

# MONEY MATTERS



MCB-ARIF HABIB  
Savings and Investments Limited

Fund Manager's Report

FEBRUARY 2018



# FUND PERFORMANCE



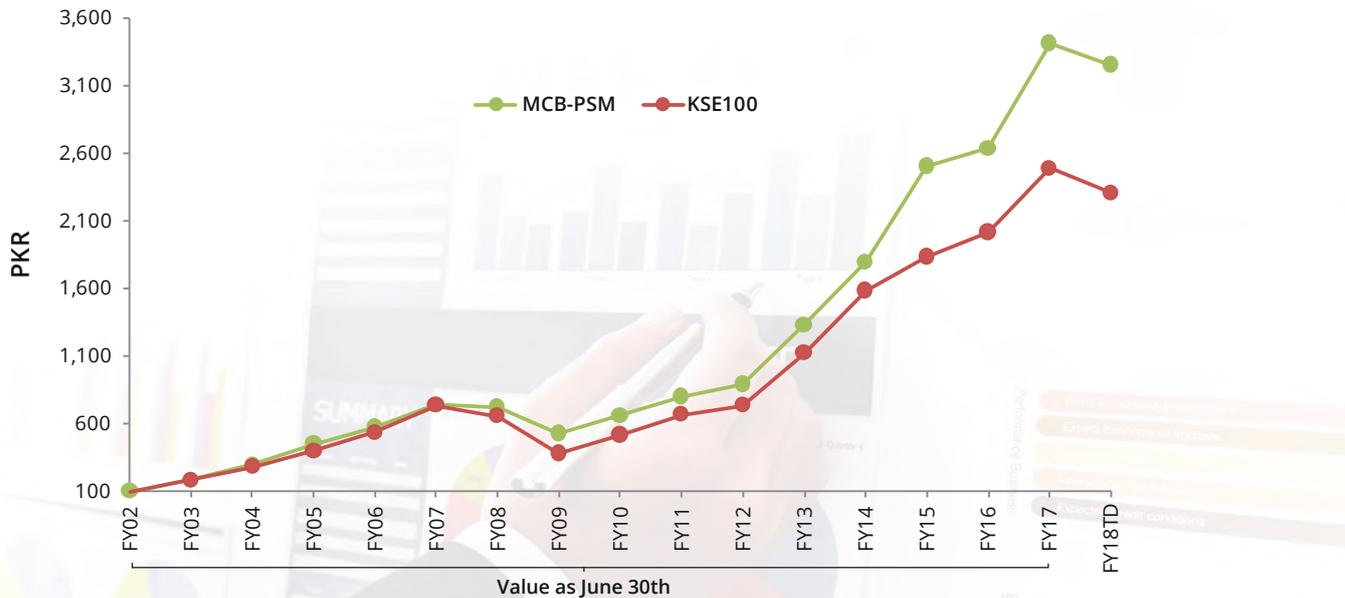
## Fund Returns

Funds	YTD (FY 18)	(July 2016 to June 2017)	(July 2015 to June 2016)
<b>Money Market Schemes</b>			
MCB Cash Management Optimizer	5.33%	7.11%	5.77%
Pakistan Cash Management Fund	4.67%	8.34%	5.88%
<b>Income Schemes</b>			
MCB DCF Income Fund	4.36%	6.50%	6.23%
MCB Pakistan Sovereign Fund	4.86%	5.89%	7.30%
Pakistan Income Fund	4.38%	6.90%	6.14%
<b>Aggressive Fixed Income Scheme</b>			
Pakistan Income Enhancement Fund	5.18%	5.06%	8.33%
<b>Asset Allocation Schemes</b>			
MCB Pakistan Frequent Payout Fund	2.65%	5.54%	3.54%*
MCB Pakistan Asset Allocation Fund	0.18%	9.54%	3.21%
<b>Balanced Scheme</b>			
Pakistan Capital Market Fund	-1.65%	25.36%	5.17%
<b>Equity Scheme</b>			
MCB Pakistan Stock Market Fund	-4.66%	29.54%	5.25%
<b>Voluntary Pension Scheme</b>			
Pakistan Pension Fund-Debt	4.22%	4.31%	7.35%
Pakistan Pension Fund-Money Market	4.34%	4.30%	4.40%
Pakistan Pension Fund-Equity	-8.27%	35.72%	10.77%

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

	Value as at 28 <sup>th</sup> Feb 2018
PKR 100 invested in PSM	PKR 3,255
PKR 100 invested in KSE100 index	PKR 2,309

### Earn more with MCB-PSM



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

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

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

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

# DEAR INVESTORS,

Assalam-o-Alaikum from your reliable savings partner!

Thank you for taking the time to review our Fund Manager's Report for the month of January 2018. We appreciate you entrusting us with your savings; it is your faith that motivates us to provide you with the best in class products and services and strive to help you build and grow your wealth.

One of the closest companions of the Prophet Muhammad Sallallahu alaihi wasallam, Hazrat Abdullah Ibn Masud RadhiAllahu'anhu narrated a Hadith in which Prophet Muhammad Sallallahu alaihi wasallam said, "Seeking Halal earning is the duty after the duty." In other words, working to earn a halal living is itself a religious obligation second in importance after the primary religious obligations like prayers, fasting, zakat and hajj. Islam promotes a balance between spiritual and material worlds by encouraging followers to earn for their family's needs and desires, strictly abiding by the guidance laid down in Quran and Hadith.

Investments in Mutual Funds which are managed in accordance with these Islamic principles are called Shariah Compliant Investments. Shariah-compliant Investments have many requirements that must be adhered to. Some of the requirements for a Shariah-compliant Mutual Fund include the exclusion of investments which derive the majority of their income from the sale of intoxicants, gambling, military equipment or weapons. Other characteristics of a Shariah-compliant Mutual Fund include an appointed Shariah supervisory board, which is responsible for setting a certain criteria under the guidance of Quran and Hadith to ensure Islamic rules and laws are adhered to. In the last few years Shariah-compliant Mutual Funds have become increasingly popular among investors in Pakistan and internationally, showing much higher growth rates than conventional mutual funds.

Alhamra Funds is a Shariah Compliant Investment division of MCB-Arif Habib Savings and Investments Limited (MCB-AH), launched in December 2016 with an aim to market and sell existing Islamic funds of MCB-AH under an independent proposition. Our Alhamra teams based in Lahore, Karachi, Rawalpindi, Islamabad, Multan and Faisalabad, have been advising clients on planning for child education, pilgrimage, retirement and tax savings for more than a year. Alhamra Funds include Shariah Compliant Income, Asset Allocation, Equity and Voluntary Pension Schemes. To promote Islamic investing and reach more clients, two Shariah Compliant Asset Allocation Plans were launched last year along with opening of 3 new branches in Peshawar, Quetta and Gujrat.

Shariah Supervisory Board of Alhamra Funds consists of world renowned Shariah Scholars Justice (Retd.) Mufti Muhammad Taqi Usmani, Dr. Muhammad Zubair usmani and Dr. Ejaz Ahmed Samadani. They are experts in the field of Islamic finance with vast experience in the past of working with various financial institutions in different parts of the world. A strong Shariah Board provides Alhamra Funds and its investments with second to none credibility and hands on experience.

