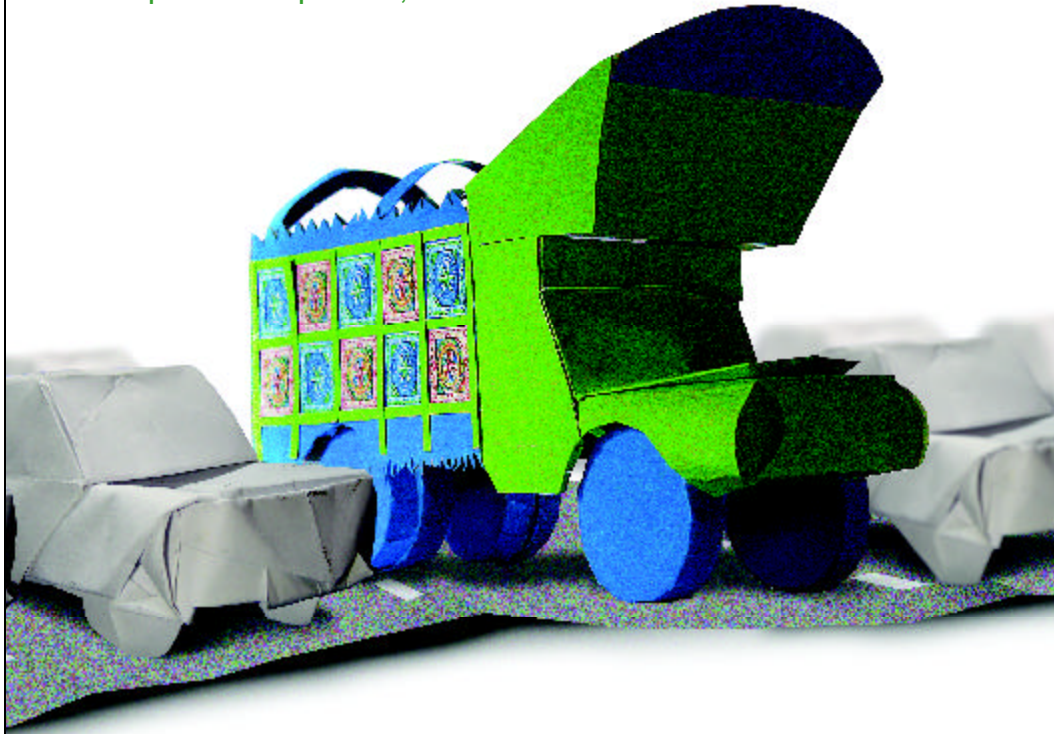


RATED AM3+ (With Positive Outlook) BY PACRA

QUARTERLY REPORT

For the period ended September 30, 2009



MCB
Dynamic
CASH FUND

MCB
Dynamic
STOCK FUND

MCB
Dynamic
ALLOCATION FUND

MCB
Cash Management
OPTIMIZER FUND

SHAPING INVESTMENTS


MCB
ASSET MANAGEMENT

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MICB DYNAMIC CASH FUND

MCB Dynamic CASH Fund

MCB
Dynamic
CASH FUND

ORGANIZATION

Management Company	MCB Asset Management Company Limited 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi. Tel: (32-21) 2276900 Fax: (92-21) 2276908
Board of Directors	Mian Mohammad Mansha - Chairman Atif Aslam Bajwa Ali Munir M.U.A. Usmani S. Wallullah Shah Ahmed Jahangir Yasir Qadri -Chief Executive Officer
Audit Committee	Ali Munir -Chairman S. Wallullah Shah -Member Ahmed Jahangir -Member
Chief Financial Officer & Company Secretary	Muhammad Saqib Saleem
Trustee	Central Depository Company of Pakistan Limited, Suit # 6-7, Mezzanine Floor, Progressive Plaza, Beaumont Road, Karachi.
Chief Internal Auditor	Muhammad Ali
Auditors	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C, I.I. Chundrigar Road, Karachi - 74000.
Legal Advisor	Bawany & Partners, Room No. 404, 4th Floor, Beaumont Plaza, Beaumont Road, Civil Lines, Karachi.
Bankers	MCB Bank Limited The Bank of Punjab Bank Al Habib Limited Crescent Commercial Bank Limited Atlas Bank Limited Allied Bank Limited KASB Bank Limited NIB Bank Limited Bank Alfalah Limited United Bank Limited Habib Metropolitan Bank Limited Standard Chartered Bank (Pakistan) Limited Citi Bank Faysal Bank Limited
Transfer Agent	MCB Asset Management Company Limited 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi. Tel: (32-21) 2276900 Fax: (92-21) 2276908

DIRECTOR'S REPORT

Dear Investor,

On behalf of the Board of Directors, I am pleased to present MCB Dynamic Cash Fund's quarterly accounts review for the period ended September 30th 2009.

MARKET OVERVIEW

The money market rates remained firm during the quarter as the market remained relatively tight. Improvement in trade deficit, coupled with record-high workers' remittances and flow from IMF and other donors agencies has improved FX reserves to over US\$ 14 billion by Sep'09. Net foreign asset (NFA) though has turned positive during this quarter, negative trend in net domestic asset (NDA) has kept broad money (M2) in a negative zone, thereby affecting liquidity in the system that has kept short term rates higher. YoY CPI inflation has been declining sharply mainly due to high base-affect and has reached 10.7% by Aug'09. Although improvement in external account and inflationary pressures have propelled the SBP to relax its monetary stance, the central bank has kept the policy discount rate unchanged in Sep'09 MPS owing to fiscal issues and lack of clarity on expected foreign inflows. Due to tight liquidity in the inter-bank market, SBP continued to conduct frequent OMOs (injections) to ease off the market.

FUND PERFORMANCE

1-month KIBOR averaged at 12.2% during the period under review as compared to 13.1% during the previous quarter and closed the period at 12.5%. KIBOR has risen slightly over the past couple of months primarily due to liquidity constraints in the domestic market. On the other hand, the fund generated an annualized return of 11.4% during the period under review, while since inception, the fund generated an annualized return of 9.9% as against the benchmark 1M KIBOR of 11.3%, an under performance of 1.4%.

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FUTURE OUTLOOK

Macroeconomic indicators though have improved, but are depicting a mixed picture with inflation and external account improving while fiscal account and real sector remain concerning. The State Bank of Pakistan has gone for prudence this time in latest monetary policy announcement with no change in DR, we believe that further clarity on official foreign inflows and resolution of electricity and fiscal issues should pave the way for a DR cut in next monetary policy announcement. Materialization of expected foreign inflows, however, remains a key in determining the interest rates direction moving forward.

In a fast changing interest rate environment, the fund would continue to maintain its focus on the credit quality of the portfolio while exploiting attractive opportunities in the market.

ACKNOWLEDGMENT

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

On behalf of Directors,

Yasir Qadri
Chief Executive Officer

October 09, 2009

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2009**



	Note	Unaudited September 30, 2009	Audited June 30, 2009
(Rupees in '000)			
ASSETS			
Balances with banks		627,674	1,046,643
Investments	4	10,591,929	8,121,977
Dividend and other receivables	5	531,156	346,526
Receivable against sale of investments		13,945	-
Security deposits and prepayments		3,805	3,725
Preliminary expenses and floatation costs		5,550	6,130
Total assets		11,774,059	9,525,001
LIABILITIES			
Payable to MCB Asset Management Company Limited - Management Company		15,081	7,838
Payable to the Central Depository Company of Pakistan Limited		1,088	866
Annual fee payable to the Securities and Exchange Commission of Pakistan		12,101	9,992
Payable against redemption of units		5,445	2,884
Accrued and other liabilities		16,633	16,252
Total liabilities		50,348	37,832
NET ASSETS		11,723,711	9,487,169
Unit holders' fund (as per statement attached)		11,723,711	9,487,169
(Number of units)			
NUMBER OF UNITS IN ISSUE		114,087,250	91,954,307
(Rupees)			
NET ASSET VALUE PER UNIT	9	102.76	103.17

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

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



	Note	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
(Rupees in '000)			
INCOME			
Capital (loss) on sale of investments		(7,557)	(802)
Income from spread transactions		-	14,581
Income from continuous funding system (CFS) transactions		-	79,428
Profit on bank deposits and term deposit receipts		94,114	214,721
Income from money market placements		67,562	113,540
Income from term finance certificates		114,959	131,655
Income from government securities		148	300
		<u>269,226</u>	<u>553,423</u>
Net unrealised gain on marking to market of open spread transactions		-	-
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		62,730	(11,821)
Total income		<u>331,956</u>	<u>541,602</u>
EXPENSES			
Remuneration of MCB Asset Management Company Limited - Management Company		42,186	59,888
Remuneration of Central Depository Company of Pakistan Limited - Trustee		3,065	4,245
Annual fee - Securities and Exchange Commission of Pakistan		2,109	3,993
Financial charges		-	-
Brokerage and settlement charges		717	5,503
Amortisation of preliminary expenses and floatation costs		580	581
Auditors' remuneration		183	246
Bank charges		144	-
Reversal of Provision debt securities		(18,249)	-
Other expenses		314	475
Total expenses		<u>31,049</u>	<u>74,931</u>
Net income from operating activities		<u>300,907</u>	<u>466,671</u>
Element of (loss) / income and capital (losses) / gains included in the prices of units issued less those in units redeemed		(10,107)	(1,236)
Net income for the period before taxation		<u>290,800</u>	<u>465,435</u>
Taxation	8	-	-
Net income for the period after taxation		<u>290,800</u>	<u>465,435</u>
Earnings per unit	9		

