



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

MARCH
2021
(UNAUDITED)

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



PAKISTAN INCOME FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shakra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcPakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited Faysal Bank Limited United Bank Limited Allied Bank Limited Silk Bank Limited Bank Al-Habib Limited NRSP Micro Finance Bank Limited Mobilink Micro Finance Bank Limited U Micro Finance Bank Limited Khushali Micro Finance Bank Limited Tameer Micro Finance Bank Limited Silk Bank Limited Finca Micro Finance Bank Limited JS Bank Limited Zarai Traqiati Bank Limited Habib Bank Limited First Mirco Finance Bank Limited National Bank of Pakistan Soneri Bank Limited	
Auditors	Yousuf Adil Chartered Accountants Cavish Court, A-35, Block-7 & 8 KCHSU, Shahrah-e-Faisal, Karachi-753550.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM1 Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

Dear Investor,

On behalf of the Board of Directors, we are pleased to present **Pakistan Income Fund accounts** review for the nine months ended March 31, 2021.

Economy and Money Market Review

The first nine months of fiscal year 2021 have been relatively stronger as economic activities resumed to a large extent though challenges from Covid continue to pose risks in the near term. The economic recovery has been better than expectations as stable interest rates and supportive financing schemes from SBP, amnesty to encourage construction sector, resumption in demand and continued strong inflow of remittances have supported economic growth. We therefore expect economic growth to be higher than estimates shared by multilateral agencies. Government had initial expectations of lower industrial growth (targeting a growth of 0.1% over last year) due to Covid-19, which we now believe would also be better than expectations as cyclical sectors have exhibited strong demand and volumetric growth.

Cement sector saw an impressive growth in local dispatches as they witnessed a growth of about 18% over last year in the first nine months of FY21. Sales of 2 and 3 wheeler units also rose at an impressive rate of near 17% over last year in the first eight months of FY21 reflecting on the resilience of economy. Similarly, the demand of petrol and diesel also increased by about 9.5% and 17% respectively over last year during the first nine months indicating a broader recovery in economy. Overall, Large Scale Manufacturing Index (LSM) has grown by about 7.9% in first seven months of the current fiscal year led by the cyclical sectors.

Current account posted a surplus of USD 881 million in the first eight months of fiscal year compared to a deficit of USD 2,741 million in the corresponding period of the last year. The improvement came in primarily on the back of higher remittances which grew at a stupendous rate of about 24% during the first eight months of this fiscal year. Foreign exchange reserves of central bank saw an increase of about USD 2.2 billion during the first eight months due to improved balance of payment position. Subsequently, the PKR/USD appreciated by about 9% during the period.

Inflation remained an Achilles heel for the government as rising food prices continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.4% over last year during the first nine months, with food inflation averaging about 13% during the period. The prices of perishable food items along with the price of wheat continued to advance higher as supply side disruptions and mismanagement caused the prices to soar. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.1% for the period. Monetary Policy Committee maintained status quo throughout the year after successive cuts in previous meetings. While real interest rates remained negative, the central bank was cautious with regards to demand side pressures owing to Covid-19 as well as comfort drawn from better external position.

As the economy started to open up, tax collection also improved and grew by about 10% during the first nine months of the fiscal year which exceeded the target by PKR 100 bn. Fiscal deficit for the first seven months of the period clocked in at 2.9% of GDP, compared to 3.2% of GDP last year. Primary balance was even better at a surplus of 0.9% of GDP compared to last year surplus of 0.3% of GDP.

Yield curve started to slope upward after inflation continued to disappoint investors. The central bank also raised its expectation of inflation as discussed in the minutes of MPC. It now expects it to fall in the upward range of 7-9% compared to earlier expectations of inflation falling in the lower range. 3, 5 and 10 Year bonds saw a rise of 182 bps, 175 bps and 173 bps respectively during the period.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 7.38% as against its benchmark return of 7.54%.

At period end, the fund was 1.8% in TFCs, 2.4% in T-Bills and 62.3% in Cash. Weighted average maturity of the fund stood at 137 days.

The Net Assets of the Fund as at March 31, 2021 stood at Rs. 8441 million as compared to Rs. 2,076 million as at June 30, 2020 registering an increase of 306.60%.

The Net Asset Value (NAV) per unit as at March 31, 2021 was Rs. 57.2008 as compared to opening NAV of Rs. 54.2070 per unit as at June 30, 2020 registering an increase of Rs. 2.9938 per unit.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

Economy & Market – Future Outlook

GDP growth for FY21 is now projected at around 3% by central bank. We expect GDP growth to be better than general consensus of government and institutions as industrial growth has revived much earlier than our anticipation. Generally, economy appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc.

Balance of Payment worries are at bay for the near term with current account deficit expected to be about USD 1.1 bn for this fiscal year. We expect Current Account Deficit to settle near 0.4% of GDP in FY21 which could be easily financed from foreign investments and debt flows. However, the recent surge in commodity prices and growth momentum would require better financial management to fund the current account deficit over next year. Any reversal in trend of remittances would also be a concern for Balance of Payment management next year. With Real Effective Rate for Feb-2021 at 97.1 any significant movement in commodities may cause relative inflation and balance of payment to weaken further and thus can cause currency to weaken swiftly. Continuation of the IMF program is a good omen which would allow better financial flows from various institutions allowing better financial management. We expect foreign exchange reserves to further increase by about USD 2.7 bn from current levels by year end.

Inflation has exceeded our earlier expectations as food prices have sky rocketed. We expect CPI to average near 9.1% for FY21, slightly higher than the expected range (7.0-9.0) of central bank. For the next fiscal year, we expect CPI to average close to 9.1%. Central bank for the first time has provided guidance on interest rates in the short term which will perhaps bring more certainty in investor expectations. The central authority vowed to keep the existing accommodative monetary policy stance to support recovery while keeping inflation expectations well anchored. Given the guidance by central bank, we now expect interest rates to adjust by 100-150 bps over the next fiscal year.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds have priced in the anticipated yield curve. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

Mutual Fund Industry Outlook

Record decline in interest rates have reinstated the confidence in risk asset classes. We expect liquidity to gear up towards equity and related funds. The sustainability of liquidity will however depend on how the economy transitions through this phase of pandemic. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

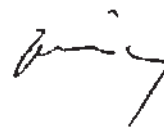
ACKNOWLEDGMENT

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.

