

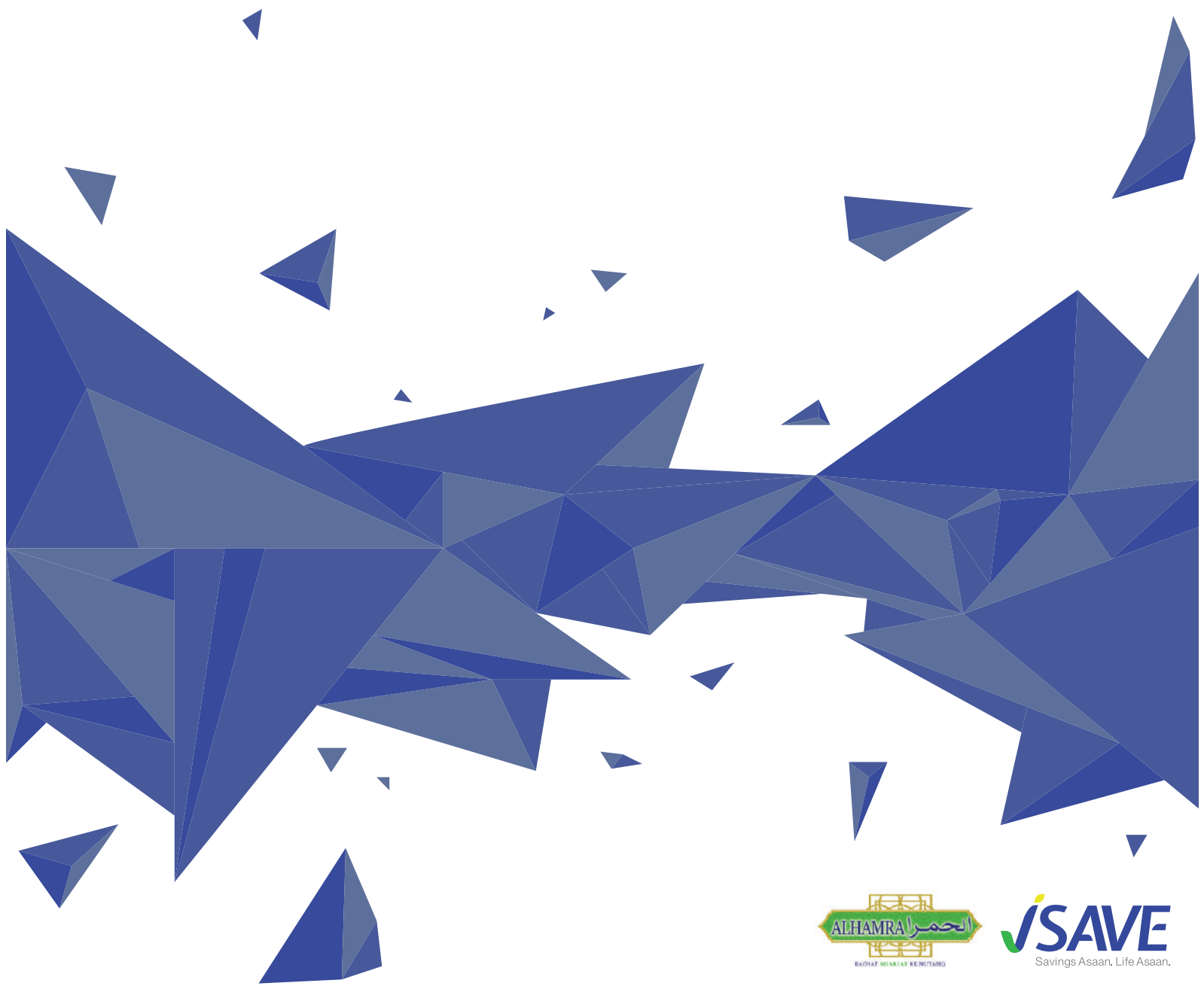


MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2021
(UNAUDITED)

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



MCB CASH MANAGEMENT OPTIMIZER

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited Habib Bank Limited National Bank of Pakistan Zarai Taraqati Bank Limited Bank Al Falah Limited Meezan Bank Limited Dubai Islamic Bank Pakistan Limited Bank of Punjab Limited Faysal Bank Limited	
Auditors	A. F. Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) Sate Life Building 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM1 Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB Cash Management Optimizer** accounts review for the quarter ended September 30, 2021.

ECONOMY AND MONEY MARKET OVERVIEW

The fiscal year started on a robust note as Covid-19 vaccination drive gathered paced which helped to lift lockdowns across the county. The economic recovery was higher than expected as lagged impact of monetary easing, higher remittances and government incentives such as TERF facilities provided impetus to economic growth. The GDP growth clocked at 3.94 per cent in FY21 with government expecting the economic growth to clock at 4.8 per cent for FY22.

However, the robust recovery in domestic demand, coupled with higher international commodity prices, led to a strong pick-up in imports and a rise in the current account deficit. This put pressure on the local currency as rupee depreciated by 13.1 per cent against USD during this quarter.

Current account deficit posted a deficit of USD 2,290 million in the first two months of fiscal year compared to a surplus of USD 838 million in the corresponding period of the last year. The deterioration came in primarily on the back of higher imports which grew by 67.8 per cent in the first two months compared to export growth of 35.4 per cent. Trade Deficit increased by 100.2 per cent to USD 6.8 billion compared to USD 3.4 billion last year. Foreign exchange reserves of central bank saw an increase of USD 1.6 billion as Pakistan received USD 2.75 billion from the IMF under its new SDR allocation to back economically vulnerable countries combating the coronavirus pandemic.