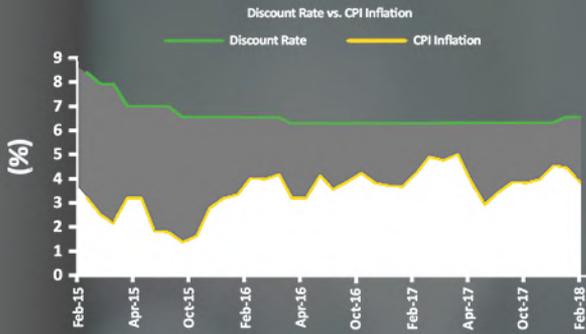
With a diverse, growing portfolio of solutions to cater to varying investment objectives of customers, a history of performance by the Islamic funds and a reputed and expert panel of Shariah Supervisory Board, Alhamra Funds will invest in the Shariah way, creating and growing your Halal wealth.

For any queries or suggestions feel free to contact us via WhatsApp 0300-4362224, call us on our 24/7 helpline 0800-622-24 or email us at [info@mcbah.com](mailto:info@mcbah.com) to speak to one of our helpful Customer Support Officers at any time.



**Muhammad Saqib Saleem**

Chief Executive Officer



## MACRO-ENVIRONMENT REVIEW AND OUTLOOK

Due to slow down in the prices of perishables' prices the inflation for the month of February remained muted at 3.8%, Non food inflation on the other hand continued its robust trajectory at 4.9% YoY lead by education and fuel index. Inflation for the 8MFY18 has averaged at . However, going forward, the direction of inflation depends on adjustment in currency and petroleum prices. With the expectation of increased inflation and deteriorating external account, we foresee monetary tightening to continue and expect an increase of 25 bps in the next Monetary Policy Committee ("MPC") meeting.

Despite governments continued effort to maintain/increase reserves; SBP import cover stands at 2.6x (months of imports) barely above the threshold of 2.2x which will trigger loan covenants for many of our multilateral lenders. We remain skeptical of Pakistan's ability to avoid another IMF program in the near future. Nevertheless, the success of amnesty scheme can allay concerns toward external account for short run.

On the fiscal front, tax collection for 8MFY18 has recorded YoY growth of 17.7% (- PKR 2.259 trillion as against -PKR 1.920 trillion last year), falling only slightly behind the annual target requirement of 19%. While the tax collection is commendable, we still have concerns over the government's ability to achieve the target fiscal deficit, owing to record public and provincial expenditures in the election year.

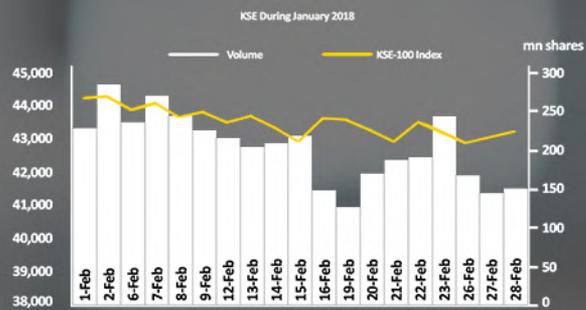
## EQUITY MARKET REVIEW AND OUTLOOK

The benchmark KSE100 index could not sustain its strong start to the year, losing 1.8% in Feb'18 to close at 43,239 points. Political bearings had the most profound impact on market sentiments this month with key developments including: 1) SC declaring Nawaz Sharif ineligible to continue as party head while dismissing all political actions taken by him since Jul 28'17 (Panama case verdict) and 2) inclusion of Pakistan in FATF's watch-list. Even the results season could not provide respite to subdued investor sentiment. Apart from this, macro vulnerabilities once again came on the forefront as burgeoning current account deficit and higher debt servicing continued to exert pressure on SBP's forex reserves. However, Pakistan still managed to outperform major global markets many of which were down more than 5% in Feb.

Foreigners sold -USD 32 mn worth of equities which was majorly absorbed by Insurance Companies (USD 38.1 mn). Average volume/value traded deteriorated by 15/21% respectively.

Negative contribution to the index was contributed mainly by Cements (-6.2%), Pharmaceuticals (-5.3%) & Textiles (-3.5%). Chemical was the only sector that ended in the positive region (3.2%). Cement sector' lackluster performance was because of concerns over future pricing discipline on upcoming capacity expansions of -4.5 Mn tons in the next 7-8 months in the Southern region.

Going forward, we expect market to remain volatile owing to emerging concerns on economy. We continue to track trends in economic indicators of the country and adjust our portfolio accordingly. While we reiterate our view of limited downside in stock market, in the interim; we believe the road to general elections scheduled next year may continue to test patience of equity investors. Elections & political activity, and CPEC would likely remain the key drivers.

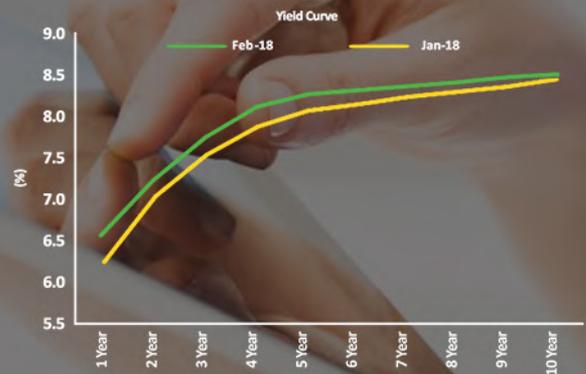


## MONEY MARKET REVIEW AND OUTLOOK

With an increase in discount rate in the last Monetary Policy, the bond yield curve shifted upward. GOP conducted regular OMO's to keep liquidity intact however, overnight market in most of the period kept on trading in upper band which later eased off post Treasury bill auction.

The PIB auction held during the month further supported the fact that market is expecting another rate hike as total participation of mere PKR 33 billion was witnessed. 3 year PIB's received majority bids worth PKR 31.9 billion. Insignificant amount of participation and that too at abnormal levels resulted in auction being rejected. Same sentiment prevailed in shorter tenor T-bills as well. Since the last monetary policy, no noteworthy participation has been witnessed in 6 and 12 months paper. Last Treasury bill auction witnessed a total participation of PKR 323 billion against a maturity of PKR 620 billion and a target of PKR 650 billion. Majority bids once again were received in 3 months T-bill totaling PKR 298 billion, 6 months T-bills received a participation of PKR 25 billion and no interest came in 12 months paper. Despite low participation officials were compelled in increasing 3 months paper cut off to 6.2591% from previous level of 6.2144%, highlighting ministry's desperateness.

Going forward primary focus would be on addressing the external account concerns. The continuous decline in foreign exchange reserves is concerning and pose serious threat to the economic directionbeit devaluation of PKR is nothing but serious. The deficit would be financed primarily via external borrowing largely through issuance of dollar denominated Bonds/sukuk.





February 28, 2018

## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	AA(f) by PACRA (12-July-17)
Risk Profile	Low
Launch Date	1-Oct-09
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co. Chartered Accountants
Management Fee	10% of the Gross Earnings subject to a minimum fee of 0.25% of average daily Net Assets and maximum fee of 1% of average Annual Net Assets.
Front / Back end Load*	Nil
Min. Subscription	PKR 500
Growth Units	PKR 500
Cash Dividend Units	PKR 100,000
Income Units	Pakistan Stock Exchange
Benchmark	70% three (3) months PKRV rates plus 30% three (3) months average deposit rates of three (3) AA rated scheduled Banks as selected by MUFAP
Pricing Mechanism	Backward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM) For same day redemption Mon - Fri (9:00AM to 10:00 AM)
Leverage	Nil
*Subject to government levies	

## Investment Objective

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

## Manager's Comment

The fund generated an annualized return of 5.31% during the month against benchmark of 5.38%. The fund decreased its exposure in cash to 38.0% and increased its exposure in T-Bills to 44.7%.

WAM of the fund was 33 days.