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
April 16, 2021



Nasim Beg
Director/Vice Chairman

میوچل فنڈ صنعت کا جائزہ

اوپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2021ء کے ابتدائی نو ماہ کے اختتام پر تقریباً 28.6 فیصد بڑھ کر 954 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز اور فیکسڈ انکم فنڈز میں خطیر سرمایہ کاری ہوئی کیونکہ کارپوریٹ نقدیت تیزی سے میوچل فنڈز کی جانب بڑھ رہی ہے۔ منی مارکیٹ کے مجموعی فنڈز دورانِ مدت تقریباً 33 فیصد بڑھ کر 418 بلین روپے ہو گئے۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور تقریباً 31 فیصد بڑھ کر 271 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں دورانِ سرمایہ 27 فیصد کا بھرپور اضافہ ہوا اور وہ 224 بلین روپے سے 284 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز کے اثاثہ جات میں اضافے کا بڑا سبب سرمایہ کاروں کے مثبت جذبات کی بدولت مارکیٹ میں 29 فیصد سال در سال ترقی کو قرار دیا جاسکتا ہے۔

کیلنڈر سال کے اختتام پر شعبہ جاتی سرمایہ کاری کے اعتبار سے منی مارکیٹ فنڈز تقریباً 44 فیصد کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز تقریباً 30 فیصد، اور انکم فنڈز تقریباً 26 فیصد کے حامل تھے۔

میوچل فنڈ صنعت کے مستقبل کے امکانات

سود کی شرحوں میں اب تک کی سب سے زیادہ کمی کی بدولت خطرات کے حامل اثاثہ جات میں اعتماد بحال ہوا ہے۔ ہمیں اُمید ہے کہ ایکویٹی اور متعلقہ فنڈز کے شعبے میں نقدیت کی صورت حال بہتر ہوگی۔ تاہم نقدیت کی پائیداری کا انحصار اس بات پر ہوگا کہ معیشت اس وباء کے مرحلے سے کس طرح گزرتی ہے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکیں گے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے قابلِ قدر سرمایہ کاروں، سیکوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور حمایت کے لیے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز انتظامیہ ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

من جانب ڈائریکٹرز



نسیم ایگ
ڈائریکٹر / وائس چیئرمین



محمد ثاقب سلیم
چیف ایگزیکٹو آفیسر

16 اپریل 2021

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 7.38 فیصد تھا جبکہ اس کے بالمقابل مقررہ معیار 7.54 فیصد تھا۔ اختتام مدت پر فنڈ کی سرمایہ کاری 1.8 فیصد ٹی ایف سی میں، 2.4 فیصد ٹریڈری بلسز (ٹی بلسز) میں، اور 62.3 فیصد نقد میں تھی۔ فنڈ کی پالوزن اوسط میچورٹی 137 دنوں کی سطح پر تھی۔

31 مارچ 2021ء کو فنڈ کے net اثاثہ جات 8,441 ملین روپے تھے جبکہ 30 جون 2020ء کو 2,076 ملین روپے تھے (یعنی net اثاثہ جات میں 306.60 فیصد اضافہ ہوا)۔

31 مارچ 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 57.2008 روپے تھی جو 30 جون 2020ء کو ابتدائی این اے وی، جو کہ 54.2070 روپے فی یونٹ تھی، کے مقابلے میں 2.9938 روپے فی یونٹ اضافہ ہے۔

معیشت اور بازار - مستقبل کے امکانات

مرکزی بینک کے مطابق مالی سال 2021ء کے لیے مجموعی ملکی پیداوار (جی ڈی پی) میں 3 فیصد ترقی متوقع ہے۔ ہمیں اُمید ہے کہ جی ڈی پی کی ترقی حکومت اور اداروں کے عمومی اتفاقی رائے سے بہتر ہوگی کیونکہ صنعتی ترقی ہماری توقعات سے کافی قبل بحال ہوگئی ہے۔ معیشت اب عمومی طور پر قبل از کووڈ سطحوں کے قریب سرگرم عمل ہے جس کا اندازہ ایل ایس ایم کی ترقی اور سیمنٹ اور آٹوموبائل کے شعبے کی فروخت کے ذریعے لگایا جاسکتا ہے۔

ادائیگیوں کے توازن کی پریشانیوں قریب المیاد میں ختم ہوگئی ہیں کیونکہ موجودہ مالی سال کے لیے کرنٹ اکاؤنٹ کا متوقع خسارہ تقریباً 1.1 بلین ڈالر ہے۔ ہم سمجھتے ہیں کہ مالی سال 2021ء میں کرنٹ اکاؤنٹ خسارہ جی ڈی پی کے تقریباً 0.4 فیصد پر ٹھہرے گا، اور اس کے لیے مالیات کی فراہمی باسانی غیر ملکی سرمایہ کاریوں اور قرض کے ذریعے ہو سکتی ہے۔ تاہم اشیاء کی قیمتوں اور ترقی کی رفتار میں حالیہ اضافے کے باعث اگلے سال کے دوران کرنٹ اکاؤنٹ خسارے کے لیے مالیات کی فراہمی کے لیے بہتر مالیاتی انتظام درکار ہے۔ ترسیلات زر کے رجحان میں ذرا بھی واپسی کے باعث اگلے سال ادائیگی کے توازن کے انتظام میں رکاوٹ حائل ہو سکتی ہے۔

فروری 2021ء کارٹیل افسیکٹو ریٹ 97.1 فیصد تھا، اور اشیاء میں کسی بھی قابل ذکر حرکت کے باعث افراط زر اور ادائیگیوں کے توازن کی نسبتاً صورتحال مزید خراب ہو سکتی ہے اور اس کے نتیجے میں روپے کی قدر تیزی سے گر سکتی ہے۔ آئی ایم ایف پروگرام کا جاری رہنا اچھا شگون ہے جس کی بدولت متعدد اداروں سے بہتر مالیاتی آمدات ممکن ہوگی اور اس کے نتیجے میں بہتر مالیاتی انتظام ممکن ہوگا۔ غیر ملکی زرمبادلہ کے ذخائر میں اختتام مدت تک موجودہ سطحوں کے مقابلے میں تقریباً 2.7 بلین ڈالر کا مزید اضافہ متوقع ہے۔

افراط زر ہماری سابقہ توقعات سے آگے نکل گئی ہے کیونکہ اشیاء خورد و نوش کی قیمتیں آسمان سے باتیں کر رہی ہیں۔ ہمارے نزدیک مالی سال 2021ء کے لیے سی پی آئی کا اوسط 9.1 فیصد ہوگا جو مرکزی بینک کی متوقع حد (7.0 سے 9.0) سے تھوڑا زیادہ ہے۔ اگلے مالی سال کے لیے افراط زر کا اوسط تقریباً 9.1 فیصد متوقع ہے۔ مرکزی بینک نے پہلی مرتبہ قریب المیاد میں سود کی شرحوں سے متعلق راہنمائی فراہم کی ہے جس کی بدولت سرمایہ کاروں کی توقعات میں مزید یقینی صورتحال پیدا ہوگی۔ مرکزی مختار ادارے نے گنجائش پیدا کرنے والی موجودہ مالیاتی پالیسی کا موقف برقرار رکھنے کا عزم کیا تاکہ وصولی کے لیے معاونت فراہم ہو، جبکہ افراط زر کی توقعات کو قابو میں رکھا۔ مرکزی بینک کی راہنمائی کے پیش نظر اب ہمیں اُمید ہے کہ سود کی شرحوں میں اگلے مالی سال کے دوران 100 سے 150 بیسیس پوائنٹس تک ترمیم ہوگی۔

قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب حکومتی بانڈز متوقع پیداواری خم میں شامل ہو چکے ہیں۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اُٹھایا جاسکے۔

بورڈ آف ڈائریکٹرز کی جانب سے پاکستان انکم فنڈ کے اکاؤنٹس کا جائزہ برائے نو ماہ مختتمہ 31 مارچ 2021ء پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

مالی سال 2021ء کے ابتدائی نو ماہ مستحکم رہے کیونکہ معاشی سرگرمیاں کافی حد تک بحال ہوئیں اگرچہ قریب المیہ میں کووڈ کے باعث پیدا ہونے والی مشکلات کے باعث خطرات ابھی بھی لاحق ہیں۔ معاشی بحالی توقعات سے بہتر رہی کیونکہ سود کی مستحکم شرحوں اور اسٹیٹ بینک آف پاکستان (ایس بی پی) کی معاونتی مالیاتی اسکیموں، تعمیرات کے شعبے کی حوصلہ افزائی کے لیے رعایت، مانگ میں بحالی، اور ترسیلات زر کی مسلسل اور مستحکم آمد سے معاشی ترقی کو سہارا ملا ہے۔ چنانچہ ہمیں اُمید ہے کہ معاشی ترقی کثیر الجہتی ایجنسیوں کے پیش کردہ تخمینوں سے بلند تر ہوگی۔ حکومت کی ابتدائی توقعات کے مطابق صنعتی ترقی (جس کا ہدف سال گزشتہ کے مقابلے میں 0.1 فیصد ترقی تھا) کو وڈ-19 کے باعث پست تر ہوگی، لیکن اب ہم سمجھتے ہیں کہ یہ توقعات سے بہتر ہوگی کیونکہ گروشی شعبوں میں بھرپور طلب اور حجم کے اعتبار سے ترقی کا مظاہرہ ہوا ہے۔

سینٹ کے شعبے میں مقامی فروخت میں متاثر کن ترقی ہوئی جو مالی سال 2021ء کے ابتدائی نو ماہ میں سال گزشتہ سے 18 فیصد زیادہ تھی۔ 2 اور 3 پہیوں والے یونٹس کی فروخت میں بھی مزید متاثر کن ترقی ہوئی جو مالی سال 2021ء کے ابتدائی آٹھ ماہ میں سال گزشتہ سے تقریباً 17 فیصد زیادہ تھی جس سے معیشت کی پلک کی عکاسی ہوتی ہے۔ اسی طرح ابتدائی نو ماہ کے دوران پٹرول اور ڈیزل کی طلب میں بھی سال گزشتہ کے مقابلے میں بالترتیب تقریباً 9.5 فیصد اور 17 فیصد اضافہ ہوا جس سے معیشت میں وسیع تر بحالی کی ترجمانی ہوتی ہے۔ مجموعی طور پر بڑے پیمانے پر ہونے والی مینوفیکچرنگ (ایل ایس ایم) میں موجودہ مالی سال کے ابتدائی سات ماہ میں 7.9 فیصد ترقی ہوئی ہے جس میں گروشی شعبے سب سے آگے رہے ہیں۔

مالی سال کے ابتدائی آٹھ ماہ میں کرنٹ اکاؤنٹ میں 881 ملین ڈالر منافع ہوا جبکہ اس کے بالمقابل سال گزشتہ کی مماثل مدت میں 2,741 ملین ڈالر خسارہ ہوا تھا۔ اس بہتری کی بنیادی وجہ ترسیلات زر میں اضافہ تھا جن میں مالی سال کے ابتدائی آٹھ ماہ کے دوران 24 فیصد کی زبردست شرح سے ترقی ہوئی۔ مرکزی بینک کے زرمبادلہ کے ذخائر میں ابتدائی آٹھ ماہ کے دوران تقریباً 2.2 بلین ڈالر اضافہ ہوا جس کی وجہ ادائیگی کے توازن کی صورتحال میں بہتری ہے۔ بعد ازاں، پاکستانی روپے / امریکی ڈالر میں دوران مدت تقریباً 9 فیصد ترقی ہوئی۔

افراط زر حکومت کی دھکتی رگ بنی رہی کیونکہ اشیائے خورد و نوش کی بڑھتی ہوئی قیمتوں کے باعث پالیسی ساز افراد مشکلات کا شکار رہے۔ مجموعی افراط زر، جس کی ترجمانی صارفی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط ابتدائی نو ماہ کے دوران 8.4 فیصد تھا، جبکہ اشیائے خورد و نوش کے افراط زر کا اوسط دوران مدت 13 فیصد تھا۔ رسد کی جہت میں مسائل اور بدانتظامی کے باعث جلد خراب ہو جانے والی اشیائے خورد و نوش اور گندم کی قیمتوں میں اضافہ جاری رہا۔ بہر حال بنیادی افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.1 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے گزشتہ اجلاسوں میں پے در پے کنوٹیوں کے بعد صورتحال کو برقرار رکھا۔ اگرچہ حقیقی سود کی شرح منفی رہی لیکن مرکزی بینک کو وڈ کے باعث طلب کی جہت پر پڑنے والے دباؤ اور بہتر خارجی صورتحال کی بدولت پیدا ہونے والی سہولت کے حوالے سے محتاط تھا۔

معیشت کے مستحکم ہونے کے آغاز کے ساتھ ٹیکس وصولی بھی بہتر ہوئی اور اس میں مالی سال کے ابتدائی نو ماہ کے دوران 10 فیصد اضافہ ہوا جو ہدف سے 100 بلین روپے زیادہ تھا۔ ابتدائی سات ماہ کا مالیاتی خسارہ مجموعی ملکی پیداوار (جی ڈی پی) کا 2.9 فیصد تھا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 3.2 فیصد تھا۔ بنیادی توازن جی ڈی پی (GDP) کے 0.9 فیصد کے ساتھ مزید بہتر رہا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 0.3 فیصد تھا۔

