



MCB FUNDS  
Investments for Life

# QUATERLY REPORT

SEPTEMBER  
**2024**  
(UNAUDITED)

Funds Under Management of  
MCB Investment Management Limited



# **MCB PAKISTAN OPPORTUNITY FUND DIVIDEND YIELD PLAN**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid <b>Mr. Shoaib Mumtaz</b> Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir <b>Mr. Manzar Mushtaq</b> Mr. Fahd Kamal Chinoy Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman <b>Director</b> Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Syed Savail Meekal Hussain Mr. Ahmed Jahangir <b>Mr. Manzar Mushtaq</b>	Chairman Member Member
<b>Human Resource &amp; Remuneration Committee</b>	<b>Mr. Fahd Kamal Chinoy</b> Mr. Ahmed Jahangir <b>Mr. Shoaib Mumtaz</b> Ms. Mavra Adil Khan <b>Mr. Khawaja Khalil Shah</b>	Chairman Member Member Member Member
<b>Credit Committee</b>	<b>Mr. Ahmed Jahangir</b> <b>Mr. Manzar Mushtaq</b> Syed Savail Meekal Hussain <b>Mr. Khawaja Khalil Shah</b>	<b>Member</b> <b>Member</b> <b>Member</b> <b>Member</b>
<b>Chief Executive Officer</b>	<b>Mr. Khawaja Khalil Shah</b>	
<b>Chief Operating Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Central Depository Company of Pakistan Ltd.</b> CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdc-pakistan.com	
<b>Bankers</b>	MCB Bank Limited Habib Metropolitan Bank Limited Allied Bank Limited	
<b>Auditors</b>	<b>BDO Ebrahim &amp; Co.</b> Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed Road, Karachi	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	
<b>Transfer Agent</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB Pakistan Dividend Yield Plan** accounts review for the quarter ended September 30, 2024.

### **Economy Review**

The new fiscal year began on a positive note with the government securing a staff-level agreement with the IMF for a 37-month Extended Fund Facility (EFF) worth approximately USD 7.0 billion. However, the formal approval was delayed due to the government's struggle to secure debt rollovers from friendly countries. After Pakistan fulfilled all preconditions the IMF Executive Board approved the program on September 27, 2024. Subsequently, the State Bank of Pakistan (SBP) received the first tranche of USD 1.0 billion, bolstering foreign exchange reserves and strengthening the currency as the USD/PKR parity appreciated by 0.2% in the quarter to close at 277.7.

The country posted a current account deficit (CAD) of USD 171mn in the first two months of the fiscal year 2025 (2MFY25) declining by 81% YoY compared to a deficit of USD 893mn in the corresponding period last year. The major contributor towards improving CAD was the remittances inflows which skyrocketed by 44.0% to USD 1.8bn. Trade Deficit increased by 21.7% YoY as exports rose by 7.2% while imports increased by 13.8% from a low base. The country's external position improved with SBP's foreign exchange reserves increasing to USD 10.7bn as of Sep-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 9.2% during 1QFY25 compared to 29.0% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past nine months, a substantial drop in food prices aligning with global trends, and a reduction in international oil prices, which eased local fuel costs. Additionally, the base effect further contributed to the lower inflation figures.

As per the revised numbers the country's GDP grew by 2.5% in the financial year 2023-24 as compared to -0.2% last year. Agriculture grew by 6.4%, Services sector grew by 2.2% while industrial sector witnessed a decline of 1.2%. Historic high interest rates and inflation coupled with political uncertainty were the major culprits behind the subdued industrial and services output. On the fiscal side, FBR tax collection increased by 25.2% in 1QFY25 to PKR 2,556 billion, missing the target by PKR 96 billion.

### **Equity Market Review**

The KSE-100 Index maintained its upward momentum in the first quarter of FY25, hitting a new all-time high of 82,247 points. The rally was fueled by multiple factors, including a drop-in inflation to single digits and an unexpected 300bps interest rate cut by the SBP during the quarter. Investor confidence also strengthened after the IMF board approved the USD 7.0 billion EFF program, providing clarity on the external front. However, some profit-taking toward the end of the month led the index to close at 81,114 points, marking a quarterly gain of 2,669 points or +3.4% QoQ.

During 1QFY25, Foreign investors, Insurance, and Corporates were net sellers with an outflow of USD 21.7 million, USD 19.2 million and USD 14.0 million, respectively. The foreign selling was on account FTSE rebalancing related outflow as Pakistan was reclassified from Secondary

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

Emerging to Frontier market status. This selling was mainly absorbed by Individuals and Mutual Funds with inflow of USD 47.4 million and USD 18.8 million, respectively.

On activity front, average trading volumes for KSE-All Index remained almost static to 491.2 million shares compared to about 491.7 million shares in the preceding quarter. While the average trading value during the period saw a decline of -6.8% over previous quarter to near USD 105 million.

Fertilizer, E&P, and Banking sector were the major contributors to the index rally adding 2,198/1,532/1,002 points, respectively. Attractive dividend yield amid monetary easing garner investors interest in Banking & Fertilizer sector. While E&P sector also remained in the limelight due to surprise 800% bonus announcement by MARI. On the other hand, the power sector contributed a negative 1,323 points as the government announced plans to renegotiate or terminate contracts with Independent Power Producers (IPPs).

### FUND PERFORMANCE

During the period under review, the fund posted a return of 6.65% against 4.64% for the benchmark. The fund was 82.3% invested in Equities and 15.3% in Cash as at September 30, 2024.

The Net Assets of the Fund as at September 30, 2024 stood at Rs. 463 million. The Net Asset Value (NAV) per unit as at September 30, 2024 was Rs. 184.7000.