## Fund Facts / Technical Information

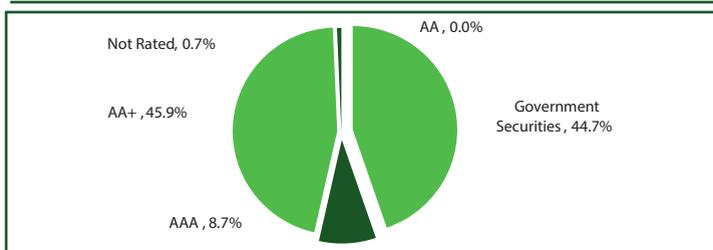
NAV per Unit (PKR)	104.1010
Net Assets (PKR M)	12,563
Weighted average time to maturity (Days)	33
Sharpe Ratio*	0.05
Correlation**	13%
Standard Deviation	0.038
Total expense ratio with government levy***	0.75%
Total expense ratio without government levy	0.56%

\*As against 12 month PKRV

\*\*As against Benchmark

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

## Asset Quality (%age of Total Assets)



## Others

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

MCB-CMOP has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 13.23 million, if the same were not made the NAV per unit of MCB-CMOP would be higher by Rs 0.1097 and YTD return would be higher by 0.11%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the half year ended December 31, 2017 of MCB-CMOP.

## Members of the Investment Committee

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

## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Cash	38.0%	63.1%
T-Bills	44.7%	20.0%
PIBs	0.0%	0.0%
Term Deposits with Banks	8.7%	8.5%
Placement with Banks and DFIs	7.9%	7.7%
Others including receivables	0.7%	0.7%
Commercial Paper	0.0%	0.0%

## Performance Information (%)

Particulars	MCB CMOP	Benchmark
Year to Date Return (Annualized)	5.33%	5.21%
Month to Date Return (Annualized)	5.31%	5.38%
180 Days Return (Annualized)	5.32%	5.22%
365 Days Return (Annualized)	5.70%	5.11%
Since inception (CAGR)*	8.75%	6.23%
Average Annual Return (Geometric Mean)	8.95%	-

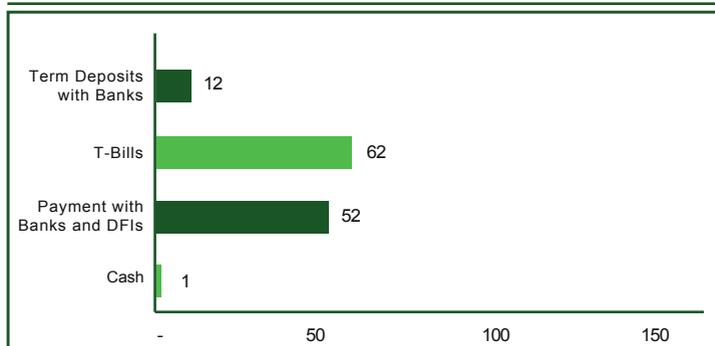
\*Adjustment of accumulated WWF since Oct 1, 2009

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

## Annualized

Particulars	2013	2014	2015	2016	2017
Benchmark (%)	5.40	7.19	6.74	4.42	4.18
MCB CMOP (%)	9.20	8.25	8.83	5.77	7.11

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



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### MUFAP's Recommended Format



February 28, 2018

## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	AAA(f) by PACRA (12-Jul-17)
Risk Profile	Low
Launch Date	20-March-2008
Fund Manager	Saad Ahmed
Trustee	MCB Financial Services Limited
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	10% of the Gross Earnings subject to a minimum fee of 0.25% of average daily Net Assets.
Frontend Load*	Nil
Back end Load*	Nil
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	70% three(3) months PKRV rates + 30% three (3) months average deposit rates of three (3) AA rated scheduled Banks selected by MUFAP.
Pricing Mechanism	Backward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM) <u>For same day redemption</u> Mon - Fri (9:00AM to 10:00AM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

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

## Manager's Comment

During the month the fund generated a return of 4.43% against its benchmark return of 5.39%. The fund decreased its exposure to 0.0% in T-Bills. WAM of the fund at month end stood at 1 Day.

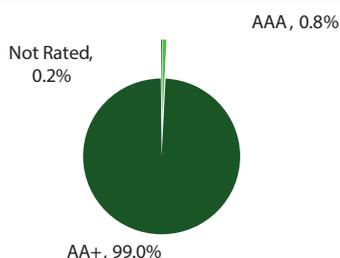
The fund would remain vigilant towards the changes in macroeconomic variables and would continue to harvest attractive opportunities in the market.

## Fund Facts / Technical Information

Particulars	PCF
NAV per Unit (PKR)	51.8438
Net Assets (PKR M)	500
Weighted average time to maturity (Days)	1
Sharpe Ratio*	0.02
Correlation**	27.5%
Standard Deviation	0.05
Total expense ratio with government levy***	0.98%
Total expense ratio without government levy	0.78%

\*as against 12 month PKRV  
\*\*as against Benchmark  
\*\*\*This includes 0.20% representing government levy, Sindh Workers' Welfare fund and SECP fee

## Asset Quality (%age of Total Assets)



## Others

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

PCF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1.73 million, if the same were not made the NAV per unit of PCF would be higher by Rs. 0.1794 and YTD return would be higher by 0.36%. For details, investors are advised to read Note 7.1 of the latest Financial Statements for the half year ended December 31, 2017 of PCF.

## Members of the Investment Committee

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

## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Cash	99.8%	5.6%
T-Bills	0.0%	94.3%
Others including receivables	0.2%	0.1%

## Performance Information (%)

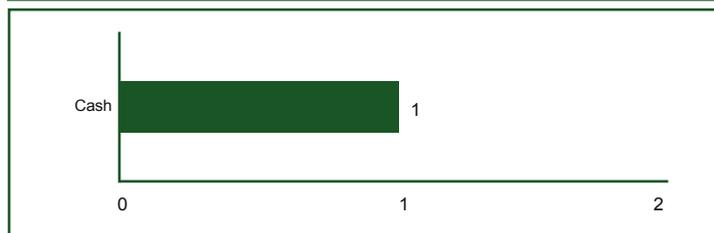
Particulars	PCF	Benchmark
Year to Date Return (Annualized)	4.67%	5.30%
Month to Date Return (Annualized)	4.43%	5.39%
180 Days Return (Annualized)	4.58%	5.29%
365 Days Return (Annualized)	5.73%	5.59%
Since inception (CAGR)	9.27%	10.19%
Average Annual Return (Geometric Mean)	9.31%	-

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

## Annualized

Particulars	2013	2014	2015	2016	2017
Benchmark (%)	10.5	9.56	9.83	6.75	6.07
PCF (%)	9.0	8.41	8.86	5.88	8.34

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



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### MUFAP's Recommended Format



February 28, 2018

## General Information

Fund Type	An Open End Scheme	
Category	Income Scheme	
Asset Manager Rating	AM2 ++ (AM Two Double Plus) by PACRA (23-Jun-17)	
Stability Rating	A+(f) by PACRA (12-Jul-17)	
Risk Profile	Low	
Launch Date	1-Mar-07	
Fund Manager	Saad Ahmed	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	EY Ford Rhodes, Chartered Accountants	
Management Fee	1.5% p.a.	
<b>Front-end Load*</b>		
Growth and Income Units:	Individual	1.5%
	Corporate	Nil
Bachat Units:	Nil	
<b>Back-end Load*</b>		
Growth & Income Units	Nil	
Bachat Units	3% if redeemed before completion of two years from the date of initial investment. 0% if redeemed after completion of two years from the date of initial investment.	
<b>Min. Subscription</b>		
Growth & Bachat Units	PKR 500	
Income Units	PKR 100,000	
Listing	Pakistan Stock Exchange	
Benchmark	Six(6) months KIBOR rates	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)	
Leverage	Nil	

\*Subject to government levies

## Investment Objective

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

## Manager's Comment

During the month the fund generated an annualized return of 4.01% against its benchmark return of 6.25%. Allocations in cash has decreased.