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

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
Undistributed income brought forward	291,732	782,106
Final distribution for the period ended June 30, 2008 at Rs 6.4558 per unit (Date of distribution July 04, 2008)		
- Cash distribution	-	(210,996)
- Bonus units	-	(571,110)
Final distribution for the year ended June 30, 2009 at Rs 3.1726 per unit (Date of distribution July 02, 2009)		
- Cash distribution	(97,116)	
- Bonus distribution	(194,616)	
Net income for the period after taxation	290,800	465,435
Undistributed income carried forward	<u>290,800</u>	<u>465,435</u>

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

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For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009



	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
Net assets at beginning of the period	9,487,169	12,896,891
Issue of 50,894,616 units (2008: 78,492,725)	5,158,624	7,953,740
Issue of 1,946,176 bonus units relating to the period ended June 30, 2009 (2008 : 5,711,097)	194,616	571,110
Redemption of 30,707,850 units (2008: 50,492,970)	(3,125,873)	(5,155,002)
	2,227,367	3,369,848
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - transferred to the income statement	10,107	1,236
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	62,730	(11,821)
Net unrealised gain on marking to market of open spread transactions	-	-
Other net operating income	228,070	477,256
Net income for the year / period	290,800	465,435
Final distribution for the period ended June 30, 2009 at Rs 3.1726 (2008: 6.4558) per unit		
- Cash distribution	(97,116)	(210,996)
- Bonus units	(194,616)	(571,110)
Net assets as at the end of the period	<u>11,723,711</u>	<u>15,951,304</u>

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

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before taxation	290,800	465,435
Adjustments		
Net unrealised appreciation / (diminution) in the fair value of investments classified as 'financial assets at fair value through profit or loss'	(62,730)	11,821
Amortisation of preliminary expenses and floatation costs	580	-
Reversal of Provision debt securities	18,249	-
Element of income / (losses) and capital gains / (losses) included in prices of units issued less those in units redeemed	10,107	1,236
Net cash flows from operations before working capital changes	257,006	478,492
Working capital changes		
<i>(Increase)/decrease in assets</i>		
Receivable against Continuous Funding System (CFS) Transactions	-	2,141,516
Investments	(5,233,471)	853,898
Security deposits and prepayments	(80)	251
Receivable against sale of investment	(13,945)	71,399
Dividend and other receivables	(184,630)	(19,273)
	(5,432,126)	3,047,791
<i>Increase/(decrease) in liabilities</i>		
Amount payable on redemption of units	-	1,338
Remuneration payable to the Management Company	7,243	6,356
Remuneration payable to the Trustee	222	333
SECP annual fee payable	2,109	(8,157)
Payable against purchase of investments	-	(399,172)
Accrued and other liabilities	381	(14,871)
	9,955	(414,173)
Net cash used in operating activities	(5,165,165)	3,112,110
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issue of units	5,158,624	7,953,740
Payments made against redemption of units	(3,123,312)	-
Dividend paid	(97,116)	(5,365,998)
Net cash from financing activities	1,938,196	2,587,742
Net decrease in cash and cash equivalents during the period	(3,226,969)	5,699,852
Cash and cash equivalents at beginning of the period	4,554,643	95,596
Cash and cash equivalents as at September	10 1,327,674	5,795,448

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

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



1 LEGAL STATUS AND NATURE OF BUSINESS

MCB Dynamic Cash Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and was approved as an investment scheme by the Securities and Exchange Commission of Pakistan (SECP) on December 12, 2006. It was constituted under a Trust Deed dated November 9, 2006, amended by a Supplemental Trust Deed dated January 21, 2007 between MCB Asset Management Company Limited as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited as the Trustee, also incorporated under the Companies Ordinance, 1984.

The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Lahore Stock Exchange.

The Fund invests primarily in money market and other short-term instruments which includes short-term corporate debt and government securities, repurchase agreements, spread transactions and transactions under continuous funding system. The Fund may also invest a portion of the fund in medium term assets in order to provide higher return to unit holders.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM3+ 'positive outlook' to the Management Company and a rating of '3-star normal' to the Fund.

2 Statement of compliance

2.1 These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

2.2 These condensed interim financial statements are unaudited.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended June 30, 2009.

4 INVESTMENTS

	Note	September 30, 2009	June 30, 2009
Rupees in '000			
4 INVESTMENTS			
Financial assets at fair value through profit or loss - held for trading	4.1	8,416,929	3,738,977
Loans and receivables	4.2	2,175,000	4,383,000
		<u>10,591,929</u>	<u>8,121,977</u>
4.1 Financial assets at fair value through profit or loss - held for Trading			
Debt Securities	4.1.1	2,801,265	2,731,607
Government securities	4.1.2	5,615,664	1,013,932
		<u>8,416,929</u>	<u>3,745,539</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009



September 30, 2009
(Rupees in '000)

June 30, 2009
(Rupees in '000)

4.1.1 Debt securities - term finance certificates

Market value of listed debt securities	1,743,002	1,498,914
Market value of unlisted debt securities	1,190,407	1,383,086
Less: Provision against non-performing debt securities	(132,144)	(150,393)
	2,801,265	2,731,607

4.1.1.1 Listed debt securities - term finance certificates

Certificates have a face value of Rs. 5,000/- each unless stated otherwise.

Name of investee company	Number of Certificates			Balance as at September 30, 2009			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 1, 2009	Purchased during the period	Disposed during the period	As at Sept 30, 2009	Cost	Market value		
Commercial banks								
Bank Al Habib Limited	11,000	-	6,000	15,104	73,320	74,080	710	0.63
Screen Bank Limited	4,000	-	-	4,000	19,278	19,121	(157)	0.16
Royal Bank of Scotland	300	-	-	300	1,479	1,474	(5)	0.01
Payal Bank Limited	7,515	-	-	7,515	35,895	35,882	(13)	0.30
United Bank Limited (September 8, 2006, issue)	20,000	1,000	-	21,000	101,416	103,883	1,657	0.88
United Bank Limited (February 14, 2008, issue)	49,000	69,944	69,944	49,000	226,690	221,959	(4,731)	1.89
NB Bank Limited	79,997	-	-	79,997	369,919	373,981	4,442	3.19
Askari Bank Limited	-	5,010	-	5,010	24,228	24,280	2	0.21
Allied Bank Limited - I	-	13,330	-	13,330	66,131	64,207	(1,924)	0.55
Allied Bank Limited - II	-	25,000	-	25,000	125,000	125,000	-	1.07
Fertilizer								
Engro Chemical Pakistan Limited (November 30, 2007, issue)	55,465	33,281	40,000	48,746	237,463	226,043	(11,410)	1.93
Pak Arab Fertilizer Company Limited	21,475	23,617	-	45,092	215,948	217,833	1,985	1.86
Leasing Companies								
Onx Leasing Pakistan Limited	-	26,900	26,900	-	-	-	-	-
Saudi Pak Leasing Company Limited	10,000	-	-	10,000	30,738	32,362	1,624	0.28
Technology & Communication								
World Call Telecom Ltd.	54,000	-	10,000	44,000	209,344	193,168	(16,176)	1.65
Investment Bank/COO/Securities								
Jahangir Siddiqui Company Limited (July 4, 2007)	8,000	-	-	8,000	30,397	30,849	452	0.26
Total - September 30, 2009	320,752	208,186	152,844	376,094	1,766,536	1,743,002	(23,534)	14.87
Total - June 30, 2009	279,021	352,293	310,562	320,752	1,597,798	1,498,914	(88,884)	15.81

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4.1.1.2 Unlisted debt securities - term finance certificates and other securities

Certificates have a face value of Rs. 5,000/- each unless stated otherwise.

Name of investee company	Number of Certificates			Balance as at September 30, 2009			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 1, 2009	Purchased during the period	Disposed during the period	As at June 30, 2009	Cost	Market value		
New Allied Electronics Industries (Pvt) Limited	10,400	-	-	10,400	24,904	24,904	-	0.21
Security Leasing Corporation Limited Sukuk	5,000	-	-	5,000	14,083	14,083	-	0.12
Security Leasing Corporation Limited	10,000	-	-	10,000	12,500	14,083	1,583	0.12
Pakistan Mobile Company Limited (October 1, 2007)	13,000	15,000	15,000	13,000	58,806	61,173	2,367	0.52
Onx Leasing Pakistan Limited PPFTC	1,000	-	1,000	-	-	-	-	-
Jahangir Siddiqui Company Limited (July 4, 2007)	24,000	-	-	24,000	109,710	109,712	2	0.94
KASHF Foundation	14,000	-	-	14,000	37,500	38,000	500	0.32
New Allied Electronics Industries Pvt. Limited - Sukuk	112,000	-	-	112,000	35,234	35,234	-	0.30
Al-Abbas Sugar Mills Limited	-	-	-	-	-	-	-	-
Maple Leaf Cement Factory Ltd - Sukuk	71,000	-	-	71,000	319,586	323,150	3,514	2.76
Sun Southern Gas Company Limited	25,000	-	20,000	6,000	28,500	29,076	576	0.25
Engro Chemical Pakistan Limited - Perpetual	80,000	-	-	80,000	347,893	352,000	4,007	3.00
Engro Chemical Pakistan Limited - Sukuk	22,000	-	-	22,000	108,086	108,132	46	0.92
JDW Sugar Mills Limited	18,000	-	-	18,000	81,502	81,000	(502)	0.69
Pak American Fertilizers Limited - Sukuk	-	7,000	7,000	-	-	-	-	-
Bank Al Habib Limited	-	8,747	8,747	-	-	-	-	-
Total - September 30, 2009	406,400	30,747	51,747	385,400	1,178,334	1,190,407	12,073	10.15
Total - June 30, 2009	393,000	72,000	58,600	406,400	1,519,728	1,376,524	(143,204)	14.51