مہنگائی کے بعد سرمایہ کاروں کو مایوس کرنے کے بعد پیداوار کی قیمت میں اضافی ہونا شروع ہوا۔ مرکزی بینک نے بھی افراط زر سے متعلق اپنی توقع کو بڑھایا جیسا کہ ایم پی سی کے منٹس میں مذکور ہے۔ اب مرکزی بینک کو توقع ہے کہ افراط زر 7 سے 9 فیصد کی اوپری سطح میں پہنچ جائے گا، جبکہ پہلے اس کا سطح میں آنا متوقع تھا۔ دوران مدت تین، پانچ اور دس سالہ بانڈز میں بالترتیب 182، 175 اور 173 بیسیس پوائنٹس (بی پی ایس) کا اضافہ ہوا۔

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	5	5,798,342	970,246
Investments	6	3,043,075	1,090,474
Profit receivable		45,410	26,113
Advances, deposits, prepayments and other receivables		361,409	16,515
Receivable from National Clearing Company of Pakistan Limited		57,423	-
Total assets		9,305,659	2,103,348
LIABILITIES			
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company		9,545	2,901
Payable to Central Depository Company of Pakistan Limited - Trustee		603	149
Payable to Securities and Exchange Commission of Pakistan		550	327
Payable against redemption of units		47	47
Payable against purchase of investment		777,702	-
Accrued expenses and other liabilities	7	75,719	23,729
Total liabilities		864,166	27,153
NET ASSETS		8,441,493	2,076,195
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		8,441,493	2,076,195
CONTINGENCIES AND COMMITMENTS			
	8		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		147,555,758	38,301,258
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT		57.2088	54.2070

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

		Nine months ended		Quarter ended	
		March 31,		March 31,	
		2021	2020	2021	2020
Note		----- (Rupees in '000) -----			
INCOME					
	Income from government securities	46,707	63,568	28,115	23,738
	Capital gain on sale of investments - net	38,898	36,600	36,708	18,602
	Dividend income	22,488	-	13,994	-
	Income from term finance certificates	37,895	54,662	7,232	22,569
	Profit on bank deposit and term deposit receipts	76,502	37,833	49,478	4,800
	Income from margin trading system	14,755	-	9,759	-
	Loss on spread transactions	(7,753)	-	8,591	-
	Income on commercial paper	1,862	-	-	-
	Unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss' - net	29,510	(2,692)	648	(143)
6.1.11	Other income	1,536	1,173	1,016	813
	Total income	262,400	191,144	155,541	70,379
EXPENSES					
	Remuneration of the MCB-Arif Habib Savings and Investments Limited - Management Company	25,073	19,435	13,175	7,430
	Sindh Sales Tax on remuneration of Management Company	3,259	2,526	1,713	966
	Remuneration of the Central Depository Company of Pakistan Limited - Trustee	2,066	872	1,205	292
	Sindh Sales Tax on remuneration of Trustee	269	113	157	38
	Annual fee to Securities and Exchange Commission of Pakistan	550	233	321	78
	Allocated expense	2,754	1,166	1,606	389
	Selling and marketing expenses	2,592	1,513	1,101	506
	Settlement and bank charges	1,867	507	1,185	196
	Brokerage expense	19,928	645	14,266	147
	Legal and professional charges	101	42	33	(49)
	Professional charges on marginal trading system	1,412	-	666	-
	Auditors' remuneration	454	525	148	178
	Other charges	265	443	18	96
	Total expenses	60,590	28,020	35,594	10,268
	Net income from operating activities	201,810	163,124	119,947	60,111
7.1	Provision for Sindh Workers' Welfare Fund	4,036	3,262	2,399	1,202
	Net income for the period before taxation	197,774	159,861	117,548	58,909
9.	Taxation	-	-	-	-
	Net income for the period after taxation	197,774	159,861	117,548	58,909
Allocation of net income for the period:					
	Net income for the period after taxation	197,774	159,861		
	Income already paid on units redeemed	(36,679)	(27,232)		
		161,095	132,629		
Accounting income available for distribution					
	- Relating to capital gains	42,768	29,054		
	- Excluding capital gains	118,327	103,576		
		161,095	132,629		
Earnings per unit					

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Nine months ended March 31,		Quarter ended March 31,	
	2021	2020	2021	2020
	----- (Rupees in '000) -----			
Net income for the period after taxation	197,774	159,861	117,548	58,909
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	197,774	159,861	117,548	58,909

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

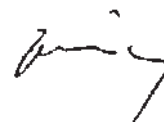
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

	For Nine months ended March 31,					
	2021			2020		
	(Rupees in '000)					
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	1,944,178	132,017	2,076,195	1,266,750	124,781	1,391,531
Issue of 197,639,523 units (2020: 19,783,572 units)						
- Capital value (at net asset value per unit at the beginning of the period)	10,713,446	-	10,713,446	1,064,819	-	1,064,819
- Element of income	430,905	-	430,905	49,281	-	49,281
	11,144,351	-	11,144,351	1,114,100	-	1,114,100
Redemption of 88,385,023 units (2020: 17,994,985 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(4,791,087)	-	(4,791,087)	(968,551)	-	(968,551)
- Element of income	(149,060)	(36,679)	(185,739)	(23,245)	(27,232)	(50,477)
	(4,940,147)	(36,679)	(4,976,826)	(991,796)	(27,232)	(1,019,028)
Total comprehensive income for the period	-	197,774	197,774	-	159,861	159,861
Net assets at end of the period	8,148,382	293,112	8,441,493	1,389,054	257,410	1,646,465
Undistributed income brought forward						
- Realised		138,584			133,163	
- Unrealised		(6,567)			(8,382)	
		132,017			124,781	
Accounting income available for distribution						
- Relating to capital gains		42,768			29,054	
- Excluding capital gains		118,327			103,576	
		161,095			132,629	
Undistributed income carried forward		293,112			257,410	
Undistributed income carried forward						
- Realised		263,602			260,102	
- Unrealised		29,510			(2,692)	
		293,112			257,410	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		54.2070			53.8234	
Net assets value per unit at end of the period		57.2088			59.5634	

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

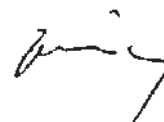
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

	Nine months ended March 31,	
	2021	2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	197,774	159,861
Adjustments for non cash and other items:		
Unrealised (appreciation) / diminution in fair value of investments classified as 'at fair value through profit or loss' - net	(29,510)	2,692
Provision for Sindh Workers' Welfare Fund	4,036	3,262
	172,300	165,816
(Increase) / decrease in assets		
Investments	(1,923,091)	(336,998)
Profit receivable	(19,297)	7,265
Accrued profit on term finance certificate per IPO	-	(130,000)
Advances, deposit and prepayments	(344,894)	(228)
Receivable from National Clearing Company of Pakistan Limited	(57,423)	-
	(2,344,705)	(459,961)
Increase / (decrease) in liabilities		
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	6,644	3,660
Payable to the Central Depository Company of Pakistan Limited - Trustee	454	(76)
Payable to the Securities and Exchange Commission of Pakistan	223	(888)
Payable against purchase of investment	777,702	182,443
Dividend payable	-	(14,367)
Accrued expenses and other liabilities	47,954	(506)
	832,977	170,266
Net cash (used in) operating activities	(1,339,428)	(123,879)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	11,144,351	1,114,101
Payments on redemption of units	(4,976,826)	(1,019,028)
Net cash generated from financing activities	6,167,524	95,073
Net increase in cash and cash equivalents during the period	4,828,096	(28,806)
Cash and cash equivalents at beginning of the period	970,246	899,104
Cash and cash equivalents at end of the period	5,798,342	870,298

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

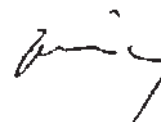
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

Pakistan Income Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on October 23, 2001 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 28, 2002 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.