Inflation remained a concern for the government as rising commodities continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.58 per cent during the quarter, with food inflation averaging 9.5 per cent during the period. Inflation was also effected by increase in fuel prices on account of increase in international oil and LNG prices. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.5 per cent for the period. The MPC committee conducted two monetary policies during the quarter and increased policy rate by 25bps in the Sep-21 meeting. SBP increased the interest rate to control the current account deficit and prevent the overheating of the economy as it noted the need to gradually increase the interest rates to protect the nascent economic growth.

On the fiscal side FBR Tax collection increased by 38 per cent over last year in this quarter to clock at PKR 1,395 billion compared to target of PKR 1,211 billion exceeding it by PKR 186 billion. This was on the back of higher custom duty and sales tax due to higher import.

Secondary markets yields have increased significantly in the quarter as SBP has started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average FY22 inflation to clock above the range of 7-9 per cent forecasted by SBP. 3Y, 5Y and 10Y bonds saw a rise of 73 bps, 46 bps and 51 bps respectively during the period.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 8.79 per cent as against its benchmark return of 6.75 per cent, a difference of 2.04 per cent. WAM of the fund was 1 day at September end.

The fund was 99.4 per cent in cash as of September end. High cash exposure was due to the fact that banks were offering lucrative rates on bank deposits.

The Net Assets of the Fund as at September 30, 2021 increased by 0.64 per cent to Rs. 34,248 million as compared to Rs. 34,030 million as at June 30, 2021.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

The Net Asset Value (NAV) per unit as at September 30, 2021 was Rs. 101.2238 as compared to opening NAV of Rs. 100.9800 per unit as at June 30, 2021 registering a increase of Rs. 0.2438 per unit.

FUTURE OUTLOOK

The government has set a GDP growth target of 4.8 per cent for fiscal year 2022 (FY22). Covid-19 vaccination drive is continuing with success as over 50 million people have received the first dose of coronavirus vaccine. This has helped to lift lockdown across the country and we expect the Covid-19 situation to remain under control. Broader economy also appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc. However, the recent surge in commodity prices poses challenges to both to Fiscal and External Accounts. Due to the recent government steps to curtail demand we see some downside risks to government growth target. We expect GDP growth to clock higher as compared to previous year but it is likely to remain lower than the government target of 4.8 per cent.

The robust recovery in domestic demand on the back of pro-growth measures by the government, coupled with higher international commodity prices, has led to a strong pick-up in imports and a rise in the current account deficit. The current account deficit is expected to increase to USD 13.1 billion (4.0 per cent of GDP) in FY22, amid rising international crude oil prices along with general increase in international commodity prices. The Current Account deficit is likely to further weaken the local currency and we expect the exchange rate to close the year around 176 PKR/USD. Swift resumption of IMF program will be a key prerequisite to keep the financial account in positive zone. SBP has indicated that the flexible market determined exchange rate and gradual tightening of interest rates would be used in tandem to ensure sustainable current account position. The remittances along with bilateral and multilateral flows would also be crucial in managing our external position.

CPI averaged 8.9 per cent in FY21. The expected utility adjustments, currency depreciation and higher international commodities prices will lead to increase in inflation in this year. We expect Average FY22 inflation to clock at 9.7 per cent with inflation going in double digits in second half of the fiscal year. Based on our expected inflation, the real interest rates now fall into negative range thus requiring adjustments in the monetary policy during the current fiscal year. However, SBP has shown its focus to avoid any shocks to economic growth and will gradually increase interest rate to achieve mildly positive interest rate over the medium term. We expect the Policy Rate to reach 9.0 per cent by the end of the year.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in expected interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 15.9 per cent, a discount of 43 per cent from its historical average. Similarly, risk premiums are close to 5.9 per cent, compared to historical average of 1.5 per cent signifying abnormal returns for long term investors. We believe a micro view of sectors and stock will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds yields may continue to rise given expected increase in interest rates. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

Mutual Fund Industry Review

The Net Assets of the open end mutual fund industry increased by about 1.4 per cent during the quarter to PKR 1,032 billion at the end of 1QFY22. Total money market funds grew by about 1.1 per cent since June 2021. Within the money market sphere, the conventional funds dominated as they grew by about 8.1 per cent to PKR 308 billion while Islamic funds declined by 9.9 per cent to PKR 164 billion. In addition, the total fixed Income funds increased by about 8.5 per cent since June 2021, as the conventional income funds grew by 13.6 per cent to PKR 143 billion. Equity and related funds declined by 4.4 per cent over

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

last quarter as market witnessed a decline in the quarter eroding AUMS and concern over macroeconomic and geopolitical factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 46 per cent, followed by Equity and Equity related funds with a share of 28 per cent and Income funds having a share of 26 per cent as at the end of 1QFY22.

Mutual Fund Industry Outlook

The recent increase in interest rates along with prospect of further monetary tightening would increase flows in the money market funds. The money markets funds by virtue of its short duration would be the ideal for investors with a short term horizon and low risk profile. However recent correction in stock prices have opened up valuations and long term investors would look to add equity exposure at these attractive levels. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.


ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
October 22, 2021



Kashif A. Habib
Director

میوچل فنڈز صنعت کے مستقبل کا منظر

سوڈ کی شرحوں میں حالیہ اضافے کے ساتھ ساتھ مزید مالیاتی سختی سے money مارکیٹ فنڈز میں آمدات میں اضافہ ہوگا۔ Money مارکیٹ فنڈز اپنی مختصر مدت کی بدولت ایسے سرمایہ کاروں کے لیے موزوں ترین ثابت ہوں گے جو محدود مدت کے لیے اور کم خطرات کے ساتھ کام کرنا چاہتے ہیں۔ تاہم اسٹاک کی قیمتوں میں حالیہ تصحیح نے valuations کو کشادہ کر دیا ہے اور سرمایہ کاران پر کشش سطحوں پر ایکویٹی میں پیسہ لگانا چاہیں گے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سہولت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکتے۔

اظہار تشکر

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

22 اکتوبر 2021ء

ڈائریکٹرز رپورٹ

مالی سال 2021ء میں سی پی آئی کا اوسط 8.9 فیصد تھا۔ متوقع یوٹیلیٹی ترمیمات، روپے کی قدر میں کمی اور بلند ترین الاقوامی ایشیائی قیمتوں کے نتیجے میں سال رواں کے دوران افراط زر میں اضافہ ہوگا۔ ہماری توقع کے مطابق مالی سال 2022ء کا افراط زر کا اوسط 9.7 فیصد ہوگا، اور سال کے نصف آخر میں افراط زر دو ہندسوں میں پہنچ جائے گی۔ ہماری متوقع افراط زر کی بنیاد پر حقیقی شروع سودا منفی حد میں آرہی ہے، چنانچہ موجودہ مالی سال کے دوران مالیاتی پالیسی میں ترمیمات درکار ہیں۔ تاہم ایس بی پی نے معاشی ترقی کو متوقع دھچکوں سے محفوظ رکھنے پر توجہ مرکوز کی ہے اور درمیانی مدت میں معتدل حد تک مثبت شرح سود حاصل کرنے کے لیے شروع سود میں بتدریج اضافہ کیا جائے گا۔ ہماری توقع کے مطابق پالیسی شرح اختتام سال تک 9.0 فیصد تک پہنچ جائے گی۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے تناظر میں، اسٹاک کی قیمتوں میں حالیہ تصحیح کے نتیجے میں تعیین قدر کھل گئی ہے۔ مارکیٹ نے شرح سود میں متوقع اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہوا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 15.9 فیصد ہو گیا ہے، جو اس کے قدیم اوسط سے 43 رعایت ہے۔ اسی طرح خطرات کے پریمنیم تقریباً 5.9 فیصد ہیں، اور ان کے قدیم اوسط 1.5 فیصد کے ساتھ تقابل سے طویل المیعاد سرمایہ کاروں کے لیے غیر معمولی منافعوں کا عندیہ ملتا ہے۔ ہم سمجھتے ہیں کہ شعبوں اور اسٹاک کی مجموعی تصویر اہمیت کی حامل رہے گی، اور سرمایہ کاری کے انتخاب میں ایسی کمپنیوں پر توجہ مرکوز ہونی چاہیے جو اپنی خلقی قدر سے گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

قرض حاصلین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب، شروع سود میں متوقع اضافے کی بدولت حکومتی بانڈز کے منافع جات میں اضافہ جاری رہ سکتا ہے۔ ہم بانڈز کے منافع جات کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ کی صنعت کا جائزہ

اوپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2022ء کی پہلی سہ ماہی کے دوران تقریباً 1.4 فیصد بڑھ کر اختتام مدت پر 1,032 بلین روپے تھے۔ مجموعی money مارکیٹ فنڈز میں جون 2021ء کے مقابلے میں 1.1 فیصد اضافہ ہوا۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور 8.1 فیصد بڑھ کر 308 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 9.9 فیصد گھٹ کر 164 بلین روپے ہو گئے۔ علاوہ ازیں، مجموعی فلسفہ انکم فنڈز میں جون 2021ء کے مقابلے میں 8.5 فیصد اضافہ ہوا اور روایتی انکم فنڈز 13.6 فیصد بڑھ کر 143 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں گزشتہ سہ ماہی کے مقابلے میں 4.4 فیصد کمی ہوئی کیونکہ دوران مدت مارکیٹ میں تنزل دیکھا گیا جس کے نتیجے میں اثاثہ جات تحت الانظامیہ (AUMs) گھٹ گئے اور کلاں معاشیاتی اور ارضی سیاسی عوامل پر خدشات نے سرمایہ کاروں کو ڈور رکھا۔ شعبہ جاتی اعتبار سے مالی سال 2022ء کی پہلی سہ ماہی کے اختتام پر money مارکیٹ فنڈز تقریباً 46 فیصد شراکت کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز کی شراکت 28 فیصد اور انکم فنڈز کی 26 فیصد تھی۔

ڈائریکٹرز رپورٹ

ثانوی مارکیٹس کی پیداواروں میں دوران سہ ماہی قابل ذکر اضافہ ہوا ہے کیونکہ اسٹیٹ بینک آف پاکستان نے مالیاتی سختی کا دورہ شروع کر دیا ہے۔ روپے کی قدر میں حالیہ کمی کے ساتھ ساتھ مسلسل بلند اشیائی قیمتوں سے افراط زر پر دباؤ میں اضافہ ہوگا اور مالی سال 2022ء کے لیے افراط زر کا اوسط متوقع طور پر اسٹیٹ بینک آف پاکستان کی پیش گوئی کردہ سطح 7 تا 9 فیصد سے بلند ہوگا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈز میں دوران مدت بالترتیب 73 بی پی ایس، 46 بی پی ایس اور 51 بی پی ایس اضافہ ہوا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 8.79 فیصد تھا جو مقررہ معیار 6.75 فیصد کے مقابلے میں 2.04 فیصد بہتر کارکردگی ہے۔ فنڈ کی بالوزن اوسط میچورٹی (WAM) ستمبر کے اختتام پر 1 دن تھی۔

ستمبر کے اختتام پر فنڈ کی سرمایہ کاری نقد میں 99.4 فیصد تھی۔ نقد میں زیادہ سرمایہ کاری کی وجہ سے بینک ڈپازٹس پر منافع بخش شرحیں تھی۔ 30 ستمبر 2021ء کو فنڈ کے net اثاثہ جات 34,248 ملین روپے تھے، جو 30 جون 2021ء کی سطح 34,030 ملین روپے کے مقابلے میں 0.64 فیصد اضافہ ہے۔

