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FUND'S INFORMATION**Management Company**

BMA Asset Management Company Limited
801 Unitower. I.I. Chundrigar Road,
Karachi-74000

Board of Directors of the Management Company

Mr. Waqar Hassan Siddique	Chairman
Mr. Muddassar Malik	Chief Executive
Mr. Abdullah Shahin	Director
Mr. Omer Syed	Director
Mr. Thomas James Speechley	Director
Mr. Tashfin I. Huq	Director
Mr. Zahid Qasim Noorani	Director
Mr. Muhammad Iqbal	Director

CFO & Company Secretary of the Management Company

Mr. Faisal Ali Khan

Audit Committee of the Management Company

Mr. Muhammad Iqbal	Chairman
Mr. Tashfin I. Huq	
Mr. Zahid Qasim Noorani	

Trustee

MCB Financial Services Limited
Trustee Office 3rd Floor Adamjee House I.I. Chundrigar Road Karachi

Bankers

Standard Chartered Bank (Pakistan) Limited
KASB Bank Limited
JS Bank Limited
Bank Al-Habib Limited
Faysal Bank Limited
MCB Bank Limited
Bank Alfalah Limited
Silk Bank Limited
Habib Bank Limited
Askari Bank Limited

Distributors

BMA Financial Services Limited

Auditors

A.F.Ferguson & Co., Chartered Accountants
State Life Building No. 1-C, I.I. Chundrigar Road Karachi

Legal Adviser

KMS Law Associates
207, Beaumont Plaza behind PIDC House, Karachi

Registrar

Technology Trade (Pvt.) Limited
Dagia House, 241C, Block 2, PECHS Karachi

Fund Stability Rating

A+(f)

Management Quality Rating

Rating under Process

MISSION STATEMENT

The BMA Chundrigar Road Savings Fund seeks to provide its investors attractive income with concern for preservation of capital by investing in all fixed income and money market instruments of low risk and short duration to generate attractive rates of return. The Fund will seek to maintain a rupee-weighted average maturity of the investment portfolio of not more than 365 days. The benchmark shall be average one month Kibor rate prevailing within the particular time period.

VISION STATEMENT

BMA Asset Management seeks to establish itself as a leader within the asset management industry of Pakistan by following the principles of prudent investment practice and keeping our fiduciary responsibility towards our investors as the core belief to our investment philosophy.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of BMA Asset Management Company Limited, the Management Company to BMA Chundrigar Road Savings Fund (BCSF) is pleased to present the report of the Fund for the period ended December 31, 2012.

PROFILE

The launch announcement of the BMA Chundrigar Road Savings Fund (“BCSF”) was made on 14 August, 2007, Pakistan’s 60th year of independence and BCSF was formally launched on 23rd August. The BCSF seeks to provide its investors with an attractive rate of return by investing in all fixed income and money market instruments of low risk and short duration. The fund’s aim is to maintain a rupee-weighted average maturity for the investment portfolio of not more than 5 years. The benchmark for our return is one month KIBOR.

FUND’S FINANCIAL PERFORMANCE

During 1HFY13 the Fund earned Rs. 22.68 mn from income on investments, bank balances and term deposits. Gain on sale of investments was Rs. 2.91 mn while the unrealized loss stood at Rs. -0.33 mn. Reversal of impairment generated another Rs. 7.25 mn. Other income generated from additional units of MLCF Sukuk amounted to Rs. 2.77 mn. Element of income from issue/redemption of units was Rs. 2.37 mn. Total income thus came to Rs. 37.67 mn.

Expenses for the period totalled Rs. 4.62 mn and consisted of Rs. 0.36 mn remuneration to the trustee of the fund, Rs. 0.14 mn fee to the SECP and Rs. 2.98 mn remuneration to the management company. As a result net income for the period was Rs. 33.04 mn.

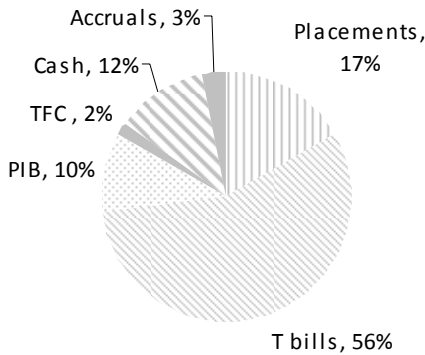
Financial highlights	December 31, 2012
	Rupees
Mark up/interest income	22,688,280
Gain on sale of investments	2,911,270
Unrealized gain on investments	(330,322)
Provision reversal	7,250,000
Other Income	2,775,630
Element of income	2,376,429
Total Income	37,671,287
Expenses	4,629,608
Net Income	33,041,679
Net Asset Value per unit	8.02

INVESTMENT STRATEGY

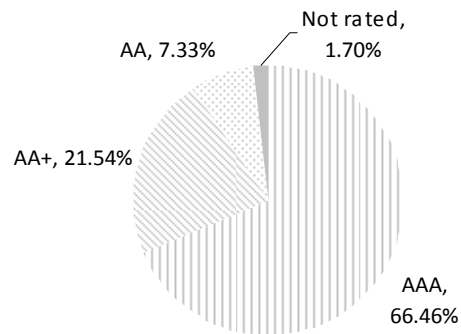
During this period the fund aimed to maintain majority exposure in government rated debt while selectively deploying assets in high yielding placements. This enabled the fund to generate a competitive rate of return while retaining liquidity and the ability to respond quickly in an uncertain macroeconomic environment. It also allowed management to pay out dividends on a monthly basis. During the outgoing quarter the portfolio duration of the fund was decreased from 317 days (September 2012) to the 97 days (December 2012). This was done so that the fund could derive the greatest benefit from the decline in yields.