### Economy & Market – Future Outlook

Pakistan's GDP growth is projected to inch up to 2.8% in FY25, compared to 2.5% last year. The industrial and services sectors are expected to expand by 3.5% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 1.9%, constrained by the high base effect and flood-related damage to the cotton crop.

The new IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. We expect SBP reserves to increase to USD 12.7bn by year end on the back of flows from friendly countries, IMF and multilateral agencies. However, our external position still remains precarious as we are unlikely to issue international Eurobond or Sukuk owing to the challenging global conditions. The proceeds from FDI and RDA are also likely to remain muted owing to the current economic challenges. Thus, we would have to ensure a sustainable current account this year to stave off external concerns. We expect a CAD of USD 0.6bn (0.1% of GDP) in FY25 as policy of consolidation is likely to continue under the IMF umbrella. We are of the view that improvement in exports and remittances and increased comfort on the external side after entering into the IMF program will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close Jun-25 around 289.4.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in September 2024 clocked of 6.9% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 44 months. The core inflation also remained on a declining trajectory, clocking at 10.4% (29 months low). We expect inflation to further decelerate in the coming months as base effect will become more pronounced. We anticipate CPI to average around 6.8% in FY25 compared to 23.9% in FY24. As the real interest rate remains significantly positive we foresee further interest cuts, expecting policy rate to decline around 13.0% by June 25.

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 9.7%, a discount of 48.4% from its historical average of

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

18.8%. Similarly, Earning Yield minus Risk Free Rate is close to 7.9%, compared to the historical average of 3.0% signifying a deep discount at which the market is trading. The resolution of challenges on external account will help to unlock market potential. We believe a micro view of sectors and stocks will remain important and investment selection should focus on companies, which trade at a deep discount to their intrinsic value. The market is currently trading at PER of 5.0x, while offering a dividend yield of 10.8%.

### Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 13.9% during 1QFY25 to PKR 2,931bn. Total money market funds grew by about 0.2% since Jun-24. Within the money market sphere, conventional funds showed a growth of 19.4% to PKR 751bn while Islamic funds declined by 17.7% to PKR 559bn. In addition, the total fixed Income and Fixed Rate funds increased by about 35.1% since Jun-24 to PKR 1,298bn while Equity and related funds increased by 5.6% to PKR 270bn.

In terms of the segment share, Money Market funds were the leader with a share of around 44.7%, followed by Income and fixed return funds with 44.3% and Equity and Equity related funds having a share of 9.2% as at the end of Sep-24.

### Mutual Fund Industry Outlook

Interest rates trajectory and expectations of further monetary easing shall continue to attract inflows in longer tenor instrument linked funds including Sovereign Funds and Income Funds. Money market funds should also benefit from higher liquidity as they are ideal for investors with a short-term horizon and low risk profile. With improved external account post agreement with IMF, long-term investors may look to add equity exposure at these highly attractive levels. Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the 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,



**Khawaja Khalil Shah**  
Chief Executive Officer  
October 21, 2024



**Manzar Mushtaq**  
Director  
October 21, 2024

## ڈائریکٹرز رپورٹ

میوچل فنڈ انڈسٹری آؤٹ لک

شرح سود کی رفتار اور مزید مالیاتی نرمی کی توقعات طویل مدتی انسٹرومنٹ سے منسلک فنڈز بشمول Sovereign Funds اور Income Funds میں آمد کو راغب کرتی رہیں گی۔ منی مارکیٹ فنڈز کو بھی زیادہ لیکویڈیٹی سے فائدہ اٹھانا چاہیے کیونکہ یہ قلیل مدتی افق اور کم رسک پروفائل والے سرمایہ کاروں کے لیے مثالی ہیں۔ IMF کے ساتھ بہتر ایکسٹرنل اکاؤنٹ پوسٹ ایگریمنٹ کے ساتھ، طویل مدتی سرمایہ کاران انتہائی پرکشش سطحوں پر ایکویٹی میں سرمایہ کاری کرنے کی کوشش کریں گے۔ ہمارے کام بغیر کسی رکاوٹ کے جاری رہے اور ڈیجیٹل رسائی اور آن لائن کسٹمرز کے تجربے میں مسابقتی برتری کے پیش نظر، ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد کے فوائد حاصل کرنے کے لیے تیار ہیں۔

اعتراف

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کا مسلسل تعاون کا شکریہ ادا کرتا ہے۔ ڈائریکٹرز نے انتظامیہ کی ٹیم کی کوششوں کو بھی سراہا۔

ڈائریکٹرز کی جانب سے،

*Masra Mushtaq*

منظر مشتاق

ڈائریکٹر

21 اکتوبر، 2024

*خواجہ خلیل شاہ*

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

21 اکتوبر، 2024

## ڈائریکٹرز رپورٹ

بنیادی اثر اور نسبتاً مستحکم کرنسی کی وجہ سے افراط زر کی شرح میں کمی آنا شروع ہو گئی ہے۔ ستمبر 2024 میں ہیڈ لائن افراط زر کی تعداد مئی 2023 میں 38.0 فیصد کی بلند ترین شرح کے مقابلے میں 6.9 فیصد تک پہنچ گئی۔ یہ پچھلے 44 مہینوں میں سب سے کم ریڈنگ تھی۔ بنیادی افراط زر بھی گرتی ہوئی رفتار پر رہا، جو 10.4 فیصد (29 ماہ کی کم ترین سطح) پر پہنچ گیا۔ ہمیں توقع ہے کہ آنے والے مہینوں میں افراط زر مزید کم ہو جائے گا کیونکہ بنیادی اثر مزید واضح ہو جائے گا۔ ہم توقع کرتے ہیں کہ مالی سال 24 میں 23.9 فیصد کے مقابلے میں مالی سال 25 میں CPI اوسطاً 6.8 فیصد رہے گا۔ چونکہ حقیقی شرح سود نمایاں طور پر مثبت رہتی ہے، ہم مزید سود میں کٹوتیوں کی پیش گوئی کرتے ہیں، جون 2025 تک پالیسی کی شرح تقریباً 13.0 فیصد کم ہونے کی توقع رکھتے ہیں۔