The Fund is an open-end collective investment scheme categorised as an "Income" scheme by the Board of Directors of the Management Company pursuant to Circular 7 of 2009 dated March 6, 2009 issued by the SECP. The units of the Fund were initially offered for public subscription at a par value of Rs 50 per unit. Thereafter, the units are being offered for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The Fund primarily invests in money market and other short-term placements/instruments which include short-term corporate debt, government securities, margin trading system transactions and spread transactions. The Fund may also invest a portion of its assets under management in medium term assets in order to provide higher return to the unit holders.

The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of AM1 dated October 06, 2020 to the Management Company and "A+(f)" as stability rating dated March 09, 2021 to the Fund.

The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

During the current period, The Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirement under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

2. BASIS OF PREPARATION

Statement of compliance

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of :

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act 2017 along with part VIIIA of the repealed Companies Ordinance, 1984 ; and
- The NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC rules, the NBFC Regulations and requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2020. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2020, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2020.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.

In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.

This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

3. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.

The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020.

4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2020.

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	---- (Rupees in '000) ----	
5. BANK BALANCES			
Savings accounts	5.1	5,795,527	946,313
Current accounts	5.2	2,815	23,933
		5,798,342	970,246

- 5.1 These carry profit at the rates ranging between 5.50% to 8.75% (June 30, 2020: 5.50% to 7.83%) per annum and include Rs 0.011 million (June 30, 2020: Rs 5.83 million) maintained with MCB Bank Limited (a related party) which carries profit at the rate of 5.50% (June 20: 5.50%) per annum.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

5.2 These include balance amounting to Rs. 2.806 million (June 30, 2020: 23.933 million) related to MCB Bank Limited, a related party / connected person.

		(Un-audited) March 31, 2021 ---- (Rupees in '000) ----	(Audited) June 30, 2020
	Note		
6. INVESTMENTS			
Financial assets 'at fair value through profit or loss' - net	6.1		
Listed equity securities	6.1.1	1,497,473	-
Government securities - Market treasury bills	6.1.2	222,949	294,370
Pakistan investment bonds - Floating Rate Bond	6.1.3	596,595	-
Pakistan investment bonds	6.1.4	492,643	-
Term finance certificates - listed	6.1.5	-	48,862
Term finance certificates - unlisted	6.1.6	122,238	306,537
Sukuks certificates - listed	6.1.7	-	136,920
Sukuks certificates - unlisted	6.1.8	47,558	230,647
Future stock contracts		63,619	-
Commercial paper	6.1.9	-	73,138
Government of Pakistan (GoP) Ijara sukuks	6.1.10	-	-
		3,043,075	1,090,474

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

Name of investee company	As at July 1, 2020	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at Mar 31, 2021	As at Mar 31, 2021			Market value as percentage of net assets	Market value as percentage of total investments	Par value as percentage of issued capital of the investee company
						Carrying value	Market value	Unrealised appreciation / (diminution)			
						(Rupees in '000)			(%)		
Paper And Board											
Century Paper & Board Mills Limited	-	13,500	-	13,500	-	-	-	-	0.00	-	0.00
						-	-	-			
Pharmaceuticals											
Ferozsons Laboratories Limited	-	61,500	-	61,500	-	-	-	-	0.00	-	0.00
The Searle Company Limited	-	376,500	-	363,000	13,500	3,447	3,335	(112)	0.04	0.11	0.01
						3,447	3,335	(112)			
Power Generation & Distribution											
Hub Power Company Limited	-	2,933,500	-	1,933,500	1,000,000	84,967	81,140	(3,827)	0.96	2.67	0.08
Kot Addu Power Co. Limited	-	4,820,500	-	4,488,500	332,000	13,860	13,194	(666)	0.16	0.43	0.04
K-Electric Limited	-	13,125,500	-	13,125,500	-	-	-	-	0.00	-	0.00
						98,827	94,334	(4,494)			
Refinery											
Attock Refinery Limited	-	3,739,500	-	3,249,500	490,000	112,829	125,136	12,308	1.48	4.11	0.46
Byco Petroleum Pakistan Limited	-	8,238,500	-	2,242,000	5,996,500	65,777	62,723	(3,053)	0.74	2.06	0.11
National Refinery Limited	-	1,296,000	-	1,116,000	180,000	111,177	106,047	(5,130)	1.26	3.48	0.23
Pakistan Refinery Limited	-	15,168,500	-	15,168,500	-	-	-	-	0.00	-	0.00
						289,782	293,907	4,125			
Technology & Communications											
Avanceon Limited	-	5,152,000	-	4,467,000	685,000	65,514	60,533	(4,981)	0.72	1.99	0.32
Hum Network	-	994,000	-	994,000	-	-	-	-	-	-	0.00
Netsol Technologies	-	3,014,000	-	3,014,000	-	-	-	-	-	-	0.00
Pakistan Telecommunication Company Limited	-	486,500	-	4,000	482,500	4,779	4,478	(301)	0.05	0.15	0.01
Trg Pakistan	-	11,479,500	-	9,824,500	1,655,000	249,587	248,598	(990)	2.94	8.17	0.30
						319,880	313,609	(6,272)			
Textile Composite											
Gul Ahmed Textile Mills Limited	-	1,536,500	-	1,407,500	129,000	6,481	6,102	(379)	0.07	0.20	0.03
Nishat (Chunian) Limited	-	993,000	-	178,500	814,500	39,296	37,548	(1,748)	0.44	1.23	0.34
Nishat Mills Limited	-	401,500	-	347,500	54,000	5,556	4,996	(560)	0.06	0.16	0.02
						51,333	48,646	(2,687)			
Transport											
Pakistan Interntional Bulk Terminal Limited	-	26,581,500	-	23,787,500	2,794,000	31,144	29,197	(1,946)	0.35	0.96	0.16
						31,144	29,197	(1,946)			
Total as at March 31, 2021						1,529,380	1,497,473	(31,907)			
Total as at June 30, 2020						-	-	-			

Following Shares have been pledged with National Clearing Company of Pakistan Limited as security against exposure margin / MTM losses as per Circular no. 11 dated October 23, 2007 issued by the SECP.