30 ستمبر 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 101.2238 روپے تھی، جو 30 جون 2021ء پر ابتدائی این اے وی 100.9800 روپے کے مقابلے میں 0.2438 روپے فی یونٹ اضافہ ہے۔

معیشت اور بازار - مستقبل کا منظر

حکومت نے مالی سال 2022ء کے لیے جی ڈی پی میں ترقی کا ہدف 4.8 فیصد مقرر کیا ہے۔ کووڈ-19 ویکسین مہم کامیابی کے ساتھ جاری ہے اور پانچ کروڑ سے زیادہ افراد پہلی خوراک حاصل کر چکے ہیں۔ اس کی بدولت ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی ہے اور ہم اُمید کرتے ہیں کہ کووڈ کی صورتحال قابو میں رہے گی۔ وسیع تر معیشت قبل از کووڈ سطحوں کے قریب چلتی ہوئی نظر آ رہی ہے جس کی پیمائش ایل ایس ایم میں ترقی، سیمنٹ کی فروخت، گاڑیوں کی فروخت وغیرہ سے ہوتی ہے۔ تاہم اشیاء کی قیمتوں میں حالیہ اضافہ مالیاتی اور خارجی اکاؤنٹس، دونوں کو مشکلات سے دوچار کر دے گا۔ طلب میں کمی کے حالیہ حکومتی اقدامات کے سبب ترقی کے حکومتی اہداف کی تکمیل کو خطرات لاحق ہو گئے ہیں۔ ہم توقع کرتے ہیں کہ جی ڈی پی میں سال گزشتہ کے مقابلے میں زیادہ ترقی ہوگی، لیکن زیادہ امکان اس بات کا ہے کہ یہ 4.8 فیصد کے حکومتی ہدف سے نیچے رہے گی۔

حکومتی ترقیاتی اقدامات اور بلند ترین بین الاقوامی اشیائی قیمتوں کے باعث مقامی طلب میں بھرپور بحالی ہوئی ہے اور اس کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں بھرپور اضافہ ہوا ہے۔ خام تیل کی بین الاقوامی قیمتوں اور اشیاء کی عمومی قیمتوں میں اضافے کی صورتحال میں مالی سال 2022ء میں کرنٹ اکاؤنٹ خسارہ بڑھ کر 13.1 بلین ڈالر (جی ڈی پی کے 4.0 فیصد) تک پہنچ سکتا ہے۔ خدشہ ہے کہ یہ خسارہ مقامی روپے کو مزید کمزور کرے گا، اور اختتام سال پر شرح مبادلہ تقریباً 176 ڈالر فی روپیہ ہو جانے کا امکان ہے۔ آئی ایم ایف پروگرام کی تیز رفتار بحالی مالیاتی گوشوارے کو مثبت احاطے میں رکھنے کے لیے کلیدی شرط ہوگی۔ ایس بی پی نے اشارہ دیا ہے کہ کرنٹ اکاؤنٹ کی قابل بقاء صورتحال یقینی بنانے کے لیے مارکیٹ کی متعین کردہ پیکڈ شرح مبادلہ اور سود کی شرحوں میں بتدریج سختی کو بھی استعمال کیا جائے گا۔ ہماری خارجی صورتحال کو سنبھالنے میں ترسیلات کے ساتھ ساتھ دو طرفہ اور کثیر الطرفہ آمدات بھی اہم کردار ادا کریں گی۔

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی کیش مینجمنٹ آپٹیمائزر کے گوشواروں مختتمہ سہ ماہی 30 ستمبر 2021ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

مالی سال کا بھرپور آغاز ہوا جب کووڈ-19 ویکسین کی مہم میں تیز رفتاری سے ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی۔ معیشت میں بحالی متوقع سے زیادہ ہوئی کیونکہ مالیاتی تسہیل کی سست رفتار اثر پذیری، ترسیلات زر میں اضافے، اور حکومتی ترغیبات مثلاً TERF سہولتوں نے معاشی ترقی کو محرک فراہم کیا۔ مالی سال 2021ء میں مجموعی ملکی پیداوار (جی ڈی پی) میں 3.94 فیصد ترقی ہوئی اور اگلے مالی سال 2022ء کے لیے حکومت کو 4.8 فیصد معاشی ترقی کی توقع ہے۔

تاہم مقامی طلب کی بھرپور بحالی، اور اس کے ساتھ بلند ترین الاقوامی ایشیائی قیمتوں، کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا۔ چنانچہ مقامی روپے پر دباؤ پڑا جس کی قدر میں دوران سہ ماہی امریکی ڈالر کے مقابلے میں 13.1 فیصد کمی ہوئی۔ کرنٹ اکاؤنٹ نے مالی سال کے پہلے دو ماہ میں 2,290 ملین ڈالر خسارہ پوسٹ کیا جبکہ اس کے بالمقابل سال گزشتہ مماثل مدت میں 838 ملین ڈالر فاضل تھے۔ اس ابتری کی بنیادی وجہ درآمدات میں اضافہ تھی جس میں پہلے دو ماہ کے دوران 67.8 فیصد اضافہ ہوا جبکہ اس کے بالمقابل برآمدات میں 35.4 فیصد اضافہ ہوا۔ تجارتی خسارہ 100.2 فیصد بڑھ کر 6.8 بلین ڈالر ہو گیا جبکہ اس کے بالمقابل سال گزشتہ 3.4 بلین ڈالر تھا۔ مرکزی بینک میں غیر ملکی زرمبادلہ کے ذخائر میں 1.6 بلین ڈالر کا اضافہ ہوا کیونکہ پاکستان کو آئی ایم ایف سے اس کے نئے ایس ڈی آر اختصاص کے تحت 2.75 بلین ڈالر موصول ہوئے جس کا مقصد کورونا وائرس وبا سے نبرد آزما ضرر پذیر ممالک کی معاشی معاونت ہے۔