As of 31 December 2012 the net assets of the Fund were Rs. 507.1 mn, of which 12.57% was held as cash, TFCs comprised 1.70% while exposure to PIBs, T bills and placements was built up to 10.15%, 56.93% and 16.76% respectively. In line with this asset allocation the credit quality of the fund remained high with 66.46% allocated to sovereign rated debt, 21.54% to AA+, 7.33% to AA and 1.70% to unrated instruments.

Asset Allocation: 31 December 2012



Credit Quality: 31 December 2012



RETURN DURING THE PERIOD FOR INVESTORS

During 1HFY13 the Fund generated an annualized return of 16.05% and was the amongst the top performing aggressive income funds in the industry. For the year ended 31 December 2012 the Fund generated an annualized return of 22.63% against the industry average of 13.52%, an out performance of 9.11%

RECENT DEVELOPMENTS

Following the restructuring of the fund in October 2011 the fund has seen significant improvements in returns, credit quality and liquidity profile. Since October 17th 2011 the fund has generated an absolute return of 34.33% till December 31 2012. Moreover over 95% of net assets are now rated AA and above. With a major allocation to T bills the ability of the fund to meet redemptions and remain flexible in an uncertain macroeconomic environment has improved tremendously. As a result on January 08th 2013 PACRA awarded BCSF a fund stability rating of “A+(f)” which denotes a strong capacity to manage relative stability in returns and low exposure to risks.

MACROECONOMIC OUTLOOK

SBP is likely to hold discount rate (DR) at 9.5% in upcoming MPS announcement in Feb-13 as; the goal of single digit DR has already achieved, up tick in CPI to 7.9% in Dec-12, from a 5-yr low of 6.9% in Nov-12 as high base effect faded away is already visible in numbers and upfront reforms stressed upon by the IMF team based on recent press reports tie up with potential reversal in DR from 2Q13E. We expect full year inflation for FY13 to be below 9%.

Trade deficit remained relatively stable at US\$1.7bn in Dec-12, helped by 4% growth in exports to US\$2.0bn and slower 2% growth in imports. Cumulatively in 1HFY13, trade deficit contracted by 10% YoY to US\$8.2bn where exports improved by 8% to US\$12.1bn, while import bill was down by 3% to US\$21.9bn. Current account posted positive reading for Dec-12 (US\$697mn) taking 1HFY13 C/A to a surplus of US\$250mn, driven by US\$1.8bn received as coalition support fund during the period. In addition to decline in trade deficit, remittances clocked in a healthy 12.5% YoY growth to US\$7.1bn in 1HFY13. Consolidated fiscal deficit reportedly stands at 2.4% of GDP in 1HFY13, which was surprisingly low despite slow run-rate of tax collection (+8.5% YoY).

PKR depreciated by -4.3% against the USD since July-12. FX reserves held by the central bank have fallen -27% since June-12, a slippage of more than USD 3.1bn. CSF funds helped to partly cushion the revenue shortfall and slow expenditure on behalf of the provinces has led to provincial govt's budget to stand at a surplus of PKR 293bn (1.1% of GDP). IMF comments on Pakistan highlighted need for structural and fiscal reforms.

FUTURE STRATEGY

In light of the above macroeconomic scenario, BCSF's strategy is likely to focus on the following;

- Build exposure in high quality and liquid instruments keeping in mind an appropriate risk/reward ratio
- Use a portion of the portfolio to actively trade PIBs/ TFCs for yield enhancement
- Continue to improve credit quality and liquidity profile
- Maintain duration with the intention of trading in order to take advantage of falling yields

Acknowledgement

The Board is thankful to its valued investors, the Securities and Exchange Commission of Pakistan, the Trustees of the Fund, MCB Financial Services Limited and the Registrar, Technology Trade (Pvt) Limited. The Directors of the Management Company also acknowledge the efforts put in by the team of the Management Company for the meticulous management of the Fund.

**For and on behalf of the
Board**

**Karachi
February 26, 2013**

**Muddassar Malik
Chief Executive Officer**

**AUDITORS' REPORT TO THE UNITHOLDERS ON
REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **BMA Chundrigar Road Savings Fund** as at December 31, 2012, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement, together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial information'), for the half year ended December 31, 2012. The Management Company (BMA Asset Management Company Limited) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2012 and 2011 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2012.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2012 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter

We draw attention to note 13 to the condensed interim financial information which refers to an uncertainty relating to the future outcome of the litigation regarding contribution to the Workers' Welfare Fund which is currently pending adjudication at the Honorable High Court of Sindh. Our conclusion is not qualified in respect of this matter.