## Fund Facts / Technical Information

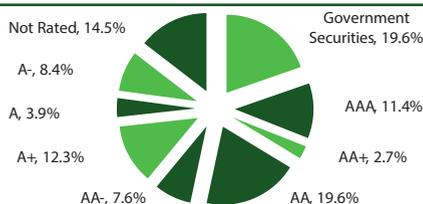
NAV per Unit (PKR)	109.5174
Net Assets (PKR M)	5,114
Weighted average time to maturity (Years)	1.6
Duration (Years)	1.5
Sharpe Ratio*	0.04
Correlation**	9.7%
Standard Deviation	0.10
Total expense ratio with government levy***	1.63%
Total expense ratio without government levy	1.38%

\*as against 12 month PKRV

\*\*as against benchmark

\*\*\*This includes 0.25% representing government levy, Sindh workers' welfare fund and SECP fee

## Asset Quality (%age of Total Assets)



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

Name & Type of Non-Compliant Investment	Outstanding face value	Value of investment before provision	Provision held, if any	Value of investment after provision	% of Net Assets	% of Gross Assets
Saudi Pak Leasing Company Limited - TFC	27.55	27.55	27.55	-	0.00%	0.00%
Security Leasing Corporation Limited - Sukuk	3.32	1.16	1.16	-	0.00%	0.00%
Security Leasing Corporation Limited - TFC	3.98	2.35	2.35	-	0.00%	0.00%
New Allied Electronics Industries - TFC	21.98	21.98	21.98	-	0.00%	0.00%
New Allied Electronics Industries - Sukuk	35.00	35.00	35.00	-	0.00%	0.00%

## Others

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

MCB-DCFIF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 20.15 million, if the same were not made the NAV per unit of MCB-DCFIF would be higher by Rs. 0.4316 and YTD return would be higher by 0.41%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the half year ended December 31, 2017 of MCB-DCFIF.

## Members of the Investment Committee

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

## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Cash	25.0%	40.7%
Term Deposits with Banks	11.3%	11.1%
PIBs	0.0%	0.0%
TFCs	28.1%	24.3%
Spread Transactions	3.3%	5.0%
T-Bills	19.6%	2.7%
Others including receivables	3.9%	3.0%
Margin Trading	7.3%	13.2%
Placements with Banks and DFIs	1.5%	0.0%

## Performance Information (%)

Particulars	MCB - DCFIF	Benchmark
Year to Date Return (Annualized)	4.36%	6.12%
Month to Date Return (Annualized)	4.01%	6.25%
180 Days Return (Annualized)	4.38%	6.07%
365 Days Return (Annualized)	4.69%	6.20%
Since inception (CAGR)**	9.63%	10.23%
Average Annual Return (Geometric Mean)	9.73%	-

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

## Annualized

Particulars	2013	2014	2015	2016	2017
Benchmark (%)	9.3	9.57	10.57	7.01	6.09
MCB-DCFIF (%)	9.8	10.79	12.64	6.23	6.50

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

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

Dawood Hercules Corporation Limited (16-Nov-17)	6.6%
Bank Alfalah Limited (20-Feb-13)	6.2%
Askari Bank Limited (30-Sep-14)	5.8%
Bank Al Habib Limited (17-Mar-16)	4.9%
Dawood Hercules Corporation Limited - Sukuk II	1.9%
The Bank of Punjab (23-Dec-16)	1.0%
Engro Fertilizer Limited (09-Jul-14)	0.8%
Ghani Gases Limited (02-Feb-17)	0.8%
Saudi Pak Leasing Company Limited (13-Mar-08)	0.0%
Security Leasing Corporation Limited (01-Jun-07)	0.0%

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## MUFAP's Recommended Format



February 28, 2018

## General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	A+(f) by PACRA (12-Jul-17)
Risk Profile	Low
Launch Date	11-Mar-2002
Fund Manager	Syed Mohammad Usama Iqbal
Trustee	Central Depository Company of Pakistan Limited
Auditor	A.F.Ferguson & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front -end Load*	Individual 2% Corporate Nil
Back-end Load*	Nil
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	Six(6) months KIBOR rates
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

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

## Manager's Comment

During the month the fund posted an annualized return of 3.9% against its benchmark return of 6.06%. Weighted Average Time to Maturity of the Fund stood at 1.8 years. Exposure in Cash was decreased from 44.0% to 24.9% while exposure in TDRs remains the same.

## Fund Facts / Technical Information

NAV per Unit (PKR)	55.3313
Net Assets (PKR M)	1,390
Weighted average time to maturity (Years)	1.8
Duration (Years)	1.6
Sharpe Ratio	0.03
Correlation**	6.24%
Standard Deviation	0.17
Total expense ratio with government levy*	1.57%
Total expense ratio without government levy	1.31%

\*This includes 0.26% representing government levy, Sindh workers' welfare fund and SECP fee.

\*\*as against Benchmark

## Members of the Investment Committee

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

## Others

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

PIF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 3.74 million, if the same were not made the NAV per unit of PIF would be higher by Rs. 0.1490 and YTD return would be higher by 0.28%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the half year ended December 31, 2017 of PIF.

## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Cash	24.9%	44.0%
TFCs	31.9%	27.9%
Spread Transactions	6.8%	0.0%
T-Bills	12.6%	3.5%
Term Deposits with Banks	12.8%	12.7%
PIBs	0.5%	0.5%
Others including receivables	3.2%	2.1%
Margin Trading	7.3%	9.3%

## Performance Information (%)

Particulars	PIF	Benchmark
Year to Date Return (Annualized)	4.38%	5.91%
Month to Date Return (Annualized)	3.90%	6.06%
180 Days Return (Annualized)	4.32%	5.82%
365 Days Return (Annualized)	4.82%	6.01%
Since inception (CAGR)	9.46%	8.78%
Average Annual Return (Geometric Mean)	9.51%	-

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

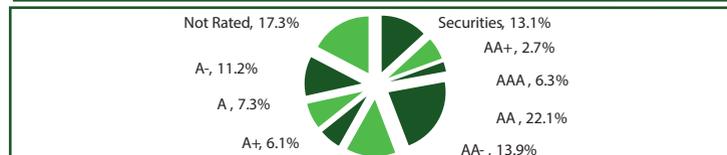
## Annualized

Particulars	2013	2014	2015	2016	2017
Benchmark (%)	11.00	9.33	10.43	6.97	6.05
PIF(%)	7.20	8.13	11.31	6.14	6.90

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

Dawood Hercules Corporation Limited (16-Nov-17)	7.1%
Bank Al Habib Limited (17-Mar-16)	6.0%
Askari Bank limited (30-Sep-14)	5.3%
Bank Alfalah Limited (20-Feb-13)	3.7%
International Brands Limited - Sukuk	3.5%
Ghani Gases Limited (02-Feb-17)	2.8%
Askari Bank limited (23-Dec-11)	1.5%
Dawood Hercules Corporation Limited - Sukuk II	1.8%
Byco Petroleum Pakistan Limited (18-Jan-17)	0.1%
PACE Pakistan Limited (15-Feb-08)	0.0%