افراط زر (مہنگائی) حکومت کے لیے مسئلہ بنی رہی اور بڑھتی ہوئی ایشیائی قیمتوں نے پالیسی سازوں کو مشکلات سے دوچار رکھا۔ مجموعی افراط زر، جس کی ترجمانی صارفین کی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط دوران سہ ماہی 8.58 فیصد تھا، اور ایشیائے خورد و نوش کے افراط زر کا اوسط 9.5 فیصد تھا۔ بین الاقوامی سطح پر تیل اور ایل این جی کی قیمتوں میں اضافے کے نتیجے میں ایندھن کی قیمتوں میں اضافہ بھی افراط زر پر اثر انداز ہوا۔ اس کے باوجود بنیادی افراط زر، جس کی پیمائش ایشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.5 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے دوران سہ ماہی دو اجلاس منعقد کیے اور ستمبر 2021ء کے اجلاس میں پالیسی کی شرح میں 25 بیسیس پوائنٹس (بی پی ایس) کا اضافہ کیا۔ اسٹیٹ بینک آف پاکستان نے سود کی شرح میں اضافہ کیا تاکہ کرنٹ اکاؤنٹ خسارے اور معیشت میں بڑھتی ہوئی حرارت کو قابو میں رکھا جائے کیونکہ نوزائیدہ معاشی ترقی کی حفاظت کے لیے سود کی شرحوں میں بتدریج اضافے کی ضرورت ہوتی ہے۔

مالیاتی جانب ایف بی آر کی ٹیکس وصولی میں دوران سہ ماہی سال گزشتہ کے مقابلے میں 38 فیصد اضافہ ہوا؛ 1,395 بلین روپے، جو 1,211 بلین روپے کے ہدف سے 184 بلین روپے زیادہ ہیں۔ اس کی وجہ بلند تر درآمدات کے باعث بلند تر کسٹم ڈیوٹی اور سیلز ٹیکس ہیں

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021**

	September 2021 (Unaudited)	June 2021 (Audited)
Note	----- (Rupees in '000) -----	
ASSETS		
Balances with banks	6 34,119,898	34,046,358
Advances, deposits, prepayments and other receivable	222,190	193,427
Total assets	34,342,088	34,239,785
LIABILITIES		
Payable to the Management Company	9 33,251	10,199
Payable to Central Depository Company of Pakistan Limited - Trustee	1,840	2,015
Payable to Securities and Exchange Commission of Pakistan	1,600	6,427
Accrued expenses and other liabilities	8 56,910	191,481
Total liabilities	93,601	210,122
NET ASSETS	34,248,488	34,029,663
Unit holders' fund (as per statement attached)	34,248,488	34,029,663
Contingencies and Commitments	10	
	(Number of units)	
NUMBER OF UNITS IN ISSUE	338,344,296	336,994,243
	(Rupees)	
NET ASSETS VALUE PER UNIT	101.2238	100.9800

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

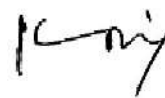
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 2021	September 2020
Note	(Rupees in '000)	
INCOME		
Capital gain on sale of investments - net	25,628	(10,262)
Profit on letter of placement	-	1,985
Profit on bank deposits	351,970	213,790
Income from government securities	251,782	318,067
Income from commercial papers	-	-
	629,380	523,579
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	7.1.1 -	-
Total income	629,380	523,579
EXPENSES		
Remuneration of Management Company	24,431	25,957
Sindh Sales tax on Management fee	3,176	3,374
Remuneration of Central Depository Company of Pakistan Limited - Trustee	5,203	4,798
Sindh Sales tax on remuneration of Central Depository Company of Pakistan Limited- Trustee	676	624
Annual fee of Securities and Exchange Commission of Pakistan	1,600	1,472
Allocated expenses	1,979	7,381
Marketing And Selling Expense	26,838	-
Legal and professional	434	34
Brokerage expenses	599	64
Auditor's remuneration	248	248
Other expenses	332	277
Total operating expenses	65,516	44,230
Net income from operating activities	563,863	479,350
Sindh Workers' Welfare Fund (SWWF)	8.1 134,276	(9,587)
Net income for the period before taxation	698,139	469,763
Taxation	11 -	-
Net income for the period after taxation	698,139	469,763
Allocation of net income for the period:		
Net income for the period	698,139	469,763
Income already paid on units redeemed	(13,675)	(36,183)
	684,465	433,580
Accounting income available for distribution		
- Relating to capital gains	25,198	-
- Excluding capital gains	659,267	433,580
	684,465	433,580
Earnings per unit	12	

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

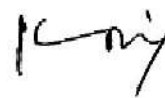
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 2021	September 2020
	----- (Rupees in '000) -----	
Net income for the period after taxation	698,139	469,763
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>698,139</u>	<u>469,763</u>