Other matter

The financial statements of the Fund for the year ended June 30, 2012 and the condensed interim financial information for the half year ended December 31, 2011 were audited and reviewed respectively by another firm of chartered accountants whose reports dated September 13, 2012 and February 23, 2012 expressed unqualified opinion / conclusion on those financial statements / information.

A.F.Ferguson & Co. Chartered Accountants

Engagement Partner: **Rashid A. Jafer**

Dated: February 26, 2013

Karachi

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

BMA Chundrigar Road Savings Fund, an open-end Scheme was established under a Trust Deed dated April 19, 2007 executed between BMA Asset Management Company Limited, as the Management Company and MCB Financial Services Limited, as the Trustee. The Scheme was authorized by Securities and Exchange Commission of Pakistan (Commission) on May 18, 2007.

1. BMA Asset Management Company Limited, the Management Company of BMA Chundrigar Road Savings Fund, has in all material respects, managed BMA Chundrigar Road Savings Fund during the period ended 31st December 2012 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement

For the purpose of information, the attention of unit holders is drawn towards auditor's report and note 13 to the condensed interim financial information which refers to an uncertainty relating to the future outcome of the litigation regarding contribution to the Worker's Welfare Fund which is currently pending adjudication at the Honorable High Court of Sindh.

Karachi: February 20, 2013

Khawaja Anwar Hussain
Chief Executive Officer
MCB Financial Services Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2012

	Note	December 31, 2012 Rupees (Un-Audited)	June 30, 2012 Rupees (Audited)
ASSETS			
Balances with banks	4	63,762,989	21,464,952
Term deposits and money market placements	5	85,000,000	70,000,000
Investments	6	348,798,447	282,766,103
Mark-up / interest receivable	7	10,516,834	8,308,486
Preliminary expenses and floatation costs	8	-	147,795
Deposits, prepayments and other receivables		3,174,859	3,121,845
Total assets		511,253,129	385,809,181
LIABILITIES			
Payable to the management company	9	627,456	1,580,988
Payable to the trustee	10	64,556	60,332
Payable to the Securities and Exchange Commission of Pakistan (SECP)	11	149,190	148,801
Payable to unit holders against redemption of units		2,150,161	-
Accrued expenses and other liabilities	12	1,143,789	791,939
Total liabilities		4,135,152	2,582,060
CONTINGENCY AND COMMITMENTS	13		
NET ASSETS		507,117,977	383,227,121
Unit Holders' Fund (as per statement attached)		507,117,977	383,227,121
Number of units in issue		63,266,536	48,499,460
Net asset value per unit – Rupees		8.02	7.90

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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

**Muddassar Malik
Chief Executive Officer**

**Tashfin I Huq
Director**

CONDENSED INTERIM INCOME STATEMENT
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012
(UN-AUDITED)

Note	Half-year ended		Quarter ended		
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011	
----- Rupees -----					
INCOME					
Mark up / interest income	14	22,688,280	1,822,423	10,527,181	7,294,036
Capital gain / (Loss) on sale of investments - net Unrealised (diminution) / appreciation on re- measurement of investments classified as 'at fair value through profit and loss' - net		2,911,270	(29,092,907)	2,384,922	(29,092,907)
		(330,322)	4,305,936	(662,930)	4,304,626
		25,269,228	(22,964,547)	12,249,173	(17,494,245)
Provision against non-performing asset		-	(13,434,200)	-	(13,434,200)
Reversal of provision held for impairment against investments		7,250,000	13,250,000	-	7,250,000
Other income		2,775,630	327,821	1,630,790	164,919
Total income / (loss)		35,294,858	(22,820,926)	13,879,963	(23,513,526)
EXPENSES					
Remuneration to the management company		2,983,786	836,613	1,440,574	366,731
Sales tax on remuneration of the management company		477,409	133,858	230,492	58,677
Remuneration to the trustee		360,707	178,692	175,412	78,145
Annual fee to the Securities and Exchange Commission of Pakistan		149,189	41,866	72,028	18,336
Amortisation of preliminary expenses and floatation costs		147,795	503,556	-	251,778
Auditors' remuneration		234,401	295,391	117,200	176,824
Legal and professional charges		-	530,000	-	-
Other expenses		276,321	306,043	144,672	194,598
Total expenses		4,629,608	2,826,019	2,180,378	1,145,089
Net Income / (Loss)		30,665,250	(25,646,945)	11,699,585	(24,658,615)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed – net		2,376,429	(21,764,865)	2,921,570	(20,896,830)
Net income / (loss) for the period before taxation		33,041,679	(47,411,810)	14,621,155	(45,555,445)
Taxation	15	-	-	-	-
Net income / (loss) for the period after taxation		33,041,679	(47,411,810)	14,621,155	(45,555,445)
Earnings per unit	16	-	-	-	-

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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

**Muddassar Malik
Chief Executive Officer**

**Tashfin I Huq
Director**

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012
(UN-AUDITED)

