,708 units (2016: Nil units) and 158,708 units (2016: Nil units) for the nine months and quarter ended respectively	8,000	-	8,000	-
<b>Fauji Oil Terminal &amp; Distribution Company Limited **</b>				
Issue of Nil units (2016: 5,917,772) and Nil units (2016: Nil units) for the nine months and quarter ended respectively	-	299,451	-	-
Redemption of 1,265,988 units (2016: Nil) and Nil units (2016: Nil units) for the nine months and quarter ended respectively	64,624	-	-	-
<b>BF Biosciences Limited **</b>				
Redemption of 783,528 units (2016: Nil) and Nil units (2016: Nil units) for the nine months and quarter ended respectively	39,828	-	-	-

**10.2 Amounts outstanding as at period / year end:**

	<b>(Unaudited) 31 March 2017 (Rupees in '000)</b>	<b>(Audited) June 30 2016</b>
<b>MCB Bank Limited</b>		
Balance with bank	3,215	39,305
Profit receivable on bank deposits	105	423
<b>Management Company</b>		
Management fee payable	683	717
Sindh sales tax payable on management fee	89	100
Expense allocated by management company and related sales tax payable	114	115
Receivable against bank charges	134	191
<b>Arif Habib Limited*</b>		
Brokerage Payable	19	106
<b>Directors and executives of the Management Company</b>		
Units held 12,292 units (June 2016: Nil units)	-	-
<b>Arif Habib REIT Management Limited</b>		
Units held: 2,121 (June 2016: 2,121 units)	113	-
<b>Getz Pharma</b>		
209,094 Units ( June 2016: Nil )	11,140	-
<b>BF Biosciences Limited**</b>		
Units held: 4,343,375 units (June 2016: 5,126,903)	231,432	-
<b>Fauji Oil Terminal &amp; Distribution Company Limited **</b>		
Units held: 4,919,907 units (June 2016: 6,185,895)	262,153	-

\* 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.

\*\* These persons became connected persons / related parties during the period due to acquiring unit holding of more than 10% of net assets of the Fund.

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

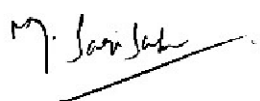
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**11. CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. The effect of rearrangement / reclassification is not considered to be material.

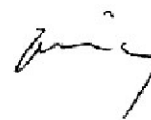
**12. GENERAL**

- 12.1** This condensed interim financial information has been authorised for issue in the meeting of the Board of Directors of the Management Company held 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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