کیپٹل مارکیٹ کے نقطہ نظر سے خاص طور پر ایکویٹیز، مارکیٹ اب بھی سستی قیمتوں پر ٹریڈ کر رہی ہے۔ مارکیٹ کیپ ٹوجی ڈی پی کا تناسب 9.7 فیصد پر ہے، جو اس کی تاریخی اوسط 18.8 فیصد سے 48.4 فیصد کی چھوٹ ہے۔ اسی طرح، ارننگ پیبلڈ مائنس رسک فری ریٹ 7.9 فیصد کے قریب ہے، جو کہ 3.0 فیصد کی تاریخی اوسط کے مقابلے میں ایک گہری رعایت کی نشاندہی کرتا ہے جس پر مارکیٹ ٹریڈ کر رہی ہے۔ بیرونی اکاؤنٹ پر چیلنجز کا حل مارکیٹ کی صلاحیت کو بڑھانے میں مدد کرے گا۔ ہمیں یقین ہے کہ سیکٹرز اور اسٹاکس کا ایک مائیکرو ویو اہم رہے گا اور سرمایہ کاری کے انتخاب کو ان کمپنیوں پر توجہ مرکوز کرنی چاہیے، جو اپنی اصل قیمت پر گہری رعایت پر تجارت کرتی ہیں۔ مارکیٹ فی الحال 5.0x PER پر ٹریڈ کر رہی ہے، جبکہ 10.8 فیصد کی منافع بخش پیداوار پیش کر رہی ہے۔

### میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈز انڈسٹری کے خالص اثاثے 1QFY25 کے دوران تقریباً 13.9 فیصد بڑھ کر 2,931 PKR بلین ہو گئے۔ 24 جون سے کل منی مارکیٹ فنڈز میں تقریباً 0.2 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرے میں، روایتی فنڈز 19.4 فیصد اضافے کی وجہ سے 751 PKR بلین ہو گئے جبکہ اسلامی فنڈز نے 17.7 فیصد کمی کی وجہ سے 559 PKR بلین ہو گئے۔ مزید برآں، کل فکسڈ انکم اور فکسڈ ریٹ فنڈز جون 24 سے تقریباً 35.1 فیصد بڑھ کر 1,298 PKR بلین ہو گئے جبکہ ایکویٹی اور متعلقہ فنڈز 5.6 فیصد بڑھ کر 270 PKR بلین ہو گئے۔

سیگمنٹ شیئر کے لحاظ سے، منی مارکیٹ فنڈز تقریباً 44.7 فیصد کے شیئر کے ساتھ سرفہرست تھے، اس کے بعد انکم اور فکسڈ ریٹ فنڈز 44.3 فیصد کے ساتھ اور ایکویٹی اور ایکویٹی سے متعلقہ فنڈز کا حصہ ستمبر 24 کے آخر تک 9.2 فیصد تھا۔

## ڈائریکٹرز رپورٹ

معاهدوں پر دوبارہ گفت و شنید یا ختم کرنے کے منصوبوں کا اعلان کیا۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران، فنڈ نے 4.64 فیصد کے بیچ مارک ریٹرن کے مقابلے میں 6.65 فیصد کا ریٹرن دیا۔ 30 ستمبر 2024 تک فنڈ کی سرمایہ کاری 82.3 فیصد ایکویٹیز میں اور 15.3 فیصد کیش میں کی گئی۔

30 ستمبر 2024 تک فنڈ کے خالص اثاثے 463 ملین روپے تھے۔ 30 ستمبر 2024 تک نیٹ اثاثہ (NAV) کی قیمت فی یونٹ 184.7000 روپے تھی۔

### معیشت اور مارکیٹ - مستقبل کا آؤٹ لک

پاکستان کی جی ڈی پی کی شرح نمو FY 25 میں 2.8 فیصد تک رہنے کا امکان ہے، جو کہ گزشتہ سال 2.5 فیصد تھی۔ صنعتی اور خدمات کے شعبوں میں بالترتیب 3.5 فیصد اور 3.0 فیصد کی توسیع متوقع ہے، جس کی وجہ طلب میں بتدریج بحالی اور بنیادی اثر ہے۔ تاہم، زرعی نمو 1.9 فیصد پر معمولی رہنے کا امکان ہے، جو کہ اعلیٰ بنیادی اثر اور کپاس کی فصل کو سیلاب سے متعلقہ نقصانات کی وجہ سے محدود ہے۔