	<u>Half-year ended</u>		<u>Quarter ended</u>	
	<u>December 31, 2012</u>	<u>December 31, 2011</u>	<u>December 31, 2012</u>	<u>December 31, 2011</u>
	----- Rupees -----			
Net Income / (loss) for the period	33,041,679	(47,411,810)	14,621,155	(45,555,445)
Other comprehensive income	-	-	-	-
Total comprehensive Income /(loss) for the period	<u>33,041,679</u>	<u>(47,411,810)</u>	<u>14,621,155</u>	<u>(45,555,445)</u>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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

**Muddassar Malik
Chief Executive Officer**

**Tashfin I Huq
Director**

CONDENSED INTERIM DISTRIBUTION STATEMENT
FOR THE HALF YEAR ENDED DECEMBER 31, 2012
(UN-AUDITED)

	Half-year ended	
	December 31, 2012	December 31, 2011
	----- Rupees -----	
Accumulated loss brought forward	(101,666,411)	(5,916,986)
Net Income / (loss) for the period	33,041,679	(47,411,810)
First interim distribution at the rate of Rs. 0.05 per unit on July 30, 2012 (2011: Nil)	(2,425,952)	-
Second interim distribution at the rate of Rs. 0.05 per unit on August 30, 2012 (2011: Nil)	(3,268,562)	-
Third interim distribution at the rate of Rs. 0.2 per unit on September 27, 2012 (2011: Nil)	(9,177,625)	-
Fourth interim distribution at the rate of Rs. 0.07 per unit on October 31, 2012 (2011: Nil)	(3,093,118)	-
Fifth interim distribution at the rate of Rs. 0.05 per unit on November 29, 2012 (2011: Nil)	(2,239,722)	-
Sixth interim distribution at the rate of Rs. 0.09 per unit on December 28, 2012 (2011: Nil)	(5,630,853)	-
Accumulated loss carried forward	(94,460,564)	(53,328,796)

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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

**Muddassar Malik
Chief Executive Officer**

**Tashfin I Huq
Director**

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED DECEMBER 31, 2012
(UN-AUDITED)

	December 31, 2012	December 31, 2011
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income / (loss) for the period	33,041,679	(47,411,810)
Adjustments for:		
Mark up / interest income	(22,688,280)	(1,822,423)
Capital (gain) / loss on sale of investments – net	(2,911,270)	29,092,907
Unrealised (appreciation) / diminution on re-measurement of investments classified as 'at fair value through profit and loss' – net	330,322	(4,305,937)
Provision against non performing asset	-	13,434,200
Reversal of provision held for impairment against investments	(7,250,000)	(13,250,000)
Element of loss / (income) and capital loss / (gain) included in prices of units issued less those in units redeemed - Net	(2,376,429)	21,764,865
Other income	(2,775,630)	(327,821)
Amortisation of preliminary expenses and floatation cost	147,795	503,556
	(37,523,492)	45,089,347
Working capital changes		
Increase in assets		
Deposit and other receivables	(53,014)	(53,317)
Increase / (decrease) in liabilities		
Payable to the management company	(953,532)	33,145
Remuneration payable to the trustee	4,224	457
Annual fee payable to SECP	389	(101,092)
Accrued expenses and other liabilities	351,850	(916,609)
	(597,069)	(984,099)
Investments - net	(56,733,903)	(2,246,658)
Interest income received	8,788,069	8,846,736
Net cash (used in) / generated from operating activities	(53,077,730)	3,240,199
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	302,703,886	46,620,066
Payments on redemption of units	(207,328,119)	(17,377,824)
Net cash generated from financing activities	95,375,767	29,242,241
Net increase in cash and cash equivalents	42,298,037	32,482,440
Cash and cash equivalents at beginning of the period	21,464,952	55,263
Cash and cash equivalents at the end of the period	63,762,989	87,739,943

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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

**Muddassar Malik
Chief Executive Officer**

**Tashfin I Huq
Director**

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE HALF YEAR ENDED DECEMBER 31, 2012
(UN-AUDITED)

	Half-year ended	
	December 31, 2012	December 31, 2011
	----- Rupees -----	
Net assets at the beginning of the period	383,227,121	119,152,494
Issue of 40,932,319 units including 3,240,930 bonus units (2011: 5,710,490 units)	302,703,886	46,620,066
Redemption of 26,165,243 units (2011: 22,498,296 units)	(209,478,280)	(17,719,092)
	93,225,606	28,900,973
	476,452,727	148,053,467
Element of loss / (income) and capital losses / (gain) included in prices of units issued less those in units redeemed - net	(2,376,429)	21,764,865
Capital gain / (loss) on sale of investments	2,911,270	(29,092,907)
Net unrealized (diminution) / appreciation on re-measurement of Investments classified as 'at fair value through profit or loss'	(330,322)	4,305,936
Other operating income / (loss)	30,460,731	(22,624,839)
Total Income for the period	33,041,679	(47,411,810)
Net assets at the end of the period	507,117,977	122,406,522

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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

**Muddassar Malik
Chief Executive Officer**

**Tashfin I Huq
Director**

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2012
(UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** BMA Chundrigar Road Savings Fund (the Fund) was established in Pakistan under a Trust Deed executed on April 19, 2007 between BMA Asset Management Company Limited, as the Management Company and MCB Financial Services Limited, as the Trustee. The Trust deed was executed and approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) on May 18, 2007.