## Asset Quality (%age of Total Assets)



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

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

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### MUFAP's Recommended Format



February 28, 2018

## General Information

Fund Type	An Open End Scheme	
Category	Income Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)	
Stability Rating	AA-(f) by PACRA (12-Jul-17)	
Risk Profile	Low to Moderate	
Launch Date	1-March-2003	
Fund Manager	Saad Ahmed	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	EY Ford Rhodes, Chartered Accountants	
Management Fee	10% of the gross revenue subject to a minimum fee of 0.5% of the net assets and maximum fee of 1.5% of the net assets of the Scheme.	
<b>Front-end Load*</b>	Type A Units	1.5%
	For Individual	Nil
	For Corporate	Nil
<b>Back-end Load*</b>	Type B "Bachat " Units	Nil
	Type A Units	Nil
	Type B "Bachat " Units	3% if redeemed before completion of two years from the date of initial investment.
		0% if redemption after completion of two years from the date of initial investment.
<b>Min. Subscription</b>	PKR 500	
Listing	Pakistan Stock Exchange	
Benchmark	6 month PKRV rates	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)	
Leverage	Nil	

\*Subject to government levies

## Investment Objective

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

## Manager's Comment

During the month, the fund generated an annualized return of 4.77% as against its benchmark return of 5.19%. Allocation in T-Bills was increased to 94.1% from 91.3%. While exposure in Cash was decreased to 2.7% from 5.3%.

WAM of the fund stood at 131 days at month end.

## Fund Facts / Technical Information

NAV per Unit (PKR)	54.85
Net Assets (PKR M)	970
Weighted average time to maturity (Days)	131
Duration (Days)	131
Sharpe Ratio*	0.003
Correlation**	20.16%
Standard Deviation	0.16
Total expense ratio with government levy**	0.85%
Total expense ratio without government levy	0.66%

\*Against 12M PKRV

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

\*\*\*as against Benchmark

## Others

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

MCB-PSF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 4.24 million, if the same were not made the NAV per unit of MCB-PSF would be higher by Rs. 0.2397 and YTD return would be higher by 0.45%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the half year ended December 31, 2017 of MCB-PSF.

## Members of the Investment Committee

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

## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Cash	2.7%	5.3%
T-Bills	94.1%	91.3%
PIBs	2.8%	2.9%
Others including Receivables	0.4%	0.5%

## Performance Information (%)

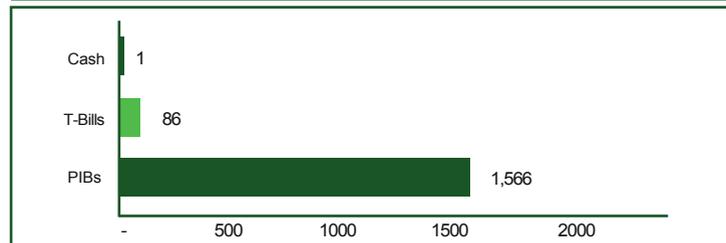
Particulars	MCB-PSF	Benchmark
Year to Date Return (Annualized)	4.86%	5.71%
Month to Date Return (Annualized)	4.77%	5.19%
365 Days Return (Annualized)	5.11%	5.83%
180 Days Return (Annualized)	4.82%	5.61%
Since inception (CAGR)	7.53%	8.34%
Average Annual Return (Geometric Mean)	7.24%	-

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

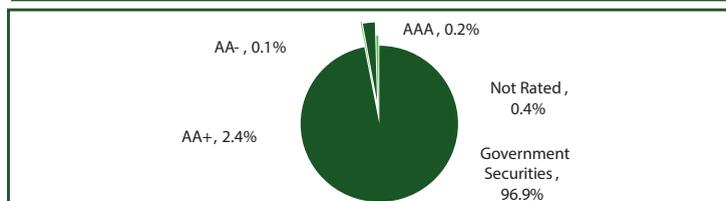
## Annualized

Particulars	2013	2014	2015	2016	2017
Benchmark (%)	11.00	9.11	10.41	6.93	5.88
MCB-PSF (%)	12.30	9.26	16.58	7.30	5.89

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



## Asset Quality (%age of Total Assets)



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## MUFAP's Recommended Format



February 28, 2018

## General Information

Fund Type	An Open End Scheme		
Category	Aggressive Fixed Income Scheme		
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)		
Stability Rating	A+(f) by PACRA (12-Jul-17)		
Risk Profile	Low to Moderate		
Launch Date	28-Aug-2008		
Fund Manager	Saad Ahmed		
Trustee	Central Depository Company of Pakistan Limited		
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants		
Management Fee	15% of the gross earnings subject to a minimum fee of 0.25% of the average daily net assets and maximum fee of 1.5% of average Annual Net Assets		
<b>Front-end Load*</b>	For Type A Units : For Individual 2% For Corporate Nil Type B Units : For Individual 2% For Corporate Nil For Type C "Bachat" Units Nil Type A & Type B Units Nil Type C "Bachat" Units		
<b>Back-end Load*</b>	3% if redeemed before completion of two (2) years from the date of initial investment. 0% if redeemed after completion of two (2) years from the date of initial investment.		
<b>Min. Subscription</b>	Type A Units	PKR 500/-	
	Type B Units	PKR 10,000,000/-	
	Type C "Bachat" Units	PKR 500/-	
Listing	Pakistan Stock Exchange		
Benchmark	One (1) year KIBOR rates		
Pricing Mechanism	Forward		
Dealing Days	Monday - Friday		
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)		
Leverage	Nil		
*Subject to government levies			

## Others

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

PIEF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 4.53 million, if the same were not made the NAV per unit of PIEF would be higher by Rs. 0.1254 and YTD return would be higher by 0.24%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the half year ended December 31, 2017 of PIEF.

## Members of the Investment Committee

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

## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Cash	20.2%	28.2%
PIBs	1.0%	0.9%
TFCs	32.1%	30.4%
T-Bills	8.1%	2.9%
Term Deposits with Banks	7.4%	6.8%
Spread Transactions	0.9%	0.0%
Others including receivables	3.7%	2.5%
Margin Trading	6.2%	9.7%
Commercial Papers	13.0%	11.8%
Certificate of Musharkah	7.4%	6.8%

## Investment Objective

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

## Manager's Comment

During the month the fund generated an annualized return of 4.47 as against its benchmark return of 6.58%. Exposure in TFCs and Term Deposits stood at 32.1% and 7.4%, respectively. Exposure in cash decreased to 20.2% from 28.2% in the previous month.