آئی ایم ایف کا نیا پروگرام کلیدی مثبت ہے کیونکہ یہ ہمیں دو طرفہ اور کثیر جہتی ذرائع سے فنڈنگ حاصل کرنے کی اجازت دیتا ہے۔ ہم توقع کرتے ہیں کہ دوست ممالک، آئی ایم ایف اور کثیر جہتی ایجنسیوں کی جانب سے آنے والے بہاؤ کی وجہ سے سال کے آخر تک SBP کے ذخائر بڑھ کر 12.7 USD بلین ہو جائیں گے۔ تاہم، ہماری بیرونی پوزیشن اب بھی غیر یقینی ہے کیونکہ ہم چیلنجنگ عالمی حالات کی وجہ سے بین الاقوامی یورو بانڈ یا سکوک جاری کرنے کا امکان نہیں رکھتے ہیں۔ FDI اور RDA سے حاصل ہونے والی آمدنی کا بھی موجودہ معاشی چیلنجوں کی وجہ سے خاموش رہنے کا امکان ہے۔ اس طرح، ہمیں بیرونی خدشات کو دور کرنے کے لیے اس سال ایک پائیدار کرنٹ اکاؤنٹ کو یقینی بنانا ہوگا۔ ہم FY25 میں 0.6 USD بلین (GDP کا 0.1 فیصد) کی CAD کی توقع کرتے ہیں کیونکہ IMF کی چھتری کے تحت استحکام کی پالیسی جاری رہنے کا امکان ہے۔ ہمارا خیال ہے کہ برآمدات اور ترسیلات زر میں بہتری اور آئی ایم ایف پروگرام میں داخل ہونے کے بعد بیرونی طرف سے استحکام میں اضافہ ہوگا اور قریب مدت میں کرنسی کو مستحکم رکھے گا۔ ہمیں توقع ہے کہ اس سال کرنسی کی قدر میں معمولی کمی PKR/USD کو جون 2025 کے قریب 289.4 پر بند کرے گی۔

## ڈائریکٹرز رپورٹ

میں 2.5 فیصد اضافہ ہوا۔ زراعت میں 6.4 فیصد اضافہ ہوا، خدمات کے شعبے میں 2.2 فیصد اضافہ ہوا جبکہ صنعتی شعبے میں 1.2 فیصد کمی دیکھی گئی۔ صنعتی اور خدمات کے آؤٹ پٹ میں کمی کے پیچھے تاریخی بلند شرح سود اور مہنگائی کے ساتھ سیاسی غیر یقینی صورتحال سب سے بڑے مجرم تھے۔ مالیاتی پہلو پر، FBR کی ٹیکس وصولی 1QFY25 میں 25.2 فیصد بڑھ کر 2,556 بلین روپے ہو گئی، جو ہدف 96 ارب روپے سے کم ہے۔

### ایکویٹی مارکیٹ کا جائزہ

KSE-100 انڈیکس نے FY 25 کی پہلی سہ ماہی میں اپنی اوپر کی رفتار کو برقرار رکھا اور 82,247 پوائنٹس کی نئی بلند ترین سطح کو چھو لیا۔ ریلی کو متعدد عوامل نے تقویت بخشی، بشمول سنگل ہندسوں میں گراؤٹ میں افراط زر اور سہ ماہی کے دوران اسٹیٹ بینک کی جانب سے غیر متوقع طور پر 300bps شرح سود میں کمی شامل ہیں۔ IMF بورڈ کی جانب سے 7.0 بلین امریکی ڈالر کے EFF پروگرام کی منظوری کے بعد سرمایہ کاروں کا اعتماد بھی مضبوط ہوا، جس نے بیرونی محاذ پر وضاحت کی۔ تاہم، مہینے کے آخر میں کچھ منافع لینے کی وجہ سے انڈیکس 81,114 پوائنٹس پر بند ہوا، جس سے 2,669 پوائنٹس یا +3.4% QoQ کا سہ ماہی اضافہ ہوا۔

1QFY25 کے دوران، غیر ملکی سرمایہ کار، انشورنس، اور کارپوریٹس بالترتیب 21.7 USD ملین، 19.2 USD ملین اور 14.0 USD ملین کے ساتھ خالص فروخت کنندگان تھے۔ غیر ملکی فروخت FTSE کے دوباہہ توازن سے متعلقہ اخراج کی وجہ سے تھی کیونکہ پاکستان کی سیکنڈری ایمرجنگ سے فرنیچر مارکیٹ اسٹیٹس میں دوبارہ درجہ بندی کیا گیا تھا۔ اس فروخت کو بالترتیب 47.4 USD ملین اور 18.8 USD ملین کے ساتھ انفرادی اور میوچل فنڈز نے جذب کیا۔

سرگرمی کے محاذ پر، KSE-All Index کے لیے اوسط تجارتی حجم گزشتہ سہ ماہی میں 491.7 ملین شیئرز کے مقابلے میں 491.2 ملین شیئرز پر تقریباً مستحکم رہا۔ جبکہ اس مدت کے دوران اوسط تجارتی قدر میں کچھ کمی سہ ماہی کے مقابلے میں -6.8 فیصد کمی دیکھی گئی جو 105 ملین امریکی ڈالر کے قریب ہے۔

فریڈلائزر، ای اینڈ پی، اور بینکنگ سیکٹر نے انڈیکس کی ریلی میں بالترتیب 2,198 / 1,532 / 1,002 پوائنٹس کا اضافہ کیا۔ مالیاتی نرمی کے درمیان پرکشش منافع بخش پیداوار نے بینکنگ اور فریڈلائزر سیکٹر میں سرمایہ کاروں کی دلچسپی حاصل کی۔ جبکہ ای اینڈ پی سیکٹر بھی MARI کی جانب سے 800 فیصد بونس کے حیران کن اعلان کی وجہ سے سرخیوں میں رہا۔ دوسری طرف، پاور سیکٹر نے منفی 1,323 پوائنٹس کا حصہ ڈالا کیونکہ حکومت نے انڈیپنڈنٹ پاور پروڈیوسرز (IPPs) کے ساتھ

## ڈائریکٹرز رپورٹ

پیارے سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے، مجھے ایم سی بی پاکستان ڈیویڈنڈ ییلڈ پلان کے 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے اکاؤنٹس کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