The Management Company of the Fund is licensed to carry out Asset Management Services as a Non-Banking Finance Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management company is situated at 801 Unitower, I.I. Chundrigar Road, Karachi.

The Fund is an open-ended aggressive fixed income mutual fund listed on the Karachi Stock Exchange. Units of the fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering these to the Fund. The Fund is categorized as an 'Aggressive Fixed Income Scheme' as per the criteria laid down by SECP for categorization of Collective Investment Scheme (CISs).

The Fund seeks to provide its investors attractive income with concern for preservation of capital by investing in all fixed income and money market instruments of low risk and short duration to generate attractive rates of returns.

Pakistan Credit Rating Agency Limited has assigned a rating of A+(f) to the Fund. The Management Company is in the process of obtaining asset manager rating for the Management Company.

Title to the assets of the Fund is held in the name of MCB Financial Services Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial Information has 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 NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the 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 this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a

full set of financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended June 30, 2012.

This condensed interim financial information is unaudited. However, a review has been performed by the external auditors in accordance with the requirements of the Code of Corporate Governance.

In compliance with schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2012.

2.2 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period

The following new standards and amendments to existing standards are mandatory for the first time for the financial period beginning on or after July 1, 2012:

Amendment to IFRS 7, 'Financial instruments': The amendment includes new disclosures to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP. The adoption of this amendment did not have any impact on the Fund's condensed interim financial information.

There are certain other new standards, amendments and interpretations that became effective during the period and are mandatory for accounting periods beginning on or after July 1, 2012 but are considered not to be relevant or did not have any significant effect on the Fund's operations and are, therefore, not disclosed in this condensed interim financial information.

2.3 Standards, interpretations and amendments to published approved accounting standards, as adopted in Pakistan, that are not yet effective:

There are certain new standards, amendments to approved accounting standards and new interpretations that are mandatory for accounting periods beginning on or after July 1, 2013 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not detailed in this condensed interim financial information.

2.4 Change in methodology of allocation of element

During the current period, the Fund has revised its methodology for recognition of element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed. As per the revised methodology, element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed represented by income earned during the period is recognised in the income statement. Previously, the whole amount of element income / (loss) was recognised in income statements.

The change did not have any impact on the net assets value (NAV) of the Fund. Had the management not revised its methodology net income for the period would have been lower by Rs 30.986 million.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2012.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2012.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2012.

	Note	December 31, 2012 (Rupees) (Un-Audited)	June 30, 2012 (Rupees) (Audited)
4. BALANCES WITH BANKS			
Balances in			
– savings accounts	4.1	63,762,757	21,464,720
– current accounts		<u>232</u>	<u>232</u>
		<u>63,762,989</u>	<u>21,464,952</u>
4.1	These carry profit at rates ranging from 6% to 8.25% per annum (June 30, 2012: 4.89% to 11.35%).		
	Note	December 31, 2012 (Rupees) (Un-Audited)	June 30, 2012 (Rupees) (Audited)
5. TERM DEPOSITS AND MONEY MARKET PLACEMENTS			
Term deposit receipts	5.1	85,000,000	-
Certificates of investment	5.2	-	70,000,000
		<u>85,000,000</u>	<u>70,000,000</u>
5.1	These carry markup at rates ranging from 9.60% to 9.75% per annum with maturities upto February 13, 2013.		
5.2	This includes certificate of investment held with First Dawood Investment Bank Limited (FDIBL) amounting to Rs 35 million. FDIBL made a default in repayment on October 23, 2008. The Fund filed a suit for the recovery of its investment which was heard and a decree was issued in favor of the Fund on May 07, 2010. FDIBL has appealed against the decree obtained by the Fund in the High Court of Sindh, Karachi, which was disposed on August 08, 2011 after the parties submitted a compromise application. A compromise was reached with FDIBL vide which FDIBL has agreed to pay Rs. 35 million in five installments till August 2012. The management had decided to reverse the provision gradually upon receipt of each installment under the said arrangement. During the period the Fund received the last instalment of Rs, 7,250,000 and no provision in this respect is held as at December 31, 2012.		
		December 31, 2012 (Rupees) (Un-Audited)	June 30, 2012 (Rupees) (Audited)
Opening receivable		7,250,000	35,000,000
Payment received during the period / reversal of provision		<u>(7,250,00)</u>	<u>(27,750,000)</u>
		-	7,250,000
Provision held		<u>-</u>	<u>(7,250,000)</u>
		<u>-</u>	<u>-</u>

	Note	December 31, 2012 (Rupees) (Un-Audited)	June 30, 2012 (Rupees) (Audited)
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6. INVESTMENTS

At fair value through profit or loss

- Listed term finance certificates	6.1	-	-
- Unlisted term finance certificate and sukus	6.1	8,606,551	11,324,919
- Government securities	6.4	340,191,896	271,441,184
		348,798,447	282,766,103