Name of Security	March 31, 2021	June 30, 2020	March 31, 2021	June 30, 2020
	(Number of Shares)		(Rupees in '000)	
HASCOL PETROLEUM LIMITED	800,000	-	8,200	-
UNITY FOODS LIMITED	7,620,000	-	226,619	-
INTERNATIONAL STEELS LIMITED	250,000	-	21,395	-
AVANCEON LIMITED	500,000	-	44,185	-
ATTOCK REFINERY LIMITED	490,000	-	125,136	-
FAUJI FERTILIZER BIN QASIM LIMITED,	1,200,000	-	32,880	-
TRG PAKISTAN LIMITED - CLASS - (A)	550,000	-	82,616	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

6.1.2 Government securities - Market treasury bills

Tenor	Issue Date	Face value				As at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021	Carrying value	Market value	Unrealised appreciation / (diminution)		
(Rupees in '000)										
3 months										
	- 3 months	July 2, 2020	-	75,000	75,000	-	-	-	-	-
	- 3 months	December 3, 2020	-	650,000	650,000	-	-	-	-	-
	- 3 months	November 5, 2020	-	250,000	250,000	-	-	-	-	-
	- 3 months	October 8, 2020	-	525,000	525,000	-	-	-	-	-
	- 3 months	July 16, 2020	-	75,000	75,000	-	-	-	-	-
	- 3 months	December 17, 2020	-	500,000	500,000	-	-	-	-	-
	- 3 months	November 19, 2020	-	650,000	650,000	-	-	-	-	-
	- 3 months	April 23, 2020	-	150,000	150,000	-	-	-	-	-
	- 3 months	December 31, 2020	-	3,050,000	3,050,000	-	-	-	-	-
	- 3 months	January 14, 2021	-	500,000	500,000	-	-	-	-	-
	- 3 months	February 25, 2021	-	4,500,000	4,500,000	-	-	-	-	-
- 3 months	January 28, 2021	-	350,000	350,000	-	-	-	-	-	
6 months										
	- 6 months	July 2, 2020	-	75,000	75,000	-	-	-	-	-
	- 6 months	June 4, 2020	100,000	50,000	150,000	-	-	-	-	-
	- 6 months	April 9, 2020	-	1,000,000	1,000,000	-	-	-	-	-
	- 6 months	July 16, 2020	-	75,000	75,000	-	-	-	-	-
	- 6 months									
12 months										
	- 12 months	December 5, 2019	-	1,400,000	1,400,000	-	-	-	-	-
	- 12 months	September 12, 2019	200,000	250,000	450,000	-	-	-	-	-
	- 12 months	December 19, 2019	-	675,000	675,000	-	-	-	-	-
	- 12 months	August 29, 2019	-	475,000	475,000	-	-	-	-	-
	- 12 months	April 9, 2020	-	446,255	223,000	223,255	222,948	222,949	1	2.64
	- 12 months	February 13, 2020	-	335,000	335,000	-	-	-	-	-
	- 12 months	May 21, 2020	-	2,000,000	2,000,000	-	-	-	-	-
	- 12 months	February 27, 2020	-	900,000	900,000	-	-	-	-	-
	- 12 months	January 30, 2020	-	60,000	60,000	-	-	-	-	-
	- 12 months									
	Total as at March 31, 2021									
						222,948	222,949	1		
Total as at June 30, 2020										
						293,864	294,370	506		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

6.1.3 Pakistan investment bonds - Floating Rate Bond

Particulars	Issue Date	Face value			As at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Carrying value	Unrealised appreciation / (diminution)		
								(Rupees in '000)	(%)
Pakistan Investment Bond - 2 years Floating Rate Bond (FRB)	November 5, 2020	-	150,000	-	150,000	149,346	129	1.77	4.91
Pakistan Investment Bond - 3 years Floating Rate Bond (FRB)	June 18, 2020	-	700,000	550,000	150,000	149,985	(15)	1.78	4.93
Pakistan Investment Bond - 3 years Floating Rate Bond (FRB)	October 22, 2020	-	900,000	600,000	300,000	297,180	(30)	3.52	9.76
Total as at March 31, 2021						596,511	84		
Totals as at June 30, 2020						-	-		

6.1.4 Pakistan investment bonds

Particulars	Issue Date	Face value			As at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Carrying value	Unrealised appreciation / (diminution)		
Pakistan Investment Bond - 3 years	July 12, 2018	-	850,000	450,000	400,000	393,346	(697)	4.65	12.90
Pakistan Investment Bond - 3 years	September 19, 2019	-	100,000	-	100,000	100,138	(144)	1.18	3.29
Total as at March 31, 2021						493,484	(841)		
Totals as at June 30, 2020						-	-		

6.1.5 Listed debt securities - term finance certificates

Market value as at June 30	6.1.5.1	99,771	148,633
Less: Provision as at July 1			
- Pace Pakistan Limited		(49,940)	(49,940)
- Tebcard Limited		(31,088)	(31,088)
- Trust Investment Bank Limited		(18,743)	(18,743)
		(99,771)	(99,771)
		-	48,862

(Un-audited)
March 31,
2021

(Audited)
June 30,
2020

Note

6.1.5.1

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

6.1.5.1 Listed debt securities - Term finance certificates

Certificates have a face value of Rs 100,000 each unless stated otherwise

Name of investee company	Number of certificates				As at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021	Carrying value	Market value	Unrealised appreciation / (diminution)		
Commercial Bank									
Habib Bank Limited	500	-	500	-	-	-	-	-	-
Investment Banks / Investment Companies / Securities Companies									
Trust Investment Bank Limited	10,000	-	-	10,000	18,743	18,743	-	-	-
Due but not received (Note 6.1.12)									
Miscellaneous									
Pace Pakistan Limited	10,000	-	-	10,000	49,940	49,940	-	-	-
Due but not received (Note 6.1.12)									
Technology & Communication									
Telecard Limited	19,975	-	-	19,975	31,088	31,088	-	-	-
Due but not received (Note 6.1.12)									
Total as at March 31, 2021					99,771	99,771	-		
					149,516	148,633	(883)		
Total as at June 30, 2020									