4.1.2 Investment in government securities - 'At fair value through profit or loss'

Name of investee company	Face Value				Balance as at September 30, 2009			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 1, 2009	Purchased during the period	Disposed / measured during the period	As at September 30, 2009	Cost	Market value	Appreciation / (diminution)		
---- Rupees in '000 ----									
Treasury Bills - 1 year	1,075,000	4,000,000	100,000	4,975,000	4,387,261	4,453,543	66,282	37.99	42.05
Treasury Bills - 6 months	40,000	380,000	-	400,000	376,400	378,077	2,677	3.23	3.58
Treasury Bills - 3 months	-	800,000	100,000	700,000	777,769	783,044	5,275	6.68	7.39
Total - September 30, 2009	1,115,000	5,160,000	200,000	6,075,000	5,541,480	5,615,664	74,234	47.900	53.020
Total - June 30, 2009	10,000	3,490,000	2,385,000	1,115,000	990,153	1,013,982	23,729	57.810	63.900

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



4.2 LOANS AND RECEIVABLES

Particulars	Maturity date	Closing balance as at September 30, 2009	Value as a percentage of net assets	Value as percentage of investments
(Rupees in '000)				
Letter of placement	At various dates by October 12, 2009	1,275,000	10.88	12.04
Certificate of deposit	January 02, 2010	200,000	1.71	1.89
Term deposit receipts	At various dates by December 07, 2009	700,000	5.97	6.61
Total		2,175,000	18.56	20.54

	September 30, 2009	June 30, 2009
(Rupees in '000)		
5 DIVIDEND AND OTHER RECEIVABLES		
Profit on term deposits	28,136	84,551
Profit on savings deposits	20,590	1,896
Income accrued on term finance certificates	75,435	122,925
Profit receivable on money market placements	6,995	12,154
Profit receivable on government securities	-	-
Advances against Pre-IPO investment	400,000	125,000
	531,156	346,526

6 ACCRUED AND OTHER LIABILITIES

Auditors' remuneration	567	442
Withholding tax payable	89	39
Dividend payable on CFS transactions	15,380	15,380
Others	597	391
	16,633	16,252

7 NET ASSET VALUE PER UNIT

"The net asset value per unit disclosed on the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end."

8 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 amongst the unit holders.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



9 EARNINGS PER UNIT

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

	September 30, 2009	September 30, 2008
10 CASH AND CASH EQUIVALENTS	(Rupees in '000)	
Bank balances	627,674	937,247
Term deposit receipts	700,000	4,858,781
	1,327,674	5,796,028

11 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

11.1 Connected persons of the Fund include the Management Company, other collective investment schemes being managed by the Management Company, the Trustee, directors & key management personnel and other associated undertakings.

11.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

11.4 Details of transactions with connected persons are as follows:

	September 30, 2009	September 30, 2008
	(Rupees in '000)	
MCB Bank Limited		
Profit received on deposit accounts	13,367	7,012
Issue of 95,441 Bonus units (2008: 172,109)	9,544	17,211
Bank charges	-	2
MCB Asset Management Company Limited		
Remuneration of management company	42,186	59,888
Issue of 337,442 units (2008: 640,004)	34,200	65,000
Redemption of 1,241,589 units (2008: 454,532)	126,500	46,500
issue of 111,509 bonus units (2008: 190,733)	11,151	19,073
MCB Employees Provident Fund		
Issue of 19,088 bonus units (2008: 34,422 units)	1,909	1,826
MCB Employees Pension Fund		
Issue of 19,088 bonus units (2008: 34,422 units)	1,909	1,826
MCB Employees Foundation		
Issue of 6,060 bonus units (2008: 18,261)	606	1,826
Redemption of NIL units (2008: 9,364)	-	963
Monthly profit distribution of 5314 units (2008: NIL)	545	-
Hub Power Company Limited		
Dividend income	-	34
Central Depository Company of Pakistan Limited		
Issue of NIL bonus units (2008: 67,239)	-	6,724
Remuneration and settlement charges for the period	3,067	5,485
Central Depository Company of Pakistan Limited-Gratuity Fund		
Redemption of NIL units (2008: 36,479)	-	3,697
Issue of NIL bonus units (2008: 2,212)	-	221
Central Depository Company of Pakistan Limited-Provident Fund		
Redemption of NIL units (2008: 20,845)	-	2,112
issue of NIL bonus units (2008: 1,264)	-	126

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009



	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
Adamjee Insurance Company Limited		
Issue of 18,292,361 units (2008: 22,854,698)	1,850,000	2,300,000
Redemption of 6,867,665 units (2008: 9,721,952)	700,000	1,000,000
Issue of 354,057 bonus units (2008: NIL)	35,406	-
Adamjee Insurance Company Limited - Employees Provident Fund		
Issue of 16,931 bonus units (2008: 30,533)	1,693	3,053
Redemption of 97,830 units (2008: NIL)	10,000	-
D.G Khan Cement Company Limited Employees Provident fund trust		
Issue of 57 bonus units (2008: 104)	6	10
Key management personnel		
Issue of units	4,206	3,961
Redemption of units	2,240	267
Bonus distribution	198	212
	Unaudited September 30, 2009	Audited June 30, 2009
	(Rupees in '000)	

11.5 Amount outstanding as at period / year end

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MCB Bank Limited		
Bank balance	25,517	53,734
Profit receivable on deposit accounts	2,406	1,724
3,103,726 units held as at September 30, 2009 (June 30, 2009: 3,008,285)	318,942	310,373
MCB Asset Management Company Limited		
Remuneration payable to management company	15,081	7,838
2,722,110 units held as at September 30, 2009 (June 30, 2009: 3,514,747)	279,726	362,626
Adamjee Insurance Company Limited		
22,938,602 units held as at September 30, 2009 (June 30, 2009: 11,159,848)	2,357,191	1,151,391
Adamjee Insurance Company Limited - Employees Provident Fund		
452,785 units held as at September 30, 2009 (June 30, 2009: 533,683)	46,529	55,061
MCB Employees Provident Fund		
620,745 units held as at September 30, 2009 (June 30, 2009: 601,657)	63,788	62,075
MCB Employees Pension Fund		
620,745 units held as at September 30, 2009 (June 30, 2009: 601,657)	63,788	62,075
MCB Employees Foundation		
191,766 units held as at September 30, 2009 (June 30, 2009: 191,019)	19,706	19,708
D.G Khan Cement Company Limited Employees Provident Fund Trust		
1,867 units held as at September 30, 2009 (June 30, 2009: 1,810)	192	187
Central Depository Company of Pakistan Limited		
Remuneration and settlement charges payable	1,088	866
Key management personnel		
83,691 units held as at September 30, 2009 (June 30, 2009: 62,352)	8,600	6,433

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



12 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorised for issue on October 09, 2009 by the Board of Directors of the Management Company.

13 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**

MCB DYNAMIC STOCK FUND

MCB Dynamic Stock Fund

MCB
Dynamic
STOCK FUND

ORGANIZATION

Management Company	MCB Asset Management Company Limited 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi. Tel: (32-21) 2276900 Fax: (92-21) 2276908
Board of Directors	Mia n Mohammad Mansha - Chairman Atif Aslam Bajwa Ali Munir M.U.A. Usmani S. Wallullah Shah Ahmed Jahangir Yasir Qadri -Chief Executive Officer
Audit Committee	Ali Munir -Chairman S. Wallullah Shah -Member Ahmed Jahangir -Member
Chief Financial Officer & Company Secretary	Muhammad Saqib Saleem
Trustee	Central Depository Company of Pakistan Limited, Suit # 6-7, Mezzanine Floor, Progressive Plaza, Beaumont Road, Karachi.
Chief Internal Auditor	Muhammad Ali
Auditors	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C, I.I. Chundrigar Road, Karachi - 74000.
Legal Advisor	Bawany & Partners, Room No. 404, 4th Floor, Beaumont Plaza, Beaumont Road, Civil Lines, Karachi.
Bankers	MCB Bank Limited The Bank of Punjab Allied Bank Limited NIB Bank Limited Bank Alfalah Limited Standard Chartered Bank (Pakistan) Limited
Transfer Agent	MCB Asset Management Company Limited 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi. Tel: (32-21) 2276900 Fax: (92-21) 2276908

DIRECTOR'S REPORT

Dear Investor,

On behalf of the Board of Directors, I am pleased to present MCB Dynamic Stock Fund's accounts review for the quarter ended September 30th 2009.

Overview of the market

The equities market was dominated by the bulls during the period under review owing to improvement in political and law & order environment, macroeconomic indicators, declining interest rates and rising foreign portfolio investments. Improvement in global markets liquidity has started to flow into emerging and frontier markets due to their relatively attractive valuations. Approval of IMF's last tranche and resultant upgrade in country's sovereign rating not only improved local investors' sentiments but also served to bring back foreign investors into the local equities market. During the period under review, the largely followed KSE-100 Index went up significantly by 31%.

The market remained positive during the period owing to improvement in key macroeconomic indicators, which, coupled with foreign inflows strengthened investors' sentiments and thus triggered a sharp bull-run. Lower trade deficit supported by record-high workers' remittances and aid from donors agencies served to improve country's FX reserves, which has reached to an 18-month high level of US\$ 14.3 billion during Sep'09. YoY inflation, on the other hand, has been on a declining trend, with CPI inflation reaching at a level of 10.7% during Aug'09. Although improvement in some key macroeconomic indicators have propelled the SBP to relax its monetary policy stance by cutting DR to 13% in Aug'09, the central bank kept the rate unchanged in Sep'09 MPS due to some fiscal issues and lack of clarity on foreign inflows.