6.1 Term finance certificates and Sukus

All term finance certificates and Sukuk certificates have a face value of Rs 5,000 each, unless stated otherwise

Name of Security	As at 01 July 2012	Purchased during the period	Sold during the period	As at Dec 31, 2012	Carrying Value as at Dec 31, 2012	Market value as at Dec 31, 2012	Unrealised appreciation / (diminution)	Market value as a percentage of total Investments	Market value as a percentage of net assets
	-----Number of certificates -----				(Rupees)				
Listed term finance certificates									
Miscellaneous									
Pace Pakistan Limited (15-02-08)	4,000	-	-	4,000	-	-	-	-	-
Un-listed term finance certificates and sukuk									
Cement									
Kohat Cement Company Limited Sukuk – Dec 13, 2007	10,000	-	-	10,000	8,606,551	8,606,551	-	2.47%	1.70%
Cable and Electronics									
New Allied Electronics Private Ltd PPTFC – May 15, 2007	10,000	-	-	10,000	-	-	-	-	-
New Allied Electronics Private Ltd Sukuk- July 07, 2007	16,000	-	-	16,000	-	-	-	-	-
Commercial Banks									
Bank Al Habib Limited TFC – June 15, 2009	-	10,000	10,000	-	-	-	-	-	-
Total					8,606,551	8,606,551	-	2.47%	1.70%

6.2 Significant terms and conditions of term finance certificates and Sukuk bonds outstanding at the period end are as follows:

Name of security	Number of certificates	Face Value	Mark-up rate (Per annum)	Maturity	Secured / unsecured	Rating
Pace Pakistan Limited – February 15, 2008	4,000	4,994	6 months KIBOR + 2%	February 15, 2017	Secured	NPA Non Rated
Kohat Cement Company limited - December 13, 2007	10,000	1,148	3 months KIBOR + 1.8%	June 20, 2017	Secured	NPA
New Allied Electronics Private Limited – May 15, 2007	10,000	5,000	3 months KIBOR + 3%	May 15, 2011	Secured	NPA
New Allied Electronics Private Limited – July 07, 2007	16,000	293	3 months KIBOR + 2.6%	July 27, 2012	Secured	NPA

6.3 Securities listed below have been classified as non-performing in accordance with the SECP's Circular 1 of 2009 and the Fund's provisioning policy for non-performing exposures. Accordingly, the carrying values stated above have been arrived at after taking into account provisions as under:

	December 31, 2012			June 30, 2012		
	Carrying value	Provision held	Net carrying value	Carrying value	Provision held	Net carrying value
	-----Rupees-----					
Pace Pakistan Limited – February 15, 2008	13,434,200	13,434,200	-	13,434,200	13,434,200	-
New Allied Electronics Private Limited – May 15, 2007	21,472,757	21,472,757	-	21,472,757	21,472,757	-
New Allied Electronics Private Limited – July 07, 2007	4,721,001	4,721,001	-	4,721,001	4,721,001	-
	39,627,958	39,627,958	-	39,627,958	39,627,958	-

6.4 Government securities

6.4.1 Market Treasury Bills

Issue date	Tenor (months)	------(Face Value)-----					Balance at December 31, 2012			Market Value as a percentage of total investments	Market value as a percentage of net assets	
		As at 01 July 2012	Purchases during the period	Sold during the period	Maturities during the period	As at December 31, 2012	Carrying value as at December 31, 2012	Market value as at December 31, 2012	Unrealised appreciation / (diminution)			
		-----Rupees-----										
Aug 25, 2011	12	30,000,000	-	-	30,000,000	-	-	-	-	-	-	-
Oct 06, 2011	12	17,000,000	-	-	17,000,000	-	-	-	-	-	-	-
Nov 03, 2011	12	1,200,000	10,000,000	1,000,000	10,200,000	-	-	-	-	-	-	-
Jan 26, 2012	6	111,000,000	25,500,000	-	136,500,000	-	-	-	-	-	-	-
Feb 09, 2012	12	-	100,000,000	-	-	100,000,000	99,14,692	99,090,942	(23,750)	28.41%	19.54%	
Apr 19, 2012	3	55,000,000	-	-	55,000,000	-	-	-	-	-	-	-
May 03, 2012	3	-	15,000,000	-	15,000,000	-	-	-	-	-	-	-
May 17, 2012	3	35,000,000	-	-	35,000,000	-	-	-	-	-	-	-
May 31, 2012	3	-	50,000,000	-	50,000,000	-	-	-	-	-	-	-
June 14, 2012	3	50,000,000	-	16,200,000	33,800,000	-	-	-	-	-	-	-
June 28, 2012	3	-	12,700,000	-	12,700,000	-	-	-	-	-	-	-
July 12, 2012	3	-	280,000,000	125,000,000	155,000,000	-	-	-	-	-	-	-
July 26, 2012	6	-	127,000,000	86,600,000	-	40,400,000	40,127,534	40,174,188	46,654	11.52%	7.92%	
Aug 23, 2012	3	-	65,000,000	65,000,000	-	-	-	-	-	-	-	-
Sept 20, 2012	12	-	5,900,000	-	-	5,900,000	5,518,056	5,533,221	15,165	1.59%	1.09%	
Oct 04, 2012	12	-	306,000,000	218,000,000	-	88,000,000	82,272,198	82,237,726	(34,472)	23.58%	16.22%	
Nov 01, 2012	12	-	12,000,000	1,600,000	-	10,400,000	9,667,147	9,654,636	(12,511)	2.77%	1.90%	
Nov 03, 2012	12	10,900,000	-	-	10,900,000	-	-	-	-	-	-	-
Nov 15, 2012	12	-	75,500,000	19,300,000	-	56,200,000	52,052,508	52,020,969	(31,539)	14.91%	10.26	
Total							300,900,000	288,752,135	288,711,682	(40,453)	82.77%	56.93%