## Fund Facts / Technical Information

NAV per Unit (PKR)	54.9270
Net Assets (PKR M)	1,986
Weighted average time to maturity (Years)	2.0
Duration (Years)	1.7
Sharpe Ratio*	0.05
Correlation**	15.8%
Standard Deviation	0.12
Total expense ratio with government levy***	1.22%
Total expense ratio without government levy	0.99%

\*as against 12 month PKRV

\*\*as against benchmark

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

## Annualized

Particulars	2013	2014	2015	2016	2017
Benchmark (%)	12.30	8.73	11.75	7.52	6.40
PIEF (%)	7.20	8.73	13.63	8.33	5.06

## Performance Information (%)

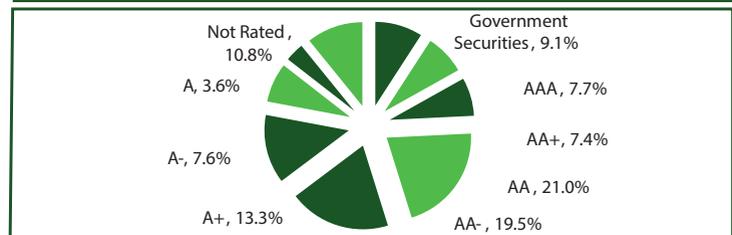
Particulars	PIEF	Benchmark
Year to Date Return (Annualized)	5.18%	6.43%
Month to Date Return (Annualized)	4.47%	6.58%
180 Days Return (Annualized)	5.18%	6.37%
365 Days Return (Annualized)	5.33%	6.50%
Since inception (CAGR)	10.20%	10.56%
Average Annual Return (Geometric Mean)	9.93%	-

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

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

Dawood Hercules Corporation Limited (16-Nov-17)	6.6%
Jahangir Siddiqui & Company Limited (18-Jul-17)	6.3%
The Bank of Punjab (23-Dec-16)	4.8%
Bank Al Habib Limited (17-Mar-16)	4.2%
Askari Bank Limited (23-Dec-11)	4.1%
Askari Bank Limited (30-Sep-14)	3.2%
Bank Alfalah Limited (20-Feb-13)	1.6%
Dawood Hercules Corporation Limited - Sukuk II	1.2%
Byco Petroleum Pakistan Limited (18-Jan-17)	0.0%
Eden Housing Limited (31-Mar-08)	0.0%

## Asset Quality (%age of Total Assets)



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## MUFAP's Recommended Format



February 28, 2018

## General Information

Fund Type	An Open End Scheme	
Category	Asset Allocation Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch Date	17-Mar-08	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	A.F. Ferguson & Co. Chartered Accountants	
Management Fee	2% p.a.	
<b>Front/Back end Load*</b>	Growth & Cash Dividend Units	3%
	Bachat Units (Two Years)	Nil
	Bachat Units (Three Years)	Nil
<b>Back-end Load*</b>	Growth & Cash Dividend Units	Nil
	Bachat Units (Two Years):	
	- 3% if redeemed before completion of two years from the date of initial investment.	
	- 0% if redemption after completion of two years from the date of initial investment.	
	Bachat Units (Three Years):	
	- 3% if redeemed before completion of three years from the date of initial investment.	
	- 0% if redemption after completion of three years from the date of initial investment.	
<b>Min. Subscription</b>	PKR 500	
Listing	Pakistan Stock Exchange	
Benchmark	6 months KIBOR plus 200 bps	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00 AM to 4:30 PM)	
Leverage	Nil	
	*Subject to government levies	

## Others

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

MCB-PAAF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 9.08 million, if the same were not made the NAV per unit of MCB-PAAF would be higher by Rs. 0.2233 and YTD return would be higher by 0.28%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the half year ended December 31, 2017 of MCB-PAAF.

## Members of the Investment Committee

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

## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Cash	21.3%	12.8%
TFCs	6.3%	3.2%
Stocks / Equities	49.6%	35.6%
Spread Transactions	0.0%	0.0%
T-Bills	6.3%	42.7%
PIBs	0.1%	0.1%
Term Deposits with Banks	4.4%	4.2%
Others including receivables	1.7%	0.7%
Commercial Paper	0.7%	0.7%
Placement with Banks and DFIs	9.6%	0.0%

## Investment Objective

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

## Manager's Comment

The Fund posted a return of 0.41% during the month against the benchmark Return of 0.65%, while since inception return stood at 85.43%. Exposure in equities was increased.

## Fund Facts / Technical Information

NAV per Unit (PKR)	81.1711
Net Assets (PKR M)	3,301
Sharp Ratio*	-0.0021
Beta	0.37
Max draw up	266.96%
Max draw down	-48.57%
Standard Deviation	0.55
Total expense ratio with government levy**	2.41%
Total expense ratio without government levy	2.16%

\*as against 12 month PKRV

\*\*This includes 0.25% representing government levy, Sindh Worker's Welfare Fund and SECP fee

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

	MTD	YTD
	1,022,168	8,585,119

## Performance Information (%)

Particulars	MCB -PAAF	Benchmark
Year to Date Return	0.18%	5.61%
Month to Date Return	0.41%	0.65%
180 Days Return	3.50%	4.16%
365 Days Return	-2.08%	8.53%
Since inception*	85.43%	NA

\*Adjustment of accumulated WWF since July 1, 2008

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

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## MUFAP's Recommended Format

## Absolute

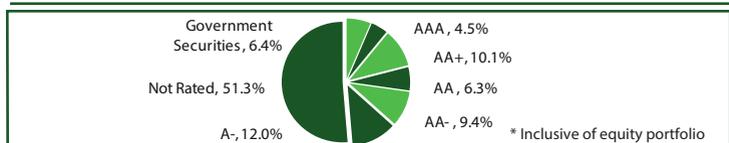
Particulars	2013	2014	2015	2016	2017
Benchmark (%)	NA	NA	8.85*	9.86	7.75
MCB-PAAF (%)	19.20	11.95	19.41	3.21	9.54

\* November-14 to June-15

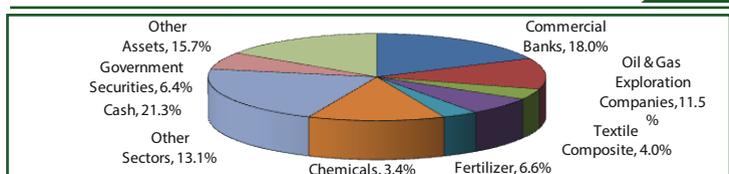
## Top 10 Holdings (%age of Total Assets)

Bank Al Falah Limited	Equity	6.5%
Faysal Bank Limited	Equity	4.3%
Pakistan Oilfields Limited	Equity	3.9%
Oil & Gas Development Company Limited	Equity	3.8%
Engro Polymer and Chemicals Limited	Equity	3.4%
Bank Al Habib Limited (17-Mar-16)	TFC	3.1%
Dawood Hercules Corporation Limited	Sukuk	2.9%
Nishat Mills Limited	Equity	2.4%
Engro Corporation Limited	Equity	2.3%
AGP Limited	Equity	2.1%

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



## Sector Allocation (%age of Total Assets)





February 28, 2018

## General Information

Fund Type	An Open End Scheme
Category	Asset Allocation Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	16-Nov-15
Fund Manager	Awais Abdul Sattar, CFA
Trustee	MCB Financial Services Limited
Auditor	A.F. Ferguson & Co. Chartered Accountants
Management Fee	15% of the gross earnings subject to a minimum of 0.25% of the average daily net assets and maximum of 2% of the average daily net assets of the scheme
Front end Load*	3%
Back end Load*	Nil
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	KSE 100 Index and Six (6) months KIBOR rates on the basis of actual proportion held by the Scheme
Pricing Mechanism	Forward
Dealing Days	First five business days of every month
Cut off Timing	Mon - Fri (9:00 AM to 4:30 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

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

## Manager's Comment

During the month, the Fund posted a negative return of 0.38% against its benchmark negative return of 0.48%. The fund decreased its exposure in cash from 49.4% to 35.3% and decreased exposure in T-Bills from 14.4% to 12.0%. Exposure in equities increased from 0.5% to 0.6%.

## Performance Information (%)

Particulars	MCB PFPF	Benchmark
Year to Date Return	2.65%	3.32%
Month to Date Return	0.38%	0.48%
365 days Return	4.10%	4.41%
180 days Return	2.18%	2.41%
Since inception	12.18%	14.16%

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

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

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

## Fund Facts / Technical Information

NAV per Unit (PKR)	100.7379
Net Assets (PKR M)	639
Total expense ratio with government levy*	1.46%
Total expense ratio without government levy	1.23%

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

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

	MTD	YTD
	-	1,053,191

## Others

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

MCB-PFPF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1.90 million, if the same were not made the NAV per unit of MCB PFPF would be higher by 0.2995 and YTD return would be higher by 0.31%. For details investors are advised to read Note 7.2 of the latest Financial Statements for the half year ended December 31, 2017 of MCB-PFPF.