Fund performance

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The fund, during the period under review posted a return of 32.8% while its benchmark, KSE-30 Index posted a return of 32.5%, an out-performance of 0.3%. While since its inception, the fund posted a return of 24.4% as compared to a decline of 28.6% in its benchmark, reflecting a significant out-performance of 53%. During the period, fund increased its equity allocation mainly in Refineries, Oil Marketing and Fertilizer sectors.

Future Outlook

The SBP has gone for prudence in its last monetary policy announcement with no change in its policy rate. We believe that further clarity on official foreign inflows and resolution of electricity and fiscal issues should pave the way for a DR cut in next monetary policy announcement. Real economy though has been a major source of concern, initial signs of pick-up in real economy, as depicted by an improving trend in corporate earnings, are likely to improve investors' confidence going forward. Considering the short to medium term economic outlook, your fund would gradually shift its focus more towards value and growth stocks from defensive stocks.

Acknowledgement

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,

Yasir Qadri
 Chief Executive Officer

October 09, 2009

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2009**



	Note	Unaudited Sep 30, 2009 2009 (Rupees in '000)	Audited June 30 2009
ASSETS			
Bank balances		45,797	61,104
Investments	4	728,404	579,272
Dividend and other receivables		8,310	2,688
Receivable against purchase of investments		38,839	-
Security deposits and prepayments		3,800	3,722
Preliminary expenses and floatation costs		1,538	1,698
Total assets		826,688	648,484
LIABILITIES			
Payable to MCB Asset Management Company Limited - Management Company		1,032	2,066
Payable to Central Depository Company of Pakistan Limited		149	107
Annual fee payable to Securities and Exchange Commission of Pakistan		182	578
Payable against purchase of investments		31,052	1,811
Accrued and other liabilities		1,287	924
Total liabilities		33,702	5,486
NET ASSETS		792,986	642,998
Unit holders' fund (as per statement attached)		792,986	642,998
		(Number of units)	
Number of units in issue		7,862,933	8,465,983
		(Rupees)	
Net asset value per unit	5	100.85	75.95

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

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



Note	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
INCOME		
Capital gain / (loss) on sale of investments	104,236	(18,270)
Dividend income	13,328	4,532
Profit on bank deposits and term deposit receipts	1,572	4,496
	119,136	(9,242)
Net unrealised appreciation / (diminution) on re - measurement of investments classified as ' financial assets at fair value through profit or loss '	102,466	(145,511)
	221,602	(154,753)
EXPENSES		
Remuneration of MCB Asset Management Company - Management Company	2,870	4,724
Remuneration of Central Depository Company of Pakistan Limited - Trustee	383	369
Annual fee - Securities and Exchange Commission of Pakistan	182	185
Brokerage, capital value tax and settlement charges	2,484	909
Amortisation of preliminary expenses and floatation costs	161	161
Auditors' remuneration	96	107
Other expenses	236	181
	6,412	6,636
Net income / (loss) from operating activities	215,190	(161,389)
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed	4,897	15,722
Net income / (loss) for the / period before taxation	220,087	(145,667)
Taxation	6	-
Net income / (loss) for the / period after taxation	220,087	(145,667)
Earnings per unit	7	

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

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
(Loss) brought forward	(203,608)	(42,841)
Net income / (loss) for the period after taxation	220,087	(145,667)
Undistributed Income / (Loss) carried forward	<u>16,479</u>	<u>(188,508)</u>

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

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009



	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
Net assets at the beginning of the period	642,998	863,373
Issue of 1,735,585 units (2008: 889,471 units)	159,626	76,472
Redemption of 2,521,471 units (2008: 1,804,134 units)	(224,828) (65,202)	(152,218) (75,746)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed amount representing (income) / loss and capital (gains)	(4,897)	(15,722)
Net unrealised appreciation / (diminution) on re - measurement of investments classified as 'financial assets at fair value through profit or loss'	102,466	(145,511)
Other operating income / (loss)	117,621	(156)
Net income / (loss) for the / period	220,087	(145,667)
Net assets as at the end of the period	792,986	626,238

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

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



Note	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	220,087	(145,667)
Adjustments for non-cash charges and other items:		
Capital (gain) / loss on sale of investments	(104,236)	18,270
Dividend income	(13,328)	(4,532)
Profit on bank deposits	(1,572)	(4,496)
Net unrealised (appreciation) / diminution on re - measurement of investments classified as 'financial assets at fair value through profit or loss'	(102,466)	145,511
Amortisation of preliminary expenses and floatation costs	161	161
Element of (income) / losses and capital (gains) / losses included in prices of units issued less those in units redeemed	(4,897)	(15,722)
	(6,251)	(6,475)
(Increase) / decrease in assets		
Investments - net	47,972	(227,208)
Other receivables	-	-
Security deposits and prepayments	(78)	6
	47,894	(227,202)
Increase / (decrease) in liabilities		
Payable to MCB Asset Management Company Limited - Management Company	(1,034)	(1,388)
Payable to Central Depository Company of Pakistan Limited	42	(47)
Payable against redemption of units	-	(242)
Annual fee payable to Securities and Exchange Commission of Pakistan	(396)	(799)
Accrued and other liabilities	363	(374)
	(1,025)	(2,850)
	40,618	(236,527)
Dividend received	8,251	4,139
Profit received on bank deposits	1,027	2,385
Net cash flow from / (used in) operating activities	49,896	(230,003)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipt from issue of units	159,626	76,472
Net payments on redemption of units	(224,828)	(152,218)
Distributions made during the year	-	-
Net cash used in financing activities	(65,202)	(75,746)
Net increase in cash and cash equivalents during the period	(15,306)	(305,749)
Cash and cash equivalents at the beginning of the period	61,103	374,519
Cash and cash equivalents at the end of the period	8 45,797	68,770

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

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



1 LEGAL STATUS AND NATURE OF BUSINESS

MCB Dynamic Stock Fund (DSF) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and was approved as an investment scheme by the Securities and Exchange Commission of Pakistan (SECP) on December 12, 2006. It was constituted under a Trust Deed dated November 10, 2006 amended by a Supplemental Trust Deed dated January 21, 2007 between MCB Asset Management Company Limited as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited as the Trustee, also incorporated under the Companies Ordinance, 1984.

The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Lahore Stock Exchange.

The principal activity of the Fund is to make investments in securities listed on the stock exchanges. The Fund is an equity fund and its objective is to provide long term capital appreciation.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an Asset Manager rating of AM3+ "positive outlook" to the Management Company and a rating of "5-Star-normal" to the Fund.

2 BASIS OF PREPARATION

2.1 Statement Of Compliance

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

2.2 These condensed interim financial statements are unaudited.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended June 30, 2009.

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4 INVESTMENTS

		Unaudited September 30, 2009	Audited June 30, 2009
	Note	(Rupees in '000)	
Financial assets at fair value through profit or loss - held for trading	4.1	<u>728,404</u>	<u>579,272</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009



4.1 Financial assets at fair value through profit or loss - held for trading

Listed equity securities

Name of investee company	Number of shares					Balance as at September 30, 2009			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 1, 2009	Purchased during the Period	Bonus / right shares	Disposed of during the Period	As at September 30, 2009	Carrying value	Market value	Appreciation / (diminution)		
(Rupees in '000)										
Commercial Banks										
Bank Alfalah Limited	1,495,850	500,000	-	500,000	1,495,850	16,257	18,803	2,546	2.37	2.58
Meezan Bank Limited	-	125,000	-	-	125,000	1,564	1,756	192	0.22	0.24
MCB Bank Limited	297,040	305,000	-	425,000	177,040	34,357	39,140	4,783	4.94	5.37
Habib Bank Limited	14,400	55,235	-	69,635	-	-	-	-	-	-
National Bank of Pakistan	281,560	875,300	-	896,735	260,125	20,030	21,713	1,683	2.74	2.98
United Bank Limited	444,000	696,400	-	506,366	634,034	27,898	37,865	9,967	4.77	5.20
						100,106	11,9277	19,171	15.04	16.40
Insurance										
Adamjee Insurance Company Limited	35,000	561,377	-	494,000	102,377	10,427	11,298	871	1.42	1.55
Cement										
Attock Cement Pakistan Limited	336,700	19,100	-	355,800	-	-	-	-	-	-
D.G. Khan Cement Limited	-	210,736	-	210,736	-	-	-	-	-	-
Lucky Cement Limited	293,500	533,551	-	777,051	50,000	3,781	3,747	(34)	0.47	0.51
						3,781	3,747	(34)	0.47	0.51
Automobile & assembler										
Indus Motor Company Limited	-	37,175	-	37,175	-	-	-	-	-	-
Technology and communication										
Pakistan Telecommunication Company Limited	827,900	800,000	-	1,027,900	600,000	12,531	11,994	(537)	1.51	1.65
Tobacco										
Pakistan Tobacco Company Limited	231,700	4,450	-	48,633	187,517	13,808	20,057	6,249	2.53	2.80
Power generation and distribution										
Hub Power Company Limited	2,328,703	136,500	-	207,136	2,258,067	61,713	70,881	9,168	8.94	9.73
Kot Adu Power Company Limited	840,000	39,462	-	100,689	778,773	33,309	41,696	8,387	5.26	5.72
						95,022	112,577	17,555	14.20	15.46
Oil & gas marketing companies										
Pakistan State Oil Company Limited	54,800	292,375	-	228,738	118,437	31,451	37,084	5,633	4.68	5.09
Attock Petroleum Limited	103,900	130,876	-	118,944	115,832	42,283	41,812	(471)	5.27	5.74
						73,734	78,896	5,162	9.95	10.83
Oil & gas exploration companies										
Oil & Gas Development Company Limited	759,600	330,000	-	800,000	289,600	24,952	31,097	6,145	3.92	4.27
Pakistan Oilfields Limited	392,140	236,990	-	340,000	289,130	51,852	60,315	8,463	7.61	8.28
Pakistan Petroleum Limited	143,202	441,546	46,565	341,921	289,392	48,464	54,692	6,228	6.90	7.51
						125,268	146,104	20,836	18.43	20.06
Chemicals & fertilizer										
Engro Chemical Pakistan Limited	379,685	408,652	-	383,650	404,687	56,739	73,192	16,453	9.23	10.05
Fauji Fertilizer Bin Qasim Limited	3,500,000	1,600,000	-	550,000	1,400,000	27,370	32,158	4,788	4.06	4.41
Fauji Fertilizer Company Limited	666,462	150,000	-	225,000	591,462	52,259	60,773	8,514	7.66	8.34
						136,368	166,123	29,755	20.95	22.81
Chemical										
ICI Pakistan Limited	-	52,200	-	52,200	-	-	-	-	-	-
Miscellaneous										
Ti Pack Films Limited	-	53,275	-	1,150	52,125	6,300	6,318	18	0.80	0.87
Paper and board										
Packages Limited	-	145,187	-	60,187	85,000	13,752	13,820	68	1.74	1.90
Refinery										
Attock Refinery Limited	-	220,000	-	110,000	110,000	17,269	17,697	428	2.23	2.43
National Refinery Limited	-	60,000	-	-	60,000	13,486	13,802	316	1.74	1.89
						30,755	31,499	744	3.97	4.32
Textile Composite										
Nishat Mills Limited	133,150	367,500	-	400,000	100,650	4,086	6,694	2,608	0.84	0.92
Total - September 30 2009						625,938	728,404	102,466	91.85	100
Total - June 30, 2009						558,533	579,272	20,739	90.08	100