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

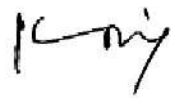
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Note	September 30 2021			September 30 2020		
	(Rupees in '000)					
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	33,870,518	159,145	34,029,663	27,987,813	117,973	28,105,786
Issue of 158,254,026 units - including additional units (2020:333,731,129 units)						
- Capital value (at net asset value per unit at the beginning of the period)	15,980,484	-	15,980,484	33,658,831		33,658,831
- Element of income	22,013	-	22,013	34,865		34,865
	16,002,497	-	16,002,497	33,693,696	-	33,693,696
Redemption of 156,903,973 units (2021: 316,468,225 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(15,844,156)	-	(15,844,156)	(31,917,761)	-	(31,917,761)
- Element of income	(894)	(13,675)	(14,568)	(2,948)	(36,183)	(39,131)
	(15,845,049)	(13,675)	(15,858,724)	(31,920,709)	(36,183)	(31,956,892)
Total comprehensive income for the period	-	698,139	698,139	-	469,763	469,763
Interim distribution during the period	(14,227)	(608,860)	(623,087)	(30,811)	(380,425)	(411,236)
	(14,227)	89,279	75,052	(30,811)	89,338	58,527
Net assets at end of the period	34,013,738	234,750	34,248,488	29,729,989	171,128	29,901,117
Undistributed income brought forward comprising of:						
- Realised		159,145			117,891	
- Unrealised (loss) / gain		-			82	
		159,145			117,973	
Accounting income available for distribution						
- Relating to capital gains	-			-		
- Excluding capital gains	684,465			433,580		
	684,465			433,580		
Cash distribution during the period		608,860			380,425	
Undistributed income carried forward		234,750			171,128	
Undistributed income carried forward						
- Realised		234,750			171,128	
- Unrealised		-			-	
		234,750			171,128	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			100.9800			100.8561
Net assets value per unit at end of the period			101.2238			101.0395

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements

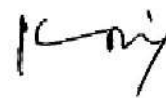
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 2021 ----- (Rupees in '000) -----	September 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	698,139	469,763
Adjustments for non cash and other items:		
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'at fair value through profit or loss'	-	-
Capital gain / (loss) on sale on investments - net	(25,628)	10,262
	<u>(25,628)</u>	<u>10,262</u>
	672,511	480,025
Decrease in assets		
Investments	25,624	23,320
Receivable against sale of securities	-	3,360,717
Prepayments and profit receivable	(28,763)	98,065
	<u>(3,139)</u>	<u>3,482,102</u>
(Decrease) / Increase in liabilities		
Payable to Management Company	23,052	(5,151)
Payable to Central Depository Company of Pakistan Limited - Trustee	(175)	237
Payable to Securities and Exchange Commission of Pakistan	(4,827)	(2,402)
Payable Against Purchase Of Investment - money market	-	(3,352,541)
Accrued expenses and other liabilities	(134,571)	9,759
	<u>(116,521)</u>	<u>(3,350,098)</u>
Net cash generated operating activities	<u>552,850</u>	<u>612,029</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt from issuance and conversion of units (excluding additional units)	15,988,270	33,662,884
Payment against redemption and conversion of units	(15,858,724)	(31,956,892)
Distributions made during the period	(608,856)	(380,425)
Net cash generated from / (used in) financing activities	<u>(479,310)</u>	<u>1,325,568</u>
Net increase in cash and cash equivalents	73,540	1,937,597
Cash and cash equivalents at beginning of the period	34,046,358	28,023,622
Cash and cash equivalents at end of the period	<u>34,119,898</u>	<u>29,961,219</u>

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

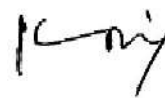
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB Cash Management Optimizer (the Fund) was established through a Trust Deed executed between Arif Habib Investments Limited (now MCB-Arif Habib Savings and Investments Limited), as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The draft Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated July 09, 2009 consequent to which the trust deed was executed on July 10, 2009, in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end mutual fund and has been categorised as 'Money Market Scheme' by the Board of Directors of the Management Company in accordance with the requirements of Circular 7 of 2009 dated March 6, 2009 issued by the SECP, and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. Unit holders are divided into plan 'A' and plan 'B'. The unit holders under plan "A" are entitled for bonus units as well as cash dividend, whereas unit holders under plan "B" are entitled for cash dividend only. The units are listed on Pakistan Stock Exchange Limited (PSX).
- 1.4 The Fund primarily invests in a mix of short term corporate debt and government securities, repurchase agreements, term deposit and money market placements with scheduled banks.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 06, 2021 to the Management Company and a stability rating of 'AA+(f)' dated September 09, 2021 to the Fund.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1. STATEMENT OF COMPLIANCE

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement of the Trust Deed.

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

2.1.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2021.

2.1.3 The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2021, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the quarter ended 30 September 2020.

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

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

2.2 Basis of Measurement

This condensed interim financial information have been prepared on the basis of historical cost convention except that investments have been included at fair value.

2.3 Functional and presentation currency

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

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 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 year ended June 30, 2021.

3.2 Standards, amendments and interpretations to existing standards not yet effective and not applicable/ relevant to the Fund

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the Fund's accounting periods beginning on or after July 1, 2019 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

4 Estimates and Judgements

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2021.

5 Financial Risk Management

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2021.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

		September 2021 (Unaudited)	June 2021 (Audited)
		------(Rupees in '000)-----	
6	BALANCES WITH BANKS		
	In current accounts	6.1 54,305	4,223,994
	In saving accounts	6.2 34,065,593	29,822,364
		<u>34,119,898</u>	<u>34,046,358</u>

6.1 This represents balance maintained with MCB Bank Limited.

6.2 These carry profit at the rates ranging between 5.75% to 8.85 % (2021: 5.5% to 7.85%) per annum and include Rs.22.32 million maintained with MCB Bank Limited (2021: 30.109 million), (a related party) which carries profit at the rate of 5.75% per annum.