6.1.6 Unlisted debt securities - Term finance certificates

Certificates have a face value of Rs 5,000 each

Name of investee company	Number of certificates			As at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments	
	As at July 1, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021	Carrying value	Market value			Unrealised appreciation / (diminution)
(Rupees in '000)									
(%)									
Commercial Banks									
Askari Bank Limited - IV	19,000	-	19,000	-	-	-	-	-	
Askari Bank Limited - VII	30	-	-	30	30,000	28,309	(1,691)	0.93	
Bank AL Habib Limited	15,028	-	15,028	-	-	-	-	-	
The Bank of Punjab	80	-	-	80	6,972	7,992	1,020	0.26	
Investment Banks / Investment Companies / Securities Companies									
Jahangir Siddiqui & Company Limited	22,000	-	-	22,000	87,289	85,937	(1,352)	2.82	
Total as at March 31, 2021					124,261	122,238	(2,023)		
Total as at June 30, 2020					312,888	306,537	(6,351)		

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

6.1.7 Listed debt securities - Sukuk certificates

Certificates have a face value of Rs 100,000 each

Name of investee company	Number of certificates			As at March 31, 2021			Market value as a percentage of total net assets	Market value as a percentage of total investments
	As at July 1, 2020	Purchased during the period	Sold / matured during the period	Carrying value	Market value	Unrealised appreciation / (diminution)		
Investment Banks / Investment Companies / Securities Companies								
Dawood Hercules Corporation Limited	1,000	-	1,000	-	-	-	-	-
Dawood Hercules Corporation Limited	813	-	813	-	-	-	-	-
Total as at March 31, 2021								
Total as at June 30, 2020				134,770	136,920	2,150		

6.1.8 Unlisted debt securities - Sukuk certificates

Certificates have a face value of Rs 100,000 each

Name of investee company	Number of certificates			As at March 31, 2021			Market value as a percentage of total net assets	Market value as a percentage of total investments
	As at July 1, 2020	Purchased during the period	Sold / matured during the period	Carrying value	Market value	Unrealised appreciation / (diminution)		
Chemical								
Ghani Gases Limited	480	-	-	480	20,264	20,619	355	0.68
Refinery								
Byco Petroleum Pakistan Limited	10	-	-	10	585	583	(2)	0.02
Miscellaneous								
International Brands Limited	500	-	-	500	26,131	26,356	225	0.87
Bank								
Meezan Bank Limited	100	-	100	-	-	-	-	-
Power								
The Hub Power Company Limited	750	-	750	-	-	-	-	-
Pak Energy Sukuk	-	10,000	10,000	-	-	-	-	-
Total as at March 31, 2021								
Total as at June 30, 2020				46,980	47,558	578		
				232,636	230,647	(1,989)		

6.1.9 Commercial paper

Particulars	Issue date	Maturity date	Profit rate	Face value	Carrying value	Carrying value as a percentage of net assets	Carrying value as a percentage of total
K - Electric - ICP 7	March 10, 2020	September 10, 2020	13.64%	---	---	---	---
Total as at March 31, 2021				---	---	---	---
Total as at June 30, 2020				75,000	73,138		

6.1.10 Government of Pakistan (GoP) Ijarah sukuk

Name of investee company	Face Value			As at March 31, 2021			Market value as a percentage of total net assets	Market value as a percentage of total investments
	As at July 1, 2020	Purchased during the period	Sold / matured during the period	Carrying value	Market value	Unrealised appreciation / (diminution)		
GoP Ijarah Sukuks - 5 years								
GoP Ijarah Sukuks - July 29, 2002 issue	-	62,500	62,500	-	-	-	-	-
Total as at March 31, 2021								
Total as at June 30, 2020				-	-	-		

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

	Note	(Un-audited) March 31, 2021 (Rupees in '000)	(Un-audited) March 31, 2020
6.1.11 Unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss' - net			
Market value of investments	6.1.1, 6.1.2, 6.1.3, 6.1.4, 6.1.5, 6.1.6, 6.1.7 & 6.1.8 & 6.1.10	3,079,227	755,892
Carrying value of investments	6.1.1, 6.1.2, 6.1.3, 6.1.4, 6.1.5, 6.1.6, 6.1.7 & 6.1.8 & 6.1.10	(3,113,336)	(758,585)
		(34,109)	(2,692)
Unrealised diminution on future stock contracts		63,619	-
Unrealized appreciation / (diminution) in fair value of Investment		29,510	(2,692)

6.1.12 Status of non compliance as per Circular 16 of 2010 issued by the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP), vide its Circular no. 16 dated July 7, 2010 has prescribed certain disclosures for non-compliances, either with the minimum investment criteria specified for the category assigned to the collective investment schemes or with the investment requirements of their constitutive documents.

Name of non-compliant investments	Note	Type of Instrument	Value of Investment before provision	Provision held if any	Value of Investment after provision	% of net assets	% of gross assets
Trust Investment Bank Limited	6.1.5.1	TFC	18,743	(18,743)	-	-	-
Telecard Limited	6.1.5.1	TFC	31,088	(31,088)	-	-	-
Pace Pakistan Limited	6.1.5.1	TFC	49,940	(49,940)	-	-	-

Owing to continuous default on repayment of coupon by the issuer, the Fund had classified the said investment as non-performing. The Fund has recognised full provision against outstanding principal in accordance with applicable provisioning circular issued by the Securities and Exchange Commission of Pakistan and provisioning policy of the Fund duly approved by the Board of Directors of the Management Company. The Fund has suspended further accrual of mark-up there against.

		(Un-audited) March 31, 2021 (Rupees in '000)	(Audited) 30 June 2020
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund	7.1	14,997	10,961
Provision for federal excise duty and related tax on	7.2		
- Management fee		9,210	9,210
- Sales load		239	239
Brokerage		5,840	75
Capital gain tax		1,683	1,391
Auditors' remuneration		228	410
Printing and related expenditure		35	40
Other		43,487	1,403
		75,719	23,729

7.1 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the SWWF as reported in the audited financial statements of the Fund for the year ended June 30, 2020. Had the provision for SWWF not been recorded in this condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2021 would have been higher by Rs. 0.1017 per unit (June 30, 2020: Re. 0.2861 per unit).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

7.2 Federal Excise Duty (FED) and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the audited financial statements of the Fund for the year ended June 30, 2020. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2021 would have been higher by Re. 0.0625 per unit (June 30, 2020: Re. 0.2404 per unit).

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There were no contingencies as at March 31, 2021 (June 30, 2020: Nil).

8.2 Commitments

Future sale transaction of equity securities entered into by the Fund in respect of which the sale transactions have not been settled as at period end

(Un-audited) March 31, 2021	(Audited) 30 June 2020
---(Rupees in '000)---	

	1,567,835	-
--	-----------	---

Margin Trading Systems (MTS) transaction entered into by the Fund which have not been settled as at period end:
- Sale transactions

	36,654	-
--	--------	---

9. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to 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 amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management intends to distribute the income earned by the Fund during the year to the unit holders in cash in the manner as explained above, accordingly, no provision for taxation has been made in this condensed interim financial information.