## Members of the Investment Committee

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

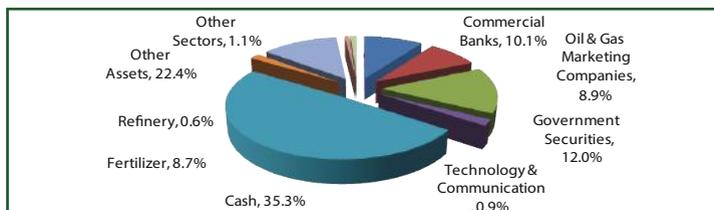
## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Stock / Equities	0.6%	0.5%
Cash	35.3%	49.4%
PIBS	0.0%	0.0%
T-Bills	12.0%	14.4%
Term Deposits with Banks	10.7%	10.3%
Margin Trading	2.4%	5.0%
TFCs	17.6%	9.6%
Others including receivables	2.5%	2.3%
Commercial Paper	8.9%	8.5%
Spread Transactions	0.8%	0.0%
Placement with Banks and DFIs	9.2%	0.0%

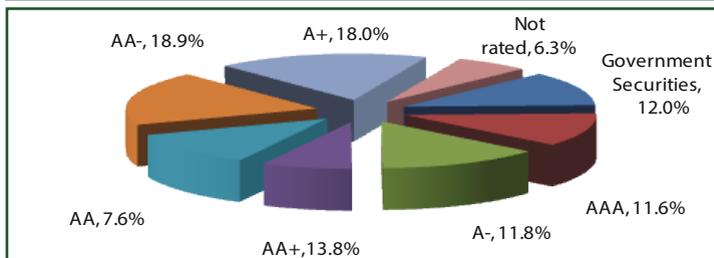
## Top Holdings (%age of Total Assets)

Particulars		
The Bank of Punjab (23-Dec-16)	TFC	9.8%
Dawood Hercules Coporation Limited - Sukuk II	Sukuk	7.6%
Dolmen City REIT	Equity	0.5%
Engro Polymer and Chemicals Limited	Equity	0.4%
Byco Petroleum Pakistan Limited	Equity	0.4%
Byco Petroleum Pakistan Limited (18-Jan-17)	Sukuk	0.2%
Descor Oxychem Limited	Equity	0.0%
Kohinoor Textile Mills Limited	Equity	0.0%
Attock Refinery Limited	Equity	0.0%
D.G.Khan Cement Company Limited	Equity	0.0%

## Sector Allocation (%age of Total Assets)



## Asset Quality (%age of Total Assets)



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## MUFAP's Recommended Format



February 28, 2018

## General Information

Fund Type	An Open End Scheme	
Category	Balanced Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch Date	24-Jan-2004	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants	
Management Fee	2.0% p.a.	
Front end Load*	For Individual	2%
	For Corporate	Nil
Back end Load*	Nil	
Min. Subscription	PKR 500	
Listing	Pakistan Stock Exchange	
Benchmark	KSE 100 Index and Six (6) months KIBOR rates on the basis of actual proportion held by the Scheme	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon - Fri (9:00 AM to 4:30 PM)	
Leverage	Nil	

\*Subject to government levies

## Investment Objective

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

## Manager's Comment

The fund posted a negative return of 0.09% during the month against the benchmark negative return of 1.17%. The Fund decreased its exposure in cash to 4.1%

## Members of the Investment Committee

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

## Performance Information (%)

Particulars	PCM	Benchmark
Year to Date Return	-1.65	-2.63
Month to Date Return	-0.09	-1.17
180 days Return	4.61	5.19
365 days Return	-2.08	-5.70
Since inception	649.96	562.41

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

	2013	2014	2015	2016	2017
Benchmark (%)	29.2	27.12	13.92	8.89	19.62
PCM (%)	28.10	26.10	31.11	5.17	25.36

## Others

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

PCMF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 4.00 million, if the same were not made the NAV per unit of PCMF would be higher by Rs. 0.0719 and YTD return would be higher by 0.62%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the Half year ended December 31, 2017 of PCMF.

## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Cash	4.1%	45.0%
T-Bills	22.7%	0.0%
TFCs	0.2%	0.1%
Stocks / Equities	60.2%	46.8%
Term Deposit with Banks	3.8%	3.7%
Others including receivables	4.4%	4.4%
Placement with Banks and DFIs	4.6%	0.0%

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

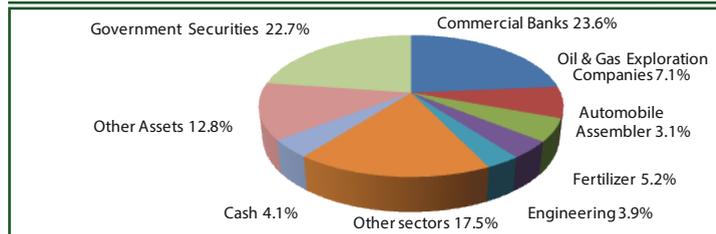
Company Name	Equity	%
Bank Al-Falah Limited	Equity	5.3%
Faysal Bank Limited	Equity	4.3%
Habib Bank Limited	Equity	4.3%
Oil & Gas Development Comapny Limited	Equity	3.8%
Bank Al-Habib Limited	Equity	3.1%
Engro Corporation Limited	Equity	3.0%
Mughal Iron & Steel Industries Limited	Equity	3.0%
MCB Bank Limited	Equity	2.8%
Engro Fertilizers Limited	Equity	2.2%
Pakistan Oilfields Limited	Equity	2.1%

## Fund Facts / Technical Information

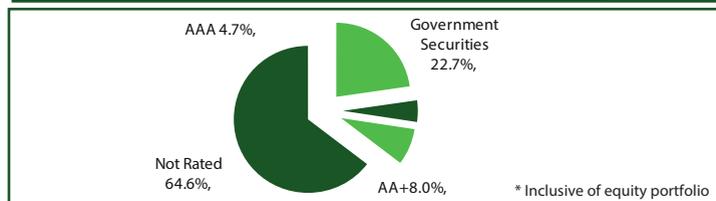
Particulars	PCM
NAV per Unit (PKR)	11.3400
Net Assets (PKR M)	631
Sharpe Ratio	0.044
Beta	0.92
Max draw up	723.16%
Max draw down	-44.71%
Standard Deviation	0.80
Total expense ratio with government levy*	2.21%
Total expense ratio without government levy	1.94%

\*This includes 0.27% representing government levy, Sindh Worker's Welfare Fund and SECP fee

## Sector Allocation (%age of Total Assets)



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



\*Inclusive of equity portfolio

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## MUFAP's Recommended Format



February 28, 2018

## General Information

Fund Type	An Open End Scheme	
Category	Equity Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)	
Stability Rating	Not Applicable	
Risk Profile	High	
Launch Date	11-Mar-2002	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	A.F. Ferguson & Co. Chartered Accountants	
Management Fee	2.0% p.a.	
Front end Load*	3%	
Growth Units:	Individual	3%
	Corporate	Nil
Bachat Units:	Nil	
Back end Load*	Nil	
Growth Units:	3% if redeemed before completion of two years from the date of initial investment	
Bachat Units:	0% if redemption after completion of two years from the date of initial investment	
Min. Subscription Listing	PKR 500	
Benchmark	Pakistan Stock Exchange	
Pricing Mechanism	KSE 100 Index	
Dealing Days	Forward	
Cut off Timing	Monday - Friday	
Leverage	Mon - Fri (9:00AM to 4:30 PM)	
	Nil	