6.4.2 Pakistan Investment Bonds

Issue date	Tenor	------(Face Value)-----					Balance at December 31, 2012			Market Value as a percentage of total investments	Market value as a percentage of net assets	
		As at 01 July 2012	Purchases during the period	Sold during the period	Maturities during the period	As at December 31, 2012	Carrying value as at December 31, 2012	Market value as at December 31, 2012	Unrealised appreciation / (diminution)			
		-----Rupees-----										
July 19, 2012	05 Yr	-	50,000,000	50,000,000	-	-	-	-	-	-	-	-
July 19, 2012	10 Yr	-	200,000,000	150,000,000	-	50,000,000	51,803,641	51,480,214	(323,427)	14.76%	10.15%	
Aug 18, 2012	10 yr	-	37,000,000	37,000,000	-	-	-	-	-	-	-	-
							50,000,000	51,803,641	51,480,214	(323,427)	14.76%	10.15%

		December 31, 2012 (Un-Audited) (Rupees)	June 30, 2012 (Audited) (Rupees)
7. MARK-UP/ INTEREST RECEIVABLE			
On			
- Balances with banks		575,979	121,823
- Term deposit receipts		241,685	-
Investments			
- Term finance certificate and Sukuk certificates		6,983,737	7,005,074
- Certificate of Investments		-	1,181,589
- Government securities		2,715,433	-
		<u>10,516,834</u>	<u>8,308,486</u>
	Note	December 31, 2012 (Un-Audited) (Rupees)	June 30, 2012 (Audited) (Rupees)
8. PRELIMINARY EXPENSES AND FLOATATION COSTS			
Preliminary expenses and floatation cost incurred		147,795	1,149,435
Less: Amortization during the period		<u>(147,795)</u>	<u>(1,001,640)</u>
		<u>-</u>	<u>147,795</u>
9. PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration of the Management Company	9.1	540,910	500,851
Sindh Sales tax on remuneration of the Management company		86,546	80,137
Preliminary expenses and floatation costs		-	1,000,000
		<u>627,456</u>	<u>1,580,988</u>
9.1	The Management company is entitled to remuneration for services rendered to the Fund under Regulation 61 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding 3% of the average daily net assets of the Fund during first five years of the Fund's existence and thereafter an amount equal to 2% of such assets of the Fund. The rate used by the Management company (and the Fund) is 1.5 percent per annum of the average daily net assets of the Fund.		
10. PAYABLE TO THE TRUSTEE			
The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. Any upward increase in the Trustee's remuneration would require SECP's approval and amendment in the Trust Deed. However, any downward shift in the trustee's remuneration will not require such approval.			
11. ANNUAL FEE PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
This represents annual fee payable to SECP in accordance with the NBFC Regulations whereby the Fund is required to pay SECP an amount equal to 0.075% per annum of the average daily net assets			

12. ACCRUED EXPENSES AND OTHER LIABILITIES	December 31, 2012 (Un-Audited) (Rupees)	June 30, 2012 (Audited) (Rupees)
Auditor's remuneration	289,985	380,749
Brokerage Payable	61,094	16,947
Printing and Stationery cost payable	85,891	43,374
Other payable	706,819	350,869
	<u>1,143,789</u>	<u>791,939</u>

13. CONTINGENCY AND COMMITMENTS

13.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment, it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh, challenging the applicability of WWF to the CISs, which is pending adjudication.

Subsequently to the year ended June 30, 2011, the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. The Management Company is hopeful that the decision of the LHC will lend further support to the Constitutional Petition which is pending in the SHC. As the management is confident that the matter will eventually be settled in its favour and WWF will not be levied on the Fund, no provision has been made in respect of any WWF liability. The aggregate amount of unrecognised WWF liability amounts to Rs 2.03 million (including Rs 0.66 million for current period) as at December 31, 2012. Had the provision been recognised, the Net Asset Value of the Fund would have been lower by Rs 0.03 per unit.