		September 2021 (Un-audited)	June 2021 (Audited)
		------(Rupees in '000)-----	
7	INVESTMENTS		
		Note	
7.1	Investments at fair value through profit or loss'		
	Market Treasury Bills	7.1.1	- - <u>-</u>

7.1.1 Market treasury bills

Name of Security	Issue Date	Face value			As at 30 September 2021			Market value		
		As at July 01, 2021	Purchased during the period	Sold / matured during the period	As at Sep 30, 2021	Carrying value	Market value	Unrealized gain / (loss)	As a percentage of net assets	As a percentage of total investments
------(Rupees in '000)-----										

Market treasury bills - 3 months

Market treasury bills	May 6, 2021	-	4,000,000	4,000,000	-	-	-	-	0.00%	0.00%
Market treasury bills	May 20, 2021	-	6,000,000	6,000,000	-	-	-	-	0.00%	0.00%
Market treasury bills	June 3, 2021	-	2,000,000	2,000,000	-	-	-	-	0.00%	0.00%
Market treasury bills	June 17, 2021	-	4,000,000	4,000,000	-	-	-	-	0.00%	0.00%
Market treasury bills	July 2, 2021	-	4,500,000	4,500,000	-	-	-	-	0.00%	0.00%
Market treasury bills	July 15, 2021	-	7,700,000	7,700,000	-	-	-	-	0.00%	0.00%
Market treasury bills	July 29, 2021	-	6,500,000	6,500,000	-	-	-	-	0.00%	0.00%
Market treasury bills	August 12, 2021	-	12,000,000	12,000,000	-	-	-	-	0.00%	0.00%
Market treasury bills	August 26, 2021	-	4,000,000	4,000,000	-	-	-	-	0.00%	0.00%
Market treasury bills	September 9, 2021	-	500,000	500,000	-	-	-	-	0.00%	0.00%

Market treasury bills - 6 months

Market treasury bills	February 25, 2021	-	500,000	500,000	-	-	-	-	0.00%	0.00%
Market treasury bills	March 11, 2021	-	950,000	950,000	-	-	-	-	0.00%	0.00%
Market treasury bills	March 25, 2021	-	2,000,000	2,000,000	-	-	-	-	0.00%	0.00%
Market treasury bills	April 22, 2021	-	13,100,000	13,100,000	-	-	-	-	0.00%	0.00%
Market treasury bills	May 6, 2021	-	2,424,390	2,424,390	-	-	-	-	0.00%	0.00%
Market treasury bills	June 3, 2021	-	1,900,000	1,900,000	-	-	-	-	0.00%	0.00%
Market treasury bills	July 2, 2021	-	4,500,000	4,500,000	-	-	-	-	0.00%	0.00%
Market treasury bills	July 15, 2021	-	14,273,000	14,273,000	-	-	-	-	0.00%	0.00%
Market treasury bills	July 29, 2021	-	11,966,500	11,966,500	-	-	-	-	0.00%	0.00%
Market treasury bills	August 12, 2021	-	5,500,000	5,500,000	-	-	-	-	0.00%	0.00%
Market treasury bills	August 26, 2021	-	8,500,000	8,500,000	-	-	-	-	0.00%	0.00%
Market treasury bills	September 9, 2021	-	500,000	500,000	-	-	-	-	0.00%	0.00%

Total as at September 30, 2021

Total as at June 30, 2021

-	-	-
-	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Note	September 30 2021 (Unaudited)	June 30 2021 (Audited)
8 ACCRUED EXPENSES AND OTHER LIABILITIES		(Rupees in '000)	
Provision for Sindh Workers' Welfare Fund	8.1	-	134,276
Provision for Federal Excise Duty and related taxes on:	8.2		
-Management fee		54,267	54,267
-Sales load		19	19
Brokerage payable		376	13
Capital gain tax payable		363	1,689
Auditor's remuneration		899	651
Printing and related expenditure		65	40
Others		921	526
		<u>56,910</u>	<u>191,481</u>

8.1 Provision for Sindh Workers' Welfare Fund

Sindh Revenue Board (SRB) through its letter dated August 12, 2021 received on August 13, 2021 has intimated Mutual Funds Association of Pakistan's (MUFAP) that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the Sindh Workers' Welfare Fund (SWWF) contributions. This development was discussed at MUFAP level and was also been taken up with the the Securities and Exchange Commission of Pakistan (SECP). All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds till August 12, 2021 on August 13, 2021.

SECP has also given its concurrence for recording reversal of provision of SWWF on the day letter was received by MUFAP. This reversal of provision has contributed towards an unusual increase in NAV of the Fund on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

Going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

8.2 Federal Excise Duty and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2021. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2021 would have been higher by Re. 0.1604 per unit (June 30, 2021: Re. 0.161 per unit).

	September 30 2021 (Unaudited)	June 30 2021 (Audited)
9 PAYABLE TO MCB-ARIF HABIB SAVINGS & INVESTMENTS LIMITED - MANAGEMENT COMPANY	(Rupees in '000)	
Management fee payable	4,486	8,147
Sindh sales tax on management fee	581	1,057
Payable against allocated expenses	1,347	995
Marketing and Selling Expense	26,838	-
	<u>33,251</u>	<u>10,199</u>

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

11 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute at least 90% of income to be earned during current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

12 EARNINGS / (LOSS) PER UNIT

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

13 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the holding company of the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund..