10. EARNINGS PER UNIT

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

11. TOTAL EXPENSE RATIO

The total annualised expense ratio of the Fund from July 1, 2020 to March 31, 2021 is 2.34% and this includes 0.29% representing government levy, Sindh Worker's Welfare Fund, SECP fee etc.

12. TRANSACTIONS WITH RELATED PARTY / CONNECTED PERSONS

Related parties / connected persons of the Fund include MCB-Arif Habib Savings and Investments Limited (being the Management Company) and its related entities, the Central Depository Company of Pakistan Limited (being the Trustee of the Fund), other collective investment schemes and pension schemes managed by the Management Company, any person or trust beneficially owning (directly or indirectly) ten percent or more of the capital of the Management Company or the net assets of the Fund and directors, key management personnel and officers of the Management Company.

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 to the Management Company and Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed of the Fund.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

12.1 Transactions during the period with related parties / connected persons in units of the Fund:

For the nine months ended March 31, 2021					
	As at July 01, 2020	Issued for cash	Redeemed	As at March 31, 2021	As at July 01, 2020
	Units				
	(Rupees in '000)				
MCB Arif Habib Savings And Investments Limited	-	10,607,741	5,968,270	4,639,471	-
Nishat Mills Limited Employees Provident Fund Trust	-	11,467,428	-	11,467,428	-
Adamjee Insurance Company Limited - Employees Gratuity Fund	-	265,328	18,807	246,522	-
Adamjee Insurance Company Limited - Employees Provident Fund	-	530,657	530,657	-	-
Adamjee Life Assurance Company Limited - Employees Gratuity Fund	97,032	-	-	97,032	5,260
Security General Insurance Company Limited	5,540,636	2,691,901	8,213,021	19,516	300,341
Directors and key management personnel of the Management Company*	-	130,288	130,288	-	-
Mandate under discretionary portfolio services*	-	25,999,695	9,703,278	16,296,417	-
					1,470,586
					549,011
					932,298

* This reflects the position of related party / connected persons status as at March 31, 2021.

For the nine months ended March 31, 2020					
	As at July 01, 2019	Issued for cash	Redeemed	As at March 31, 2020	As at July 01, 2019
	Units				
	(Rupees in '000)				
Adamjee Life Assurance Company Limited - Employees Gratuity Fund	85,750	-	-	85,750	4,924
Directors and key management personnel of the Management Company*	-	210,043	208,356	1,687	-
Mandate under discretionary portfolio services *	257,687	74,562	126,767	205,482	14,798
					7,262
					12,239

* This reflects the position of related party / connected persons status as at March 31, 2020.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

12.2 Details of transactions with related parties / connected persons during the period

	(Un-audited) March 31, 2021 ----- (Rupees in '000) -----	(Un-Audited) March 31, 2020
MCB-Arif Habib Savings and Investments Limited - Management Company		
Remuneration of the Management Company (including indirect taxes)	28,332	21,961
Allocated expenses	2,754	1,166
Selling and marketing expense	2,592	1,513
MCB Bank Limited - Parent of the Management Company		
Profit on Bank deposits	266	279
Bank charges	31	19
Arif Habib Limited - Subsidiary of Associated Company		
Brokerage expense *	-	62
MCB Bank Limited		
Purchases of securities Rs. 1,000 million (2019: Nil)	983,038	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee (including indirect taxes)	2,335	986
CDS charges	709	15
Next Capital Limited - Joint Venture of MCB Bank Limited & Arif Habib Corporation Limited		
Brokerage expense *	80	83
Adamjee Insurance Company Limited		
Purchase of 6,500 shares (2020: Nil shares)	246	-
Sell of 6,500 shares (2020: Nil shares)	248	-
Aisha Steel Limited		
Purchase of 4,494,500 shares (2020: Nil shares)	111,413	-
Sell of 754,500 shares (2020: Nil shares)	18,406	-
DG Khan Cement Company Limited		
Purchase of 1,892,000 shares (2020: Nil shares)	210,625	-
Sell of 1,847,000 shares (2020: Nil shares)	206,480	-
Nishat Chunian Limited		
Purchase of 993,000 shares (2020: Nil shares)	48,236	-
Sell of 178,500 shares (2020: Nil shares)	9,038	-
Nishat Mills Limited		
Purchase of 401,500 shares (2020: Nil shares)	40,754	-
Sell of 347,500 shares (2020: Nil shares)	35,067	-
Dividend Income	670	-
Power Cement Limited		
Purchase of 2,676,500 shares (2020: Nil shares)	27,050	-
Sell of 2,656,000 shares (2020: Nil shares)	27,094	-

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

12.3 Details of balances with related parties / connected persons as at period / year end

	(Un-audited) March 31, 2021	(Audited) June 30, 2020
	----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited - Management Company		
Management remuneration payable	6,397	1,511
Sindh sales tax payable on management remuneration	831	196
Sales load payable	506	404
Selling and marketing payable	1,100	614
Payable against allocated expenses	711	176
MCB Bank Limited - Parent of the Management Company		
Bank balance	2,817	29,774
Profit receivable on bank deposits	-	11
Sales load payable	-	758
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	534	132
Sindh sales tax payable on Trustee remuneration	69	17
Security deposit	200	200
D.G. Khan Cement Company Limited		
45,000 shares (2020: Nil shares)	5,423	-
Aisha Steel Limited		
3,740,000 shares (2020: Nil shares)	88,825	-
Nishat Chunian Limited		
814,500 shares (2020: Nil shares)	37,548	-
Nishat Mills Limited		
54,000 shares (2020: Nil shares)	4,996	-
Power Cement Limited		
20,500 shares (2020: Nil shares)	189	-

* The amount disclosed represents the amount of brokerage expense or brokerage payable to related parties / connected persons and not the purchase or sale value of securities transacted through them as the ultimate counter parties are not related parties / connected persons.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

13. CORRESPONDING FIGURES

- 13.1 Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.
- 13.2 Certain prior period's figures have been re-arranged/ re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are material re-arrangements / re-classifications to report.

14. COVID-19

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, stay-at-home or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic.

The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic activity and continuity of business operations. However, to reduce the impact on the economy and business, regulators / government across the country have introduced a host of measures on both the fiscal and economic fronts from time to time.

The management of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.

The Management Company of the Fund expects that going forward these uncertainties would reduce as the impact of COVID-19 on overall economy subsides and have concluded that there is no impact on current financial statements of the Fund.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e., period end. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognized at fair value based on:

Level 1 : quoted prices in active markets for identical assets or liabilities;

Level 2 : those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 : those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

16. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on April 16, 2021 by the Board of Directors of the Management Company.

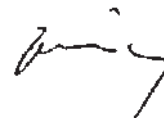
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

Head Office: 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi

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