### معیشت کا جائزہ

نئے مالی سال کا آغاز مثبت ہوا جب حکومت نے IMF کے ساتھ 37 ماہ کے توسیعی فنڈ سہولت (EFF) کے لیے تقریباً 7.0 بلین امریکی ڈالر کا اسٹاف لیول معاہدہ کیا۔ تاہم، حکومت کی جانب سے دوست ممالک سے قرضوں کی واپسی کے لیے جدوجہد کی وجہ سے رسمی منظوری میں تاخیر ہوئی۔ پاکستان کی جانب سے تمام پیشگی شرائط پوری کرنے کے بعد IMF کے ایگزیکٹو بورڈ نے 27 ستمبر 2024 کو پروگرام کی منظوری دی۔ اس کے بعد، اسٹیٹ بینک آف پاکستان (SBP) کو 1.0 بلین امریکی ڈالر کی پہلی قسط موصول ہوئی، جس سے زرمبادلہ کے ذخائر میں اضافہ ہوا اور کرنسی کو PKR/USD کے طور پر مضبوط کیا گیا جس کی برابری سہ ماہی میں 0.2 فیصد سے بڑھ کر 277.7 پر بند ہوئی۔

ملک نے مالی سال 2025 (2MFY25) کے پہلے دو مہینوں میں 171 USD بلین کا کرنٹ اکاؤنٹ خسارہ (CAD) پوسٹ کیا جس میں گزشتہ سال کی اسی مدت میں 893 USD بلین کے خسارے کے مقابلے میں 81 فیصد YoY کمی واقع ہوئی۔ CAD کو بہتر بنانے میں سب سے بڑا حصہ ترسیلات زر کا تھا جو 44.0 فیصد اضافے سے 1.8 USD بلین تک پہنچ گیا۔ تجارتی خسارے میں سالانہ 21.7 فیصد اضافہ ہوا جیسا کہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ کم بنیاد درآمدات میں 13.8 فیصد اضافہ ہوا۔ SBP کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے آخر میں 9.4 USD بلین کے مقابلے میں ستمبر 2024 کے آخر تک بڑھ کر 10.7 USD بلین تک پہنچنے جو ملک کی بیرونی پوزیشن میں بہتری کا سبب بنے۔ یہ آئی ایم ایف اور کثیر جہتی ذرائع سے آنے والے بہاؤ کی وجہ سے تھا۔

1QFY25 کے دوران CPI کی طرف سے کردہ ہیڈ لائن افراط زر کی اوسط 9.2 فیصد رہی جو پچھلے سال کی اسی مدت میں 29.0 فیصد تھی۔ اس تیزی سے گراؤ کی وجہ گزشتہ نو مہینوں کے دوران کرنسی کے استحکام، عالمی رجحانات کے مطابق خوراک کی قیمتوں میں خاطر خواہ کمی، اور تیل کی بین الاقوامی قیمتوں میں کمی، جس سے ایندھن کی مقامی قیمتوں میں نرمی آئی ہے۔ مزید برآں، بنیادی اثر نے افراط زر کے کم اعداد و شمار میں مزید حصہ ڈالا۔

نظر ثانی شدہ اعداد کے مطابق مالی سال 2024-2023 میں ملک کی جی ڈی پی میں گزشتہ سال -0.2 فیصد کے مقابلے

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2024**

	(Un-Audited) September 30, 2024	(Audited) June 30, 2024
Note	----(Rupees in '000)----	
<b>ASSETS</b>		
Bank balances	4. 72,945	44,810
Investments	5 390,946	236,226
Receivable against sale of investments	7,631	6,594
Mark-up receivable	750	714
Advances, deposits and other receivables	3,016	1,117
<b>Total assets</b>	<b>475,288</b>	<b>289,461</b>
<b>LIABILITIES</b>		
Payable to the Management Company	6 1,515	1,385
Payable to the Trustee	84	61
Payable to the Securities and Exchange Commission of Pakistan	7 35	26
Payable against purchase of investments	9,253	-
Accrued expenses and other liabilities	8 1,123	998
<b>Total liabilities</b>	<b>12,010</b>	<b>2,470</b>
<b>NET ASSETS</b>	<b>463,278</b>	<b>286,991</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<b>463,278</b>	<b>286,991</b>
<b>Contingencies and Commitments</b>	9	
		'(Number of units)
<b>NUMBER OF UNITS IN ISSUE</b>	<b>2,508,271</b>	<b>1,657,136</b>
<b>NET ASSET VALUE PER UNIT</b>	<b>184.7000</b>	<b>173.1845</b>

The annexed notes 1 to 16 form an integral part of these financial statements.

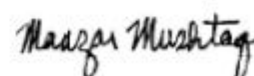
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

Note	Quarter ended September 30,2024	Quarter ended September 30,2023
	----(Rupees in '000)----	
<b>INCOME</b>		
Markup on bank balance	2,716	1,061
Government securities	-	447
Dividend income	22,174	7,123
Capital gain / (loss) on sale of investments	(15,286)	6,381
Net Unrealised appreciation on re-measurement of investments classified as at fair value through profit or loss - net	21,339	10,056
<b>Total Income</b>	<b>30,943</b>	<b>25,068</b>
<b>EXPENSES</b>		
Remuneration of the Management Company	3,466	464
Sindh Sales Tax on remuneration of the Management Company	520	60
Remuneration of the Trustee	199	93
Sindh Sales Tax on remuneration of the Trustee	30	12
Annual fee of the Securities and Exchange Commission of Pakistan	95	44
Auditors' remuneration	141	112
Legal and professional charges	89	77
Printing charges	25	25
Bank charges	3	10
Brokerage and Settlement Charges	911	451
<b>Total expenses</b>	<b>5,479</b>	<b>1,348</b>
<b>Net income for the period before taxation</b>	<b>25,465</b>	<b>23,721</b>
Taxation	-	-
<b>Net income for the period after taxation</b>	<b>25,465</b>	<b>23,721</b>
<b>Allocation of net income for the period</b>		
Net income for the period after taxation	25,465	23,721
Income already paid on units redeemed	(2,252)	(2,021)
	<b>23,213</b>	<b>21,700</b>
<b>Accounting income available for distribution</b>		
- relating to capital gains	3,971	14,593
- excluding capital gains	19,242	7,107
	<b>23,213</b>	<b>21,700</b>
<b>Earnings per unit</b>	<b>15</b>	

The annexed notes 1 to 16 form an integral part of these financial statements.