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



5 NET ASSET VALUE PER UNIT

The net asset value per unit disclosed on the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the period end.

6 TAXATION

The income of the Fund for the period is exempt from income tax under clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001.

7 EARNINGS PER UNIT

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

	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
8 CASH AND CASH EQUIVALENTS		
Bank balances	45,797	16,770
Term deposit receipts	-	52,000
	45,797	68,770

9 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Connected persons of the Fund include the Management Company, other collective investment schemes being managed by the Management Company, the Trustee, directors and key management personnel and other associated undertakings.

9.1 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

	For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
	(Rupees in '000)	
9.3 Details of the transactions with the connected persons during period are as follows:		
MCB Asset Management Company Limited		
Remuneration paid to Management Company	1,838	6,027
MCB Asset Management Company Limited (Staff provident fund)		
Issue of Nil units (2008: 3,139 units)	-	325
MCB Bank Limited		
Mark-up received	456	1,231
Dividend income received	443	15
Redemption of 1,000,000 units (2008: Nil)	103,950	-
Hub Power Company Limited		
Dividend income received	4,657	1,170
Key management personnel		
Issue of units	290	-
Redemption of units	2,237	448

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



	Unaudited September 30, 2009	Audited June 30, 2009
	(Rupees in '000)	
9.4 Amount outstanding as at the period end		
MCB Bank Limited		
Bank balances	42,189	42,995
Profit receivable on bank balances	308	298
2,033,874 units held (June 30 2009:3,033,874 units)	205,119	230,425
177,040 shares held by the Fund (June 30, 2009: 397,040 shares)	34,357	46,050
MCB Asset Management Company Limited		
Management fee payable	1,032	771
Sales load payable	286	1,295
Adamjee insurance Company Limited		
102,377 shares held by the Fund (June 30, 2009: 35,000 shares)	10,427	2,940
Hub Power Company Limited		
2,258,067 shares held by the Fund (June 30, 2009: 2,328,703 shares)	61,713	63,085
D.G.Khan Cement Company Limited Employees Provident Fund		
13,629 units held (June 30, 2009: 13,629)	1,374	1,048
MCB Asset Management Company Limited (Staff Provident Fund)		
3,139 units held (June 30, 2009: 3,139)	316	242
MCB Employees Provident Fund		
804,959 units held (2009: 804,959 units)	81,181	61,137
MCB Employees Pension Fund		
616,862 units held (June 30, 2009: 616,862 units)	62,211	46,851
Central Depository Company of Pakistan Limited		
Trustee fee payable	138	103
CDC settlement charges payable	11	4
Security deposit	200	200
Nishat Mills Limited Employees Provident Fund Trust		
5,233 units held (June 30, 2009: Nil Units)	528	-
Key management personnel		
4,006 units held (June 30, 2009: 27,235)	402	2,068

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



10 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorised for issue on **October 09, 2009** by the Board of Directors of the Management Company.

11 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**

MCB Dynamic Allocation Fund



MCB DYNAMIC ALLOCATION FUND

ORGANIZATION

Management Company	MCB Asset Management Company Limited 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi. Tel: (32-21) 2276900 Fax: (92-21) 2276908
Board of Directors	Mia n Mohammad Mansha - Chairman Atif Aslam Bajwa Ali Munir M.U.A. Usmani S. Wallullah Shah Ahmed Jahangir Yasir Qadri -Chief Executive Officer
Audit Committee	Ali Munir -Chairman S. Wallullah Shah -Member Ahmed Jahangir -Member
Chief Financial Officer & Company Secretary	Muhammad Saqib Saleem
Trustee	Central Depository Company of Pakistan Limited, Suit # 6-7, Mezzanine Floor, Progressive Plaza, Beaumont Road, Karachi.
Chief Internal Auditor	Muhammad Ali
Auditors	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C, I.I. Chundrigar Road, Karachi - 74000.
Legal Advisor	Bawany & Partners, Room No. 404, 4th Floor, Beaumont Plaza, Beaumont Road, Civil Lines, Karachi.
Bankers	MCB Bank Limited NIB Bank Limited Bank Alfalah Limited Standard Chartered Bank (Pakistan) Limited Faysal Bank Limited
Transfer Agent	MCB Asset Management Company Limited 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi. Tel: (32-21) 2276900 Fax: (92-21) 2276908

Dear Investor,

On behalf of the Board of Directors, I am pleased to present MCB Dynamic Allocation Fund's accounts review for the quarter ended September 30th 2009.

Overview of the market

There is growing confidence that the global economy has turned the corner, underpinning the improvements in financial market. Systematic risks have been substantially reduced following unprecedented policy actions and nascent signs of improvement in global real economy. Financial markets have rebounded, emerging market risks have eased and global markets liquidity has started to pour into emerging and frontier markets.

Local equities market remained bullish during the period under review with KSE-100 index rising significantly by 31%. Major economic indicators have continued showing an improving trend with YoY inflation and interest rate declining while FX reserves building up. IMF's approval of additional facility and resultant upgrade in the country's credit rating has not only improved local investors' confidence, but it has also brought Pakistan back on the foreign investors' radars as evident by significant foreign portfolio investments during the period.

The money market rates, on the other hand, remained firm during the quarter as the market remained relatively tight. The central bank, however, conducted frequent OMOs (injections) to ease off the market.

Fund Performance

The fund posted a return of 16% during the period under review, while since inception fund posted a return of -22.2%. The fund continued to maintain a favorable stance on equities with a focus on defensive plays offering high dividend yields. The fund also maintained its exposure in TFCs, Government Securities and money market placements based on credit quality and decent expected returns.

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Outlook

Macroeconomic indicators have continued showing an improving trend; the huge inflow of foreign portfolio investment reflects increasing confidence of foreign investors in Pakistan, thereby refueling local investor sentiments as well. The medium to long term direction of the capital markets is, however, dependent on economic growth and sustainable foreign inflows. Although the SBP has decided to relax its monetary stance as evident by 200bps cut since April 2009, the central bank has gone for prudence in the last MPS with no further cut in DR owing to some fiscal and foreign inflow issues. We believe that further clarity on expected foreign inflows and resolution of fiscal issues should pave the way for DR cuts in upcoming MPS. Materialization of foreign inflows, however, remains a key in determining interest rates direction moving forward.

Acknowledgement

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,

Yasir Qadri
Chief Executive Officer

October 09, 2009

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2009**



	Note	Unaudited September 30, 2009	Audited June 30, 2009
Rupees in '000			
ASSETS			
Bank balances		121,238	176,657
Investments	3	567,960	532,341
Receivable against sale of investment		22,560	2,401
Dividend and other receivables	4	61,495	8,997
Security deposits and prepayments		3,614	3,600
Preliminary expenses and floatation cost		3,458	3,710
Total assets		780,325	727,706
LIABILITIES			
Payable to MCB Asset Management Company Limited - Management Company		992	1,154
Payable to Central Depository Company of Pakistan Limited		131	117
Annual fee payable to Securities and Exchange Commission of Pakistan		190	883
Payable against purchase of investments		21,060	10,252
Accrued and other liabilities		1,054	1,211
Total liabilities		23,427	13,617
NET ASSETS		756,898	714,089
Unit holders' fund (as per statement attached)		756,898	714,089
		Number of units	
NUMBER OF UNITS IN ISSUE		9,734,643	10,654,816
		Rupees	
NET ASSET VALUE PER UNIT	5	77.75	67.02

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

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



	Note	September 30, 2009	September 30, 2008
Rupees in '000			
INCOME			
Capital gain / (loss) on sale of investments		69,050	(23,735)
Income from spread transactions		-	2,768
Dividend income		7,852	1,580
Profit on bank deposits and term deposit receipts		5,362	16,772
Income from money market placements		1,239	
Income from Term Finance Certificates		5,342	2,958
		88,845	343
Net unrealised appreciation / (diminution) on re-measurement of investments classified as ' financial assets at fair value through profit or loss'		33,850	(171,044)
Total income / (loss)		122,695	(170,701)
EXPENSES			
Remuneration of MCB Asset Management Company Limited- Management Company		2,998	8,403
Remuneration of Central Depository Company of Pakistan Limited - Trustee		400	579
Annual fee - Securities and Exchange Commission of Pakistan		190	327
Brokerage and settlement charges		1,900	1,487
Amortisation of preliminary expenses and floatation costs		252	252
Auditors' remuneration		94	217
Other expenses		211	246
		6,045	11,511
Net income / (loss) from operating activities		116,650	(182,212)
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed		18,090	94,277
Net income / (loss) for the period before taxation		134,740	(87,935)
Taxation	6	-	-
Net income / (loss) for the period after taxation		134,740	(87,935)
Earnings per unit	10		