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Fund.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	September 30,	
	2021	2020
	(Unaudited)	
	----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited		
Remuneration of the Management Company (including indirect taxes)	27,607	29,332
Allocated expenses	1,979	7,381
 Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee (including indirect taxes)	5,879	5,422
 MCB Bank Limited		
Profit on bank deposits	287	236
Bank Charges	30	64
 Arif Habib Limited - Brokerage House		
Brokerage expense	13	3

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

13.1 Balance outstanding as at the period / year end are as follows:

	September 2021 (Unaudited)	June 2021 (Audited)
	----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited		
Management fee payable	4,486	8,147
Sindh sales tax payable on management fee	581	1,057
Allocated expenses payable	1,347	995
Marketing and Selling payable	26,838	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	1,628	1,783
Sindh sales tax payable on trustee fee	212	232
MCB Bank Limited		
Bank deposits	76,624	30,109
Profit Receivable	419	419
Arif Habib Limited - Brokerage House		
Brokerage payable*	13	-

* The amount disclosed represents the amount of brokerage paid to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter parties are not connected persons.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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

For quarter ended September 30, 2021 (Unaudited)								
As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021	
-----Units-----				----- (Rupees in '000) -----				
Associated Companies								
MCB - Arif Habib Savings and Investments								
Limited - Management Company	64,767	9,051,431	6,112,677	3,003,520	6,540	914,517	618,629	304,028
Adamjee Life Assurance Company Ltd	518,776	8,670	-	527,446	52,386	875	-	53,390
MCB Financial Services Limited	862,616	13,756	39,499	836,873	87,107	1,389	4,000	84,711
Adamjee Life Assurance Co Ltd Isf ii	-	8,912,656	3,261,556	5,651,100	-	900,000	330,000	572,026
D.G Khan Cement Company Limited	3	-	-	3	1	-	-	1
Nishat Power Limited Employees								
Provident Fund Trust	111,101	2,187	-	113,288	11,219	221	-	11,467
Adamjee Insurance Co.Ltd.								
Employees Gratuity Fund	68,133	314,803	68,496	314,440	6,880	31,852	6,917	31,829
Employees Provident Fund	196,012	628,057	197,056	627,013	19,793	63,450	19,899	63,469
Security General Insurance Co. Ltd.	10,276	122	10,399	-	1,038	12	1,051	-
Sayyed Engineers Limited	5,981	100	-	6,081	604	10	-	616
Asghari Beg Memorial Trust	-	2	-	2	-	-	-	-
Key management personnel	23,011,248	437,992	76,906	23,372,335	2,323,675	44,231	7,770	2,365,836
Mandate Under Discretionary								
Portfolio Services	1,963,418	6,574,374	1,876,297	6,661,494	198,266	664,025	189,843	674,302
Unit holders holding 10% or more units**	82,168,723	84,071,044	88,095,098	78,144,669	8,297,394	8,494,306	6,496,768	7,910,099

**These persons became connected persons / related parties during the period due to acquiring unit holding of more than 10% of net assets of the Fund.

For quarter ended September 30, 2019 (Unaudited)								
As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020	As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020	
-----Units-----				----- (Rupees in '000) -----				
Associated Companies								
MCB - Arif Habib Savings and Investments								
Limited - Management Company	5,469,446	22,151,628	23,208,371	4,412,704	551,627	2,234,573	2,343,044	445,857
Hyundai Nishat Motor Private Limited Employees								
Provident Fund	22,187	317	-	22,504	2,238	32	-	2,274
Adamjee Life Assurance Company Ltd	-	494,952	-	494,952	-	50,000	-	50,010
MCB Financial Services Limited	834,417	10,114	-	844,531	84,156	1,021	-	85,331
D.G Khan Cement Company Limited	3	-	-	3	1	-	-	1
Nishat Power Limited Employees								
Provident Fund Trust	103,985	1,484	-	105,469	10,488	150	-	10,657
Adamjee Insurance Co.Ltd.								
Employees Gratuity Fund	267,294	3,453	77,571	193,175	26,958	348	7,828	19,707
Employees Provident Fund	534,504	6,901	155,376	386,029	53,908	696	15,679	39,004
Security General Insurance Co. Ltd.	4,517,331	46,677	3,962,680	601,329	455,601	4,708	400,000	60,758
Sayyed Engineers Limited	5,654	69	-	5,723	570	7	-	578

14. TOTAL EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 0.83% (September 30, 2020:0.71%) and this includes 0.08% (September 30, 2020:0.19%) representing government levy, SECP fee etc.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

15. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

Fair value hierarchy

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

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

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

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

16. Impact of COVID-19

A novel strain of coronavirus (COVID-19) was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally. Measures taken to contain the spread of the virus, including lock-downs, travel bans, quarantines, social distancing, and closures of non-essential services and factories triggered significant disruptions to businesses worldwide and in Pakistan, resulting in an economic slowdown. During the lockdown that lasted from March to May 2020, the funds continued their activity, as the Pakistan Stock Exchange and the money markets continued trading. Management Company is of the view that while COVID-19 and its resulting containment measures have affected the economy, investors' confidence and adequate steps from the government and regulators have spearheaded recovery and subsequent events reflect that in due course, things would be normalised.

17. INTERIM DISTRIBUTION DURING THE PERIOD

-----September 30, 2021-----				
----- (Unaudited) -----				
Rate per unit	Declaration date	—	Refund of Capital	Distribution of Income
--- (Rupees in '000) ----				
For the period ended 27 July 2021	Re 0.5378	July 28, 2021	3,437	173,670
For the period ended 06 Aug 2021	Re 0.2347	August 9, 2021	603	75,805
For the period ended 23 Aug 2021	Re 0.6364	August 24, 2021	833	203,422
For the period ended 03 Sep 2021	Re 0.2684	September 6, 2021	4,660	70,660
For the period ended 17 Sep 2021	Re 0.2955	September 20, 2021	4,695	85,301
		-	14,227	608,860

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

18. GENERAL

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

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

19. DATE OF AUTHORISATION

These condensed interim financial statements were authorized for issue on October 22, 2021 by the Board of Directors of the Management Company.

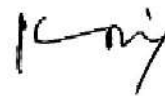
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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

UAN: (+92-21) 11-11-622-24 (11-11-MCB-AH)

URL: www.mcbah.com, **Email:** info@mcbah.com