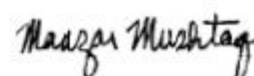
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

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	Quarter ended September 30, 2024	Quarter ended September 30, 2023
	----(Rupees in '000)----	
<b>Net income for the period after taxation</b>	<b>25,465</b>	23,721
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<b>25,465</b>	23,721

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The annexed notes 1 to 16 form an integral part of these financial statements.

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Quarter ended September 30, 2024			Quarter ended September 30, 2023		
	Capital value	Undistributed income / (loss)	Total	Capital value	income / (loss)	Total
	(Rupees)					
<b>Net assets at the beginning of the period</b>	231,077	55,914	286,991	191,060	17,879	208,939
Issuance of 2,065,442 units: (2023 : 880,883 Units)						
- Capital value (at net asset value per unit at the beginning of the period) at 173.1845	357,702	-	357,702	89,305	-	89,305
- Element of income / (loss)	9,298	-	9,298	9,661	-	9,661
	367,000	-	367,000	98,967	-	98,967
Redemption of 1,214,307 units: ( 2022 : 735,062 Units)						
- Capital value (at net asset value per unit at the beginning of the period) at 173.1845	(210,300)	-	(210,300)	(74,522)	-	(74,522)
- Element of income / (loss)	(3,625)	(2,252)	(5,877)	(2,975)	(2,021)	(4,996)
	(213,925)	(2,252)	(216,177)	(77,497)	(2,021)	(79,517)
Total comprehensive Income / (loss) for the period	-	25,465	25,465	-	23,721	23,721
Final Distribution for the year ended June 30,2023 at the rate	-	-	-	-	(18,160)	(18,160)
Net income for the period less distribution	-	25,465	25,465	-	5,561	5,561
<b>Net assets as at the end of the period</b>	<b>384,152</b>	<b>79,127</b>	<b>463,279</b>	<b>212,530</b>	<b>21,419</b>	<b>233,948</b>
<b>Undistributed income brought forward comprising of:</b>						
- Realised		2,143			19,948	
- Unrealised		53,771			(2,069)	
		55,914			17,879	
Accounting income available for distribution:						
- Relating to capital gains		3,971			14,593	
- Excluding capital gains		19,242			7,107	
		23,213			21,700	
Distribution during the year ended June 30, 2023		-			(18,160)	
<b>Undistributed income carried forward</b>		<b>79,127</b>			<b>21,419</b>	
<b>Undistributed income carried forward:</b>						
- Realised		57,789			11,363	
- Unrealised		21,339			10,056	
		79,127			21,419	
		-- (Rupees) --			-- (Rupees) --	
<b>Net assets value per unit at beginning of the period</b>		<b>173.1845</b>			<b>111.0314</b>	
<b>Net assets value per unit at end of the period</b>		<b>184.7000</b>			<b>115.3814</b>	

The annexed notes 1 to 16 form an integral part of these financial statements.

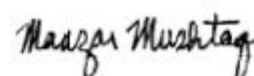
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Quarter ended September 30, 2024	Quarter ended September 30, 2023
	-----(Rupees in '000)----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	25,465	23,721
<b>Adjustments for non cash and other items:</b>		
Unrealised (gain) / loss on re-measurement of investments classified as at fair value through profit or loss - net	(21,339)	(10,056)
	4,126	13,664
<b>(Increase) / Decrease in assets</b>		
Investments	(133,380)	18,573
Receivable against sale of investments	(1,037)	11,912
Profit receivable on bank deposit	(36)	(205)
Other receivable	(1,899)	(1,774)
	(136,353)	28,506
<b>Increase in liabilities</b>		
Payable to the Management Company	130	(2)
Payable to the Trustee	23	-
Payable to the Securities and Exchange Commission of Pakistan	9	(15)
Accrued expenses and other liabilities	125	199
Payable against redemption of units	-	-
Payable against purchase of investments	9,252	(284)
	9,539	(102)
<b>Net cash (used in) / generated from operating activities</b>	(122,688)	42,069
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received on issuance of units	367,000	98,967
Amount paid on redemption of units	(216,177)	(79,518)
Dividend distribution	-	(18,160)
<b>Net cash generated from financing activities</b>	150,823	1,289
<b>Net increase in cash and cash equivalents during the period</b>	28,135	43,358
Cash and cash equivalents at the beginning of the period	44,810	12,899
<b>Cash and cash equivalents at the end of the period</b>	72,945	56,257

The annexed notes 1 to 16 form an integral part of these financial statements.