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

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



	September 30, 2009	September 30, 2008
	Rupees in '000	
Loss Brought forward	(326,090)	(238,155)
Net Income / (loss) for the period after taxation	134,740	(87,935)
Loss carried forward	<u>(191,350)</u>	<u>(326,090)</u>

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

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009



	September 30, 2009	September 30, 2008
	Rupees in '000	
Net assets at beginning of the period	714,089	1,689,898
Issue of 572,359 (2008: 2,728,609) units	39,890	225,372
Redemption of 1,492,532 (2008: 9,052,755) units	(113,731) (73,841)	(658,885) (433,513)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	(18,090)	(94,277)
Net unrealised appreciation / (diminution) on re-measurement of investment classified as 'financial assets at fair value through profit or loss'	33,850	(171,044)
Income from other operating activities	100,890	83,109
Net income / (loss) for the period	134,740	(87,935)
Net assets as at the end of the period	<u>756,898</u>	<u>1,074,173</u>

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

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For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



	September 30, 2009	September 30, 2008
	Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	134,740	(87,935)
Adjustments for non-cash charges and other items:		
Dividend income	(7,852)	(1,580)
Profit on bank deposits and term deposits	(5,362)	(16,772)
Net unrealised appreciation / (diminution) on remeasurement of investment classified as 'financial assets at fair value through profit or loss'	(33,850)	171,044
Remuneration of MCB Asset Management Company - Management Company	2,998	8,403
Remuneration of Central Depository Company of Pakistan Limited - Trustee	400	579
Amortisation of preliminary expenses and floatation costs	252	252
Element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed	(18,090)	(94,277)
	<u>73,236</u>	<u>(20,286)</u>
(Increase) / decrease in assets		
Investments - net	(11,120)	(67,457)
Other receivable	(49,228)	(1,506)
Security deposits and prepayments	(14)	(3,611)
	<u>(60,362)</u>	<u>(72,574)</u>
Increase / (decrease) in liabilities		
Payable against redemption of units	-	(11,059)
Payable to MCB Asset Management Company Limited - Management Company	(282)	(390)
Annual fee payable to Securities and Exchange Commission of Pakistan	(693)	(224)
Accrued and other liabilities	(157)	3,527
	<u>(1,132)</u>	<u>(8,146)</u>
Remuneration paid to MCB Asset Management Company - Management Company	(2,878)	(11,301)
Remuneration paid to Central Depository Company of Pakistan Limited	(386)	(629)
Dividend income received	6,254	7,078
Profit received on bank deposit and term deposit	3,690	15,635
	<u>6,680</u>	<u>10,783</u>
Net cash from / (used in) operating activities	<u>18,422</u>	<u>(90,223)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issue of units	39,890	225,372
Net payments on redemption of units	(113,731)	(658,885)
Net cash generated (used in) financing activities	<u>(73,841)</u>	<u>(433,513)</u>
Net decrease in cash and cash equivalents	<u>(55,419)</u>	<u>(523,736)</u>
Cash and cash equivalents at the beginning of the period	<u>176,657</u>	<u>831,026</u>
Cash and cash equivalents at the end of the period	<u><u>121,238</u></u>	<u><u>307,290</u></u>

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

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



1 LEGAL STATUS AND NATURE OF BUSINESS

MCB Dynamic Allocation Fund (DAF) was established under the Non-Banking Finance Companies and Notified Entities Regulations, 2007 and has been approved as an open ended investment scheme by the Securities and Exchange Commission of Pakistan (SECP) on December 17, 2007. It was constituted under a Trust Deed dated November 22, 2007, between MCB Asset Management Company Limited as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited as the Trustee, also incorporated under the Companies Ordinance, 1984.

The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Lahore Stock Exchange.

The Fund is an asset allocation fund and is allowed to shift total exposure into debt or equity instruments as per market conditions and the discretion of the Management Company. The objective of the Fund is to provide a high return which commensurates the higher risk taken due to pro-active allocation of funds across various asset and debt classes.

The Pakistan Credit Rating Agency (PACRA) Limited has assigned an asset manager rating of AM3+ "Positive outlook" to the Management Company.

2 BASIS OF PREPARATION

2.1

Statement of compliance

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2007 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

2.2

These condensed interim financial statements are unaudited.

2.3

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended June 30, 2009.

3 INVESTMENTS

Financial assets at fair value through profit or loss

	Note	Unaudited September 30, 2009	Audited June 30, 2009
Rupees in '000			
- Listed equity securities	3.1	295,945	373,684
- Debt securities			
- Listed Debt securities	3.2.1	70,510	69,892
- Unlisted Debt securities	3.2.2	65,540	65,915
Government Securities	3.3	112,965	-
Loans and receivables - Letter of placement	3.4	<u>23,000</u>	<u>22,850</u>
		<u>567,960</u>	<u>532,341</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



3.1 Listed equity securities

Name of investee company	Number of shares					Balance as at September 30, 2009			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 1, 2009	Purchased during the year	Bonus/ rights shares	Disposed off during the year	As at September 30, 2009	Cost	Market value	Appreciation/ (diminution)		
------(Rupees in '000)-----										
Unless stated otherwise, the holding are in ordinary shares having a face value of Rs. 10 each										
Cement										
Lucky Cement Limited	164,400	100,000	-	264,400	-	-	-	-	-	-
Commercial Banks										
Bank Al Falah Limited	687,537	201,435	-	299,000	589,972	6,509	7,416	907	0.98%	1.31%
Bank Al-Habib Limited	7,200	-	-	7,200	-	-	-	-	-	-
MCB Bank Limited	215,000	345,700	-	539,800	20,900	4,624	4,623	(1)	0.61%	0.81%
National Bank of Pakistan	165,100	845,000	-	848,100	162,000	12,903	13,522	619	1.79%	2.38%
United Bank Limited	768,700	680,500	-	1,128,811	320,389	15,080	19,132	4,052	2.53%	3.37%
						<u>39,116</u>	<u>44,693</u>	<u>5,577</u>	<u>5.90%</u>	<u>7.87%</u>
Fertilizer										
Engro Chemical Pakistan Limited	125,000	45,000	-	55,000	115,000	16,062	20,799	4,737	2.75%	3.66%
Fauji Fertilizer Company Limited	697,310	305,318	-	525,000	477,628	43,149	49,076	5,927	6.48%	8.64%
						<u>59,211</u>	<u>69,875</u>	<u>10,664</u>	<u>9.23%</u>	<u>12.30%</u>
Oil & Gas Exploration Companies										
Oil & Gas Development Company Limited										
	679,000	739,859	-	1,268,090	150,769	14,615	16,190	1,575	2.14%	2.85%
Pakistan Oilfields Limited	375,500	268,789	-	514,000	130,289	26,097	27,180	1,083	3.59%	4.79%
Pakistan Petroleum Limited	59,700	340,000	7,611	351,645	55,666	9,374	10,520	1,146	1.39%	1.85%
						<u>50,086</u>	<u>53,890</u>	<u>3,804</u>	<u>7.12%</u>	<u>9.49%</u>
Oil & Gas Marketing Companies										
Attock Petroleum Limited										
	10,800	66,000	-	22,800	54,000	19,209	19,492	283	2.58%	3.43%
Pakistan State Oil Company Limited	22,100	347,534	-	272,600	97,034	27,643	30,382	2,739	4.01%	5.35%
						<u>46,852</u>	<u>49,874</u>	<u>3,022</u>	<u>6.59%</u>	<u>8.78%</u>
Paper & Board										
Packages Limited										
	5,000	70,412	-	5,000	70,412	11,235	11,448	213	1.51%	2.02%
						<u>11,235</u>	<u>11,448</u>	<u>213</u>	<u>1.51%</u>	<u>2.02%</u>
Power Generation & Distribution										
Hub Power Company Limited										
	2,261,000	400,000	-	1,089,474	1,571,526	43,718	49,330	5,612	6.52%	8.69%
Kot Addu Power Company Limited	380,200	-	-	65,760	314,440	13,288	16,835	3,547	2.22%	2.96%
						<u>57,006</u>	<u>66,165</u>	<u>9,159</u>	<u>8.74%</u>	<u>11.65%</u>
Technology & Communication										
Pakistan Telecommunication Company Limited										
	20,000	-	-	20,000	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Textile Composite										
Nishat Mills Limited										
	-	100,000	-	100,000	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total - September 30, 2009						<u>263,506</u>	<u>295,945</u>	<u>32,439</u>	<u>39.10%</u>	<u>52.11%</u>
Total - June 30, 2009						<u>349,632</u>	<u>373,684</u>	<u>24,052</u>	<u>52.33%</u>	<u>70.20%</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009

3.2.1 Listed Debt Securities

Name of investee company	Number of Certificates				Balance as at September 30, 2009			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 01, 2009	Purchased during the year	Disposed during the year	As at September 30, 2009	Cost	Market value	Appreciation / (Diminution)		
----- (Rupees in '000) -----									
Certificates having a face value of Rs. 5,000 each unless stated otherwise									
Bank Al-Habib Limited	520	-	-	520	2,483	2,549	66	0.34%	0.45%
NIB Bank Limited	12,600	-	-	12,600	58,201	58,901	700	7.78%	10.37%
United Bank Limited	2,000	-	-	2,000	9,193	9,060	(133)	1.20%	1.60%
					<u>69,877</u>	<u>70,510</u>	<u>633</u>	<u>9.32%</u>	<u>12.41%</u>