13.2 There were no other contingencies and commitments outstanding as at December 31, 2012.

14. MARK-UP / INTEREST INCOME	<u>Half-year ended</u>		<u>Quarter ended</u>	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	-----Rupees-----			
	----- (Unaudited) -----			
On:				
- Balance with banks	2,176,481	1,647,565	971,507	1,255,745
- Term deposit accounts	241,685	-	241,685	-
- Investments				
Term Finance certificates and sukuk certificates	2,961,942	12,481,676	2,001,656	5,930,152
Certificates of investment / letter of placement	2,840,679	-	1,611,288	-
Government securities	14,467,493	108,139	5,701,045	108,139
Reversal of markup income on investments classified as non-performing	-	(12,414,957)	-	-
	<u>22,688,280</u>	<u>1,822,423</u>	<u>10,527,181</u>	<u>7,294,036</u>

15. 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 90% of its accounting income for the year as reduced by capital gains whether (realised or unrealized), is

distributed amongst the unit holders. The Fund has not recorded provision for taxation as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year as reduced by the capital gains (whether realized or unrealized) to its unit holders.

16. EARNINGS PER UNIT

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

17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / Connected persons include BMA Asset Management Company Limited (the Management Company), BMA Empress Cash Fund, BMA Capital Management Limited (the holding company of the Management Company), BMA Financial Services Limited and MCB Financial Services Limited (the Trustee). Transactions with connected persons can be summarised as follows:

	Half-year ended		Half-year ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	-----Units-----		-----Rupees-----	
	------(Unaudited)-----			
<u>Transaction with connected person / related parties</u>				
BMA Asset Management Company Limited (the Management Company)				
- Issue of units (including bonus units)	1,468,787	4,879,874	11,708,850	30,000,000
- Redemption of units	581,291	-	4,700,000	-
BMA Capital Management Ltd				
- Issue of units (including bonus units)	3,025,225	-	24,143,567	-
- Redemption of units	3,021,583	-	24,400,125	-
BMA Asset Management Company Limited – Staff Provident Fund				
- Issue of units (including bonus units)	33,884	-	269,750	-
- Redemption of units	427,333	-	3,412,425	-
Directors and executives of the Management Company				
- Issue of units (including bonus units)	789,577	17,735	6,339,620	108,961
- Redemption of units	206,303	-	1,666,704	-
Units holders and with holding of 10% and above				
MCB Bank Limited Staff Provident Fund				
- Issue of units (including bonus units)	288,918	-	2,303,248	-
- Redemption of units	-	-	-	-
Emirates Shipping Agency Pakistan (Pvt) Limited				
- Issue of units (including bonus units)	12,252,566	-	98,419,603	-
- Redemption of units	5,865,143	-	46,776,820	-

	Half-year ended			
	December 31, 2012		December 31, 2011	
	-----Rupees----- ----- (Unaudited) -----			
BMA Asset Management Company Limited (the Management Company)				
- Remuneration to the Management Company			2,983,786	836,613
- Sindh Sales tax on remuneration of the Management Company			477,409	133,858
MCB Financial Services Limited-the Trustee			360,707	178,692
- Trustee fee				
	December 31, 2012	June 30, 2012	December 31, 2012	June 30, 2012
	-----Units-----		-----Rupees-----	
	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
Balance at the period end				
Associated Companies				
BMA Asset Management Company Limited				
Units held	23,411,904	22,524,408	187,660,457	177,981,112
Remuneration payable			540,910	500,851
Sindh sales tax on remuneration payable			86,546	80,137
Preliminary expense and floatation costs payable			-	1,000,000
BMA Capital Management Limited				
Units held	3,642	-	29,193	-
BMA Asset Management Company Limited – Staff Provident Fund				
Units Held	292,894	686,342	2,347,720	5,423,270
MCB Financial Services Limited – the Trustee				
Remuneration payable			64,556	60,332
Directors and executives of the Management Company				
Mr. Bilal Khan	582	546	4,664	4,315
Mr. Adeel Ahmad Khan	231,327	36,249	1,854,223	286,425
Mr. Lawrence A. Lobo	88,041	126,529	705,702	999,793
Mr. Mustafa O Pasha	424,769	83,665	3,404,767	661,098
Mr. Faisal Ali Khan	65,720	-	526,788	-
Ms Sana Safdar	28,446	22,305	228,012	176,244
Mr. Harold Makil Charles	9,634	-	77,223	-
Mr. Hassan Bin Nasir	31,303	13,786	250,909	108,932
Mr. Stephen Joseph	38,780	48,766	310,842	385,331
Units holders with holding of 10% and above				
- MCB Bank Limited Staff Provident Fund	4,695,300	4,406,382	37,635,553	34,817,908
- Emirates Shipping Agency Pakistan (Pvt) Limited	6,387,423	-	51,199,025	-

18. GENERAL

18.1 Figures have been rounded off to the nearest rupee.

18.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. The following has been reclassified and disclosed in the notes to the condensed interim financial information:

Description	Reclassified from	Classified to	Amount Rupees
Certificates of investment held by the Fund as at June 30, 2012 have been reclassified from held to maturity investments to loans and receivables under term deposits and money market placements	Investments – Held to Maturity	Term deposits and money market placements	70,000,000

These condensed interim financial information has been authorised for issue by the Board of Directors of the Management Company on February 26, 2013.

19. DATE OF AUTHORISATION

This condensed interim statement of financial information has been authorised for issue by the Board of Directors of the Management Company on February 26, 2013.

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

**Muddassar Malik
Chief Executive Officer**

**Tashfin I Huq
Director**