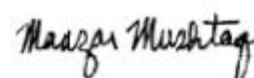
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB Pakistan Opportunity Fund (the Fund) has been established through the Trust Deed (the Deed) dated 10th day of March, 2022 under the Sindh Act, 2020 entered into and between MCB-Arif Habib Savings and Investments Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee and is authorised under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the "Rules") and Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations"). The Securities and Exchange Commission of Pakistan (SECP) has authorised the offer of Units of MCB Pakistan Opportunity Fund and has registered the fund as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations") vide letter No SCD/AMCW/MPOF/344/2022 dated May 19, 2022. SECP has approved the Offering Document under the Regulations vide its Letter No. SCD/AMCW/MPOF/378/2022 dated June 16, 2022.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is located at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The duration of the fund is perpetual. The Fund is an open-end collective investment scheme categorised as a "Asset Allocation Scheme". The management company has launched its first plan under MCB Pakistan Opportunity Fund on June 29, 2022 i.e. IPO date of the Plan (MCB Pakistan Dividend Yield plan).
- 1.4 The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of listed equities belonging to equity.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of AM1 dated October 04, 2024 to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

## 2. BASIS OF PREPARATION

### 2.1 STATEMENT OF COMPLIANCE

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:
  - International Financial Reporting Standards (IFRSs) 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
  - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the 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 IAS 34 Standards, 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.
- 2.1.2 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 2024. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2024 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2024, 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
- 2.1.3 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.
- 2.1.4 In compliance with schedule V of the NBFC Regulations, the Directors of the Management Company, hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund.
- 2.1.5 These condensed interim financial statements are presented in Pakistani Rupee, which is the functional and presentation currency of the Fund.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

- 3.1 The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2024.
- 3.2 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, 2024. 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, 2024.

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Note	(Un-audited) Sep 30 2024	(Audited) June 30, 2024
		---(Rupees in '000)---	
<b>4. BALANCES WITH BANKS</b>			
In savings accounts	4.1	72,945	44,810

4.1 These carry markup at the rates ranging from 16 to 19% (June 30, 2024: 19.0% to 20.50%) per annum and include Rs.1.003 million maintained with MCB Bank Limited, a related party which carries mark-up at the rate of 16% per annum.

	Note	(Un-audited) Sep 30 2024	(Audited) June 30, 2024
		---(Rupees in '000)---	
<b>5 INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Listed equity securities	5.1	390,946	236,226
		390,946	236,226

### 5.1 Listed equity securities - 'At fair value through profit or loss'

Shares of listed companies: July paid ordinary shares of Rs.10 each unless stated otherwise

Name of the Investee Company	Symbol	Number of shares				Balance as at September 30, 2024			Market value		
		As at July 31, 2024	Purchased during the period	Issued / Right Issue during the period	Sold during the period	Balance as at September 30, 2024	Carrying value	Market Value	Dividend (Incr) / gain	As a percentage of net assets	As a percentage of total investments
						(Rupees in '000)			%		
<b>Concrete</b>											
Concrete Cement Limited	CCC	91,711	45,270	-	17,001	120,000	27,200	28,200	1,000	0.03%	7.21%
Fauji Cement Company Limited	FCC	-	1,260,000	-	-	1,260,000	11,091	11,351	260	0.00%	8.10%
Phoenix Cement Limited	PC	39,000	99,100	-	10,100	178,000	10,913	12,213	1,300	0.00%	8.20%
		169,711	1,404,370	-	27,101	1,658,000	49,204	52,764	3,560		
<b>Chemicals</b>											
Andriens Pakistan Limited	APL	20,281	-	-	-	20,281	1,099	3,052	(1,953)	1.20%	1.40%
		20,281	-	-	-	20,281	1,099	3,052	(1,953)		
<b>Consumer Goods</b>											
Bank Alfalah Limited	BAFL	247,000	413,000	-	-	660,000	41,856	60,029	(18,173)	0.60%	10.26%
Hubb Bank Limited	HBL	29,000	114,000	-	13,000	130,000	16,517	16,515	(2)	3.50%	4.22%
Hubb Metropolitan Bank Limited	HMB	425,000	12,000	-	27,000	410,000	28,217	27,548	(669)	3.80%	7.00%
MCB Bank Limited*	MCB	-	20,500	-	20,500	-	-	-	-	0.00%	0.00%
Meezan Bank Limited	MBL	57,000	-	-	16,000	41,000	9,815	9,154	(661)	2.02%	2.30%
National Bank of Pakistan	NBP	211,000	305,500	-	74,500	441,000	30,808	37,300	6,492	0.02%	7.17%
United Bank Limited	UBL	11,500	41,500	-	75,000	128,000	19,154	21,857	2,703	4.27%	5.00%
		1,022,500	911,500	-	197,000	1,779,000	136,497	143,001	6,526		
<b>Fertilizer</b>											
Engro Fertilizer Limited	EFCL	126,000	158,000	-	32,000	212,000	38,532	44,190	5,658	0.32%	11.20%
Fauji Fertilizer Company Limited	FVIC	-	305,000	-	67,000	700,000	41,000	46,025	5,025	10.12%	12.00%
Fauji Fertilizer Company Limited	FVC	150,000	95,000	-	141,500	112,500	18,000	25,026	6,326	0.40%	6.40%
		276,000	1,058,000	-	240,500	1,122,500	97,532	115,241	16,969		
<b>Other Services</b>											
Pakistan Hotel Developers Limited	PHD	-	15,000	-	15,000	-	-	-	-	0.00%	0.00%
		-	15,000	-	15,000	-	-	-	-		
<b>Oil And Gas Marketing Companies</b>											
Attock Petroleum Limited	APL	15,500	-	-	-	15,500	-	-	-	0.00%	0.00%
		15,500	-	-	-	15,500	-	-	-		
<b>Power Generation &amp; Distribution</b>											
Hubb Power Company Limited	HPL	31,000	192,500	-	273,500	-	-	-	-	0.00%	0.00%
Lahor Power Limited*	LPL	530,000	190,000	-	720,000	-	-	-	-	0.00%	0.00%
National Chaudhry Power Limited	NCPPL	613,654	703,000	-	1,022,654	1,015,000	29,607	27,101	(2,506)	3.80%	8.00%
National Power Limited*	NPL	174,500	319,500	-	494,000	-	-	-	-	0.00%	0.00%
		1,349,154	1,404,000	-	1,270,154	1,015,000	29,607	27,101	(2,506)		
<b>Tobacco</b>											
Pakistan Tobacco Company Limited	PKT	7,000	-	-	-	7,000	8,309	6,523	(1,786)	1.41%	1.61%
		7,000	-	-	-	7,000	8,309	6,523	(1,786)		
<b>Total as at September 30, 2024 (Unaudited)</b>						369,600	398,956	21,339			
<b>Total as at June 30, 2024 (Audited)</b>						182,610	236,226	55,771			