3.2.2 Unlisted Debt Securities

Name of investee company	Number of Certificates				Balance as at September 30, 2009			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 01, 2009	Purchased during the year	Disposed during the year	As at September 30, 2009	Cost	Market value	Appreciation / (Diminution)		
----- (Rupees in '000) -----									
KASB Securities Limited	3,000	-	-	3,000	13,115	12,740	(375)	1.68%	2.24%
Engro Chemical Pakistan Limited	12,000	-	-	12,000	52,800	52,800	-	6.98%	9.30%
					<u>65,915</u>	<u>65,540</u>	<u>(375)</u>	<u>8.66%</u>	<u>11.54%</u>

3.3 Investment in government securities - 'At fair value through profit or loss'

Name of investee company	Face value				Balance as at September 30, 2009			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 01, 2009	Purchased during the year	Disposed during the year	As at September 30, 2009	Cost	Market value	Appreciation / (Diminution)		
----- (Rupees in '000) -----									
Treasury bills - 1 year	-	25,000	-	25,000	22,850	23,477	627	3.10%	4.13%
Treasury bills - 3 months	-	100,000	-	100,000	88,960	89,488	528	11.82%	15.76%
					<u>111,810</u>	<u>112,965</u>	<u>1,155</u>	<u>14.92%</u>	<u>19.89%</u>

3.3 Loans and Receivables

Maturity date	Closing balance as at September 30, 2009	Value as a percentage of net assets	Value as a percentage of total investment
Letter of Placement	October 12, 2009	<u>23,000</u>	<u>3.04%</u> <u>4.05%</u>

Rupees in '000

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



	Unaudited September 30, 2009	Audited June 30, 2009
	Rupees in '000	
4 DIVIDEND AND OTHER RECEIVABLES		
Dividend receivable	4,135	2,537
Income accrued on term finance certificates	1,754	6,608
Profit receivable on money market placements	166	452
Profit receivable on saving deposits	1,672	-
Advance against Pre-IPO Subscription	25,000	-
Advance against IPO Subscription	28,768	-
	<u>61,495</u>	<u>8,997</u>

5 NET ASSET VALUE PER UNIT

The net asset value per unit disclosed on the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the period end.

6 TAXATION

The income of the Fund for the period is exempt from income tax under Clause 99 of Part 1 of the Second schedule to the Income Tax Ordinance, 2001.

7 EARNINGS PER UNIT

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

8 TRANSACTIONS WITH CONNECTED PERSONS

Connected persons of the Fund include the Management Company, other collective investment schemes being managed by the Management Company, the Trustee, directors and key management personnel and other associated undertakings.

8.1 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2009**



		Unaudited	
		For the quarter ended September 30, 2009	For the quarter ended September 30, 2008
8.3	Details of the transactions with the connected persons during the period are as follows:		
		Rupees in '000	Rupees in '000
	MCB Bank Limited		
	- Profit received on saving accounts	1,155	4,184
	MCB Asset Management Company Limited		
	- Remuneration of the Management Company	3,160	11,301
	Central Depository Company of Pakistan Limited		
	- Remuneration of the Trustee	386	629
	- CDC settlement charges	-	30
	Central Depository Company of Pakistan Limited - Gratuity Fund		
	- redemption of Nil (2008: 10,013) units during the period	-	819
	Key management personnel		
	- Redemption of 300 (2008: 2,002) units during the period	21	173
		Unaudited September 30, 2009	Audited June 30, 2009
		Rupees in '000	
8.4	Amount outstanding as at period end		
	MCB Bank Limited		
	- Bank balances	18,709	131,414
	- Profit receivable on saving accounts	423	452
	- 1,000,000 units held as at September 30, 2009 (June 30, 2009: 1,000,000)	77,753	67,020
	- 20,900 shares held by the Fund as at September 30, 2009 (June 30, 2009: 215,000)	4,623	33,331
		Unaudited September 30, 2009	Audited June 30, 2009
		Rupees in '000	
	MCB Asset Management Company Limited		
	- Remuneration payable to Management Company	981	861
	- Sales load payable to Management Company	-	293
	Central Depository Company of Pakistan Limited		
	- Remuneration payable to Trustee	992	115
	- CDC settlement charges	-	2
	D.G Khan Cement Company Limited - Employee Provident Fund		
	- 15,335 units held as at September 30, 2009 (June 30, 2009: 15,335)	1,192	1,028
	Hub Power Company Limited		
	- 1,571,526 shares held by the Fund as at September 30, 2009 (June 30, 2009: 2,261,000)	49,330	61,250
	Key management personnel		
	- Nil units held as at September 30, 2009 (June 30, 2009: 300)	-	20

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**



10 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorised for issue on **October 09, 2009** by the Board of Directors of the Management Company.

11 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**

MCB Cash Management Optimizer Fund

MCB
Cash Management
OPTIMIZER FUND

MCB CASH MANAGEMENT OPTIMIZER FUND

ORGANIZATION

Management Company	MCB Asset Management Company Limited 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi. Tel: (32-21) 2276900 Fax: (92-21) 2276908
Board of Directors	Mia n Mohammad Mansha - Chairman Atif Aslam Bajwa Ali Munir Ahmed Jahangir S. Wallullah Shah M.U.A Usmani Yasir Qadri -Chief Executive Officer
Audit Committee	Ali Munir -Chairman S. Wallullah Shah -Member Ahmed Jahangir -Member
Chief Financial Officer & Company Secretary	Muhammad Saqib Saleem
Trustee	Central Depository Company of Pakistan Limited, Suit # 6-7, Mezzanine Floor, Progressive Plaza, Beaumont Road, Karachi.
Chief Internal Auditor	Muhammad Ali
Auditors	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C, I.I. Chundrigar Road, Karachi - 74000.
Legal Advisor	Bawany & Partners, Room No. 404, 4th Floor, Beaumont Plaza, Beaumont Road, Civil Lines, Karachi.
Bankers	MCB Bank Limited NIB Bank Limited Bank Alfalah Limited Standard Chartered Bank (Pakistan) Limited
Transfer Agent	MCB Asset Management Company Limited 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi. Tel: (32-21) 2276900 Fax: (92-21) 2276908

DIRECTOR'S REPORT

Dear Investor,

On behalf of the Board of Directors, I am pleased to present MCB Cash Management Optimizer's 1st quarterly accounts' review, for the period ended September 30th 2009.

MARKET OVERVIEW

The money market rates remained firm during the quarter as the market remained relatively tight. Improvement in trade deficit, coupled with record-high workers' remittances and flow from IMF and other donor agencies has improved FX reserves to over US\$ 14 billion by Sep'09. Net foreign asset (NFA) though has turned positive during this quarter, negative trend in net domestic asset (NDA) has kept broad money (M2) in a negative zone, thereby affecting liquidity in the system that has kept short term rates firm. YoY CPI inflation has been declining sharply mainly due to high base-affect and has reached 10.7% by Aug'09. Although improvement in external account and inflationary pressures have propelled the SBP to relax its monetary stance, the central bank has kept the policy discount rate unchanged in Sep'09 MPS owing to fiscal issues and lack of clarity on expected foreign inflows. Due to tight liquidity in the inter-bank market, SBP continued to conduct frequent OMOs (injections) to ease off the market.

FUND OBJECTIVE & STRATEGY

The objective of MCB CMOP is to provide unit holders competitive returns from a low risk portfolio of short duration assets while maintaining high liquidity. The fund is purely a money market fund which is ideal for those investors who are seeking short term parking for their surplus liquidity. The fund will invest in authorized instruments, such as TDRs, Reverse REPO, Govt. securities, Debt securities, CoD, Commercial papers, Current and Savings accounts, with a maximum maturity of 180 days and weighted average maturity up to 90 days.

FUTURE OUTLOOK

Macroeconomic indicators though have improved, but are depicting a mixed picture with inflation and external account improving while fiscal account and real sector remain concerning. The State Bank of Pakistan has gone for prudence this time in latest monetary policy announcement with no change in DR, we believe that further clarity on official foreign inflows and resolution of electricity and fiscal issues should pave the way for a DR cut in next monetary policy announcement. Materialization of expected foreign inflows, however, remains a key in determining the interest rates direction moving forward.

In a fast changing interest rate environment, the fund would deploy its assets in attractive low risk short duration instruments without compromising on liquidity.

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,

Yasir Qadri
Chief Executive Officer

October 09, 2009

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2009**



	Note	Unaudited September 30, 2009 (Rupees in '000)
Assets		
Bank balances		1,153,039
Profit receivable on saving deposit		2,244
Preliminary expenses and floatation cost		4,997
Prepaid listing fee		25
Total assets		1,160,305
Liabilities		
Remuneration payable to the Management Company		37
Remuneration payable to the Trustee		6
SECP annual fee payable		2
Accrued and other liabilities	4	6,917
Total liabilities		6,962
Net assets		<u>1,153,343</u>
Unit holders' funds (as per statement attached)		<u>1,153,343</u>
Commitments		
		Number of units
Number of units in issue		<u>11,530,243</u>
		Rupees
Net asset value per unit	5	<u>100.03</u>

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The annexed notes form an integral part of these condensed interim financial statements.