\*Subject to government levies

## Investment Objective

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

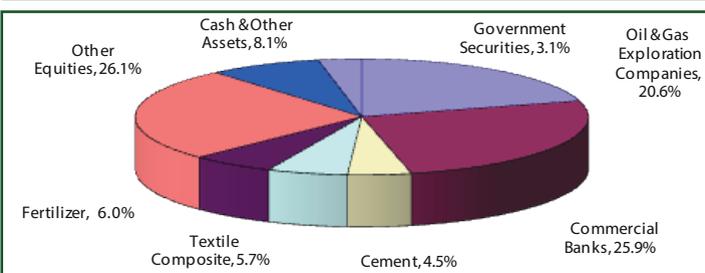
## Manager's Comment

The fund posted a return of -0.6% during February 2018, compared to -1.8% in the KSE-100 Index, resulting in an outperformance of 125 basis points. For fiscal year to date, the Fund's outperformance stood at 248 basis points with a -4.66% return (-7.14% for KSE-100 Index). During February we increased exposure in the banking sector by ~5% as we believe that the macroeconomic landscape of rising twin deficit and interest rate should bode well for the sector. The fund, at month end was 88.8% invested in equities, while remaining in cash and cash equivalent.

## Members of the Investment Committee

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

## Sector Allocation (%age of Total Assets)



## Others

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

MCB-PSM has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 57.88 million, if the same were not made the NAV per unit of MCB-PSM would be higher by Rs. 0.5289 and YTD return would be higher by 0.52%. For details investors are advised to read Note 9.1 of the latest Financial Statements for the half year ended December 31, 2017 of MCB-PSM.

## Asset Allocation (%age of Total Assets)

Particulars	Feb-18	Jan-18
Stocks / Equities	88.8%	81.5%
Cash	7.3%	6.6%
T-Bills	3.1%	5.5%
Others including receivables	0.8%	6.4%

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

Oil and Gas Development Company Limited	7.2%
Pakistan Oilfields Limited	6.2%
Bank Al-Falah Limited	6.1%
Pakistan Petroleum Limited	4.3%
Habib Bank Limited	4.2%
Hub Power Company Limited	3.6%
Engro Corporation Limited	3.5%
MCB Bank Limited	3.5%
Bank Al-Habib Limited	3.3%
Faysal Bank Limited	3.1%

## Fund Facts / Technical Information

Particulars	MCB-PSM	KSE-100
NAV per Unit (PKR)	97.7202	
Net Assets (PKR M)	10,693	
Price to Earning (x)*	9.95	9.01
Dividend Yield (%)	4.60	5.67
No. of Holdings	63	100
Weighted. Avg Mkt Cap (PKR Bn)	143.94	168
Sharpe Ratio	0.06	0.05
Beta	0.76	1.0
Correlation***	91.5%	
Max draw up	374.13%	354.43%
Max draw down	-82.57%	-118.03%
Standard Deviation	1.08	131
Total expense ratio with government levy**	2.34%	
Total expense ratio without government levy	2.08%	

\*prospective earnings

\*\*This includes 0.26% representing government levy, Sindh Worker's Welfare Fund and SECP fee

\*\*\*as against benchmark

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

	MTD	YTD
	3,244,834	27,270,091

## Performance Information (%)

Particulars	MCB-PSM	Benchmark			
Year to Date Return	-4.66%	-7.14%			
Month to Date Return	-0.59%	-1.84%			
180 days Return	5.56%	4.93%			
365 days Return	-7.78%	-10.91%			
Since inception	3154.87%	2208.92%			
<b>Returns are computed on the basis of NAV to NAV with dividends reinvested</b>					
	2013	2014	2015	2016	2017
Benchmark (%)	52.20	41.16	16.01	9.84	23.24
MCB-PSM (%)	49.40	34.78	39.35	5.25	29.54

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## MUFAP's Recommended Format



## General Information

Fund Type	An Open End Scheme
Category	Voluntary Pension Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	Not Applicable
Launch Date	29-Jun-2007
Fund Manager	Syed Abid Ali
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load*	3% / 0%
Min. Subscription	PKR 500
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 5:00 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

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

## Manager's Comment

During the month, equity sub-fund generated return of -0.01% while the KSE-100 return stood at -1.84%. Overall equity allocation was increased.

Debt sub-fund generated an annualized return of 3.60% during the month. Exposure in cash was decreased.

Money Market sub-fund generated an annualized return of 4.35% during the month. Exposure in T-Bills was slightly decreased.

## Members of the Investment Committee

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

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

Oil & Gas Development Company Limited	7.9%
Pakistan Oilfields Limited	5.8%
Bank Al-Falah Limited	5.0%
Engro Fertilizers Limited	4.9%
Lucky Cement Limited	4.8%
Engro Corporation Limited	4.6%
Bank Al-Habib Limited	4.3%
Faysal Bank Limited	4.3%
Habib Bank Limited	4.0%
Pakistan Petroleum Limited	3.7%

## Others

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

PPF-EQ has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 3.77 million, if the same were not made the NAV per unit would be higher by Rs. 2.6175 and YTD return would be higher by 0.46%. For details investors are advised to read Note 9.1 of the latest Financial Statements for the half year ended December 31, 2017 of PPF.

PPF-DT has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1.48 million, if the same were not made the NAV per unit would be higher by Rs. 0.6399 and YTD return would be higher by 0.28%. For details investors are advised to read Note 9.1 of the latest Financial Statements for the half year ended December 31, 2017 of PPF.

PPF-MM has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.38 million, if the same were not made the NAV per unit would be higher by Rs 0.4512 and YTD return would be higher by 0.21%. For details investors are advised to read Note 9.1 of the latest Financial Statements for the half year ended December 31, 2017 of PPF.

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

Particulars	Feb-18	Jan-18
Cash	21.0%	20.1%
T-Bills	43.3%	43.8%
Others including receivables	0.8%	0.9%
Term Deposits with Banks	34.9%	35.2%

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

Particulars	Feb-18	Jan-18
Cash	11.3%	12.1%
PIBs	2.1%	2.1%
TFCs	22.5%	21.0%
T-Bills	25.8%	26.2%
Others including receivables	1.2%	1.1%
Term Deposits with Banks	35.3%	35.7%
Commercial Paper	1.8%	1.8%

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

Particulars	Feb-18	Jan-18
Cash	4.2%	3.9%
Commercial Banks	26.3%	21.2%
Oil & Gas Exploration Companies	20.9%	22.0%
Fertilizer	9.5%	8.7%
Cement	5.7%	4.2%
Technology & Communication	5.1%	4.6%
Other equity sectors	27.1%	28.7%
Others including receivables	1.1%	6.7%

## Performance Information & Net Assets

Particulars	PPF-EQ*	PPF-DT**	PPF-MM**
Year to Date Return (%)	-8.27	4.22	4.34
Month to Date Return (%)	-0.01	3.60	4.35
Since inception (%)	418.30	8.39	7.50
Net Assets (PKR M)	745.98	548.11	181.62
NAV (Rs. Per unit)	518.40	236.23	215.28

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

	2013	2014	2015	2016	2017
PPF - EQ*	55.70	49.60	37.95	10.77	35.72
PPF - DT**	10.10	7.16	16.85	7.35	4.31
PPF - MM**	8.20	7.15	7.17	4.40	4.30

\* Total Return

\*\* Annualized return

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