\*These transactions relating to shares of related parties

5.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) security against settlement of the Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by SECP:

	September 30, 2024	June 30, 2024	September 30, 2024	June 30, 2024
	---(Number of shares)---		---(Rupees in '000)---	
Attock Petroleum Limited	-	15,500	-	5,987
Bank Alfalah Limited	245,000	-	14,859	-
Fauji Fertilizer Company Limited	37,000	37,000	8,231	6,045
Hub Power Company Limited	-	50,000	-	8,154
	282,000	102,500	23,090	20,186

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

		(Un-audited) Sep 30 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
<b>6 PAYABLE TO THE MANAGEMENT COMPANY</b>			
Remuneration payable	6.1	1,267	846
Sindh sales tax payable on remuneration	6.2	190	110
Payable against allocated expenses		-	22
Selling and marketing expense		-	350
Sale load payable		58	57
		<u>1,515</u>	<u>1,385</u>

**6.1** The Management Company has charged remuneration at the rate of upto 4% (2024: 4%) of average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

**6.2** During the period, sales tax on management remuneration has been increased from 13% to 15%.

**7 PAYABLE TO THE SECURITIES AND EXCHANGE 'COMMISSION OF PAKISTAN (SECP)**

	(Un-audited) Sep 30 2024	(Audited) June 30, 2024
	----- (Rupees in '000) -----	
Annual Fee (SECP)	<u>35</u>	<u>26</u>

**7.1** In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the fund has charged SECP fee at the rate of 0.095% of average Net Assets of the scheme, calculated on daily basis. The fee is paid to the commission on monthly basis in arrears.

	(Un-audited) Sep 30 2024	(Audited) June 30, 2024
	----- (Rupees in '000) -----	
<b>8 ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration	569	428
Printing and related charges payable	65	40
Payable to legal advisor	25	31
Brokerage payable	264	256
Withholding tax payable	200	243
	<u>1,123</u>	<u>998</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

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**9 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at the Sep 30, 2024 (June 30, 2024: Nil).

**10 TAXATION**

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded any tax liability in respect of income relating to the current year as the Management Company has distributed cash dividend subsequent to the year end that is at least 90 percent of the Fund's accounting income for the year ended June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

**11 TOTAL EXPENSE RATIO**

The annualized total expense ratio of the Fund based on the current period results is 5.5% ( September 2023 : 2.90% ) and this includes 0.75% (September 2023 : 0.34%) representing government levy, SECP fee etc.



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	September 30 2024	September 30 2023
	----- (Rupees in '000) -----	
<b>12.2 Transactions during the period:</b>		
<b>MCB Investment Management Limited-Management Company</b>		
Remuneration of the Management Company	-	464
Sindh Sales Tax on remuneration of the Management Company	3,466	60
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	520	93
Sindh Sales Tax on remuneration of the Trustee	199	12
<b>MCB Bank Limited</b>		
Purchase of 26,500 shares ( 2023 : 89,300 shares)	5,892	11,198
Sale of 26,500 shares (2023 : 59,800 shares)	5,922	7,270
Dividend Income	-	560
<b>Nishat Power Limited</b>		
Purchase of 319,500 shares ( 2023 : 36,000 shares)	12,360	892
Sale of 494,000 shares ( 2023 : 70,000 shares)	18,304	1,239
<b>Lalpir Power Limited</b>		
Purchase of 190,000 shares ( 2023: 190,000 shares)	4,618	2,873
Sale of 720,000 shares ( 2023: Nil shares)	14,191	-
Dividend Income	1,166	-
	Sep 30	June 30,
	2024	2024
	----- (Rupees in '000) -----	
<b>12.3 Balances outstanding at year end:</b>		
<b>MCB Investment Management Limited - Management Company</b>		
Remuneration payable	1,267	846
Sindh sales tax payable on remuneration	190	110
Payable against allocated expenses	-	22
Selling and marketing expense	-	350
Sale load payable	58	57
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	73	54
Sindh sales tax payable on remuneration	11	7
<b>Group / associated company</b>		
<b>MCB Bank Limited</b>		
Bank balances	1,003	1,396
<b>Nishat Power Limited</b>		
NIL shares held by the fund (2024 : 174,500 shares)	-	6,898
<b>Lalpir Power Limited</b>		
NIL shares held by the fund (2024 : 530,000 shares)	-	13,473

**13 FAIR VALUE MEASUREMENTS**

Fair value is 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. Consequently, differences can arise between carrying values and the fair value estimates.

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### FAIR VALUE MEASUREMENTS

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

levels:

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

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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

### 14 GENERAL

14.1 Figures have been rounded off to the nearest thousands, unless otherwise specified.

14.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. However, no significant rearrangements or reclassifications were made in these condensed interim financial statements to report.

### 15 EARNINGS PER UNIT

Earnings per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company, the determination of the same is not practicable.

### 16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 21, 2024 by the Board of Directors of the Management Company.

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**MCB INVESTMENT MANAGEMENT LIMITED**

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