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 7 2009 TO SEPTEMBER 30, 2009**



	Note	For the period from September 07 to September 30 2009 (Rupees in '000)
Income		
Profit on bank deposits		371
Total income		<u>371</u>
Expenses		
Remuneration of the Management Company	5	37
Remuneration of the Trustee		6
SECP annual fee		2
Amortisation of preliminary expenses and floatation costs		3
Auditors' remuneration		2
Other expenses		2
Total expenses		<u>52</u>
Net income for the period before taxation		<u>319</u>
Taxation	6	-
Net income for the period after taxation		<u><u>319</u></u>
Earnings per unit at the close of the period	7	

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The annexed notes form an integral part of these condensed interim financial statements.

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 7 2009 TO SEPTEMBER 30, 2009**



**For the period from
September 07 to
September 30
2009
(Rupees in '000)**

Net income for the period after taxation	319
Undistributed income carried forward	<u>319</u>

The annexed notes form an integral part of these condensed interim financial statements.

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 7 2009 TO SEPTEMBER 30, 2009



For the period
from September 07
to September 30
2009
(Rupees in '000)

Net assets at beginning of the period	-
Issue of 11,530,243.0106 units during the period	1,153,024
	1,153,024
Net income for the period	319
Net assets as at the end of the period	<u>1,153,343</u>

The annexed notes form an integral part of these condensed interim financial statements.

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 7 2009 TO SEPTEMBER 30, 2009**



For the period from
September 07 to
September 30
2009

(Rupees in '000)

CASH FLOWS FROM OPERATING ACTIVITIES

Net income before taxation 319

Working capital changes

(Increase)/decrease in assets

Profit receivable on saving deposit (2,244)

Preliminary expenses and floatation cost (4,997)

Prepaid listing fee (25)

(7,266)

Increase/(decrease) in liabilities

Remuneration payable to the Management Company 37

Remuneration payable to the Trustee 6

SECP annual fee payable 2

Accrued and other liabilities 6,917

6,962

Net cash from operating activities

15

CASH FLOWS FROM FINANCING ACTIVITIES

Amount received against issue of units 1,153,024

Net cash from financing activities

1,153,024

Net decrease in cash and cash equivalents during the period 1,153,039

Cash and cash equivalents as at September 30, 2009 1,153,039

50

The annexed notes form an integral part of these condensed interim financial statements.

For MCB Asset Management Company Limited
(Management Company)

Yasir Qadri
Chief Executive

M.U.A. Usmani
Director

1 LEGAL STATUS AND NATURE OF BUSINESS

MCB Cash Management Optimizer (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non Banking Finance Company and Notified Entities Regulations 2008 and was approved as an investment scheme by the Securities and Exchange Commission of Pakistan (SECP) on July 30, 2009. It was constituted under a Trust Deed dated July 10, 2009 between MCB Asset Management Company Limited as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited as the Trustee, also incorporated under the Companies Ordinance, 1984.

The Management Company of the Fund has been licensed to act as Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 8th Floor, Techno City Corporate Tower, Hasrat Mohani Road, Karachi.

The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Lahore Stock Exchange.

The policy of the Fund is to invest in treasury bills, short term government instruments, reverse repurchase transaction, money market placements and bank deposits with a maximum maturity of 180 days and weighted average maturity of 90 days.

The Pakistan Credit Rating Agency (PACRA) Limited has assigned an asset manager rating of AM3+ 'positive outlook' to the Management Company.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

2.2 These condensed interim financial statements are unaudited.

2.3 The comparative information of the Balance sheet, Income Statement, Distribution Statement, Movement in Units Holders' Funds and Cash Flow Statement has not been presented in these financial statements as the Fund started its operations with effect from September 07, 2009.

2.4 Critical accounting estimates and judgments

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

The areas involving a higher degree of judgment or complexity, or areas where estimates and assumptions are significant to the financial statements are as follows:

- i. Classification and valuation of financial assets (notes 3.1)
- ii. Amortisation of preliminary expenses and floatation costs (notes 3.6)

2.5 Accounting Convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'financial assets at fair value through profit or loss' category which are carried at fair value.

2.6 Functional and Presentation Currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

3.1 Financial assets

3.1.1 Classification

The Fund classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification on a regular basis.

a) Financial assets at fair value through profit or loss

Financial assets that are acquired principally for the purpose of generating profit from short-term fluctuations in prices are classified as held for trading in the 'Financial assets at fair value through profit or loss' category.

b) Loans and receivables

These are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market.

3.1.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.1.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

3.1.4 Subsequent measurement

3.1.4.1 Subsequent to initial recognition, financial assets designated by the management as at fair value through profit or loss are valued as follows:

a) Basis of valuation of government securities

The investment of the Fund in government securities is valued on the basis of rates announced by the Financial Market Association of Pakistan.

3.1.4.2 Loans and receivables are carried at amortised cost.

3.1.5 Impairment

The Fund assesses at each balance sheet date whether there is objective evidence that the financial asset or a group of financial assets is impaired. If any such indication exists, the recoverable amount of such asset or group of assets is estimated and impairment losses are recognised in the income statement.

3.1.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

3.1.7 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short-term highly liquid investments with original maturities of three months or less.

3.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

3.4 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

3.5 Securities under repurchase / resale agreements

Transactions of purchase under resale (reverse-repo) of government securities are entered into at contracted rates for specified periods of time. Securities purchased with a corresponding commitment to resell at a specified future date (reverse-repo) are not recognised in the statement of assets and liabilities. Amount paid under these agreements are included in receivable in respect of reverse repurchase transactions. The difference between purchase and resale price is treated as income from reverse repurchase transactions and accrued over the life of the reverse-repo agreement.

3.6 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are being amortised over a period of five years commencing from September 30, 2009 as per the requirement of the Trust Deed of the Fund.

3.7 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.8 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 among the unit holders. Accordingly, no tax liability has been recorded for the current year.

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that it is no longer probable that the related tax benefit will be realised. However, the Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year.

3.9 Net asset value per unit

The net asset value (NAV) per unit, as disclosed on the Statement of Assets and Liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

3.10 Issue and redemption of units

Units issued are recorded at the offer price applicable on the day on which cleared funds are received in the Trustee bank accounts during business hours. The offer price represents the net asset value per unit as of the close of the business day.

Units redeemed are recorded at the redemption price applicable as of the close of the business day on which a correctly filled-in redemption form is submitted within business hours. The redemption price represents the net asset value per unit as of the close of the business day.

3.11 Proposed dividend and transfer between reserves

Dividends declared and transfers between reserves made subsequent to the balance sheet date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividends are declared / transfers are made.

3.12 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

An equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' is created, in order to prevent the dilution of income per unit and distribution of income already paid out on redemption.

The Fund records that portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period which pertains to unrealised gains / (losses) held in the Unit Holder's Funds in a separate reserve account and any amount remaining in this reserve account at the end of an accounting period (whether gain or loss) is included in the amount available for distribution to the unit holders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period is recognised in the Income Statement.

3.13 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.

3.14 Revenue recognition

- Unrealised gains or losses arising on revaluation of investments classified as 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.
- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Income on reverse repurchase transactions are recognised on an accrual basis.
- Dividend income on equity securities is recognised when the right to receive dividend is established.
- Mark-up on government securities, letter of placements, commercial paper, certificates of deposits and term deposits are recognised on an accrual basis.
- Profit on bank deposits is recognised on an accrual basis.

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**September 30,
2009
(Rupees in '000)**

4 ACCRUED AND OTHER LIABILITIES

Auditors' remuneration	2
Payable to Management Company	5,040
Others	1,875
	<u>6,917</u>

5 REMUNERATION OF THE MANAGEMENT COMPANY

Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Management Company of the Fund is entitled to a remuneration during the first five years of the Fund, of an amount not exceeding three percent of the average annual net assets of the Fund and thereafter of an amount equal to two percent of such assets of the Fund. The remuneration began to accrue from the close of the Initial Offer Period. The Management Company has charged remuneration at a rate of 10 percent on the daily Gross earnings of the fund with cap of 3% per annum and floor of 0.25% per annum of average daily net assets of the Fund.

6 TAXATION

The Fund 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% on the accounting income for the year as reduced by capital gains (whether realised or unrealised) is distributed amongst the unit holders. The management intends to avail the tax benefit at the year end.

7 EARNINGS PER UNIT

Earnings per unit (EPU) has been calculated by dividing the net income after taxation for the period by the number of units in circulation as at the end of the period. EPU based on cumulative weighted average units for the period has not been disclosed as in the opinion of the management, determination of weighted average units for calculation of EPU is not practicable.

		September 30, 2009 (Rupees in '000)
8	TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES	
8.1	Amount outstanding as at period end	
	MCB Bank Limited	
	Bank balance	5
	MCB Asset Management Company Limited	
	Remuneration payable to management company	37
	Units in issue September 30, 2009: 1,000,000	100,000
	Central Depository Company of Pakistan Limited-Trustee	
	Fee payable	6
		55
		For the period from September 07, to September 30, 2009
8.2	Transactions during the period	
	MCB Asset Management Company Limited	
	Remuneration of management company	37
	Issue of units: 1,000,000	100,000
	Central Depository Company of Pakistan Limited-Trustee	
	Fee charged during the period	6

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 7 2009 TO SEPTEMBER 30, 2009**



9 DATE OF AUTHORIZATION

These condensed interim financial statements were authorised for issue on October 09, 2009 by the Board of Directors of the Management Company.

10 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

**For MCB Asset Management Company Limited
(Management Company)**

**Yasir Qadri
Chief Executive**

**M.U.A. Usmani
Director**



NATIONWIDE NETWORK



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STATEMENT

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Risk Disclaimer: All investments in mutual funds are subject to market risks. The NAV based prices of Units and any dividends/returns thereon are dependent on forces affecting the financial markets. These may go up and down based on market conditions. Past performance is not necessarily indicative of future results. Please read the Offering Document of relevant mutual the fund to understand the investment policies and the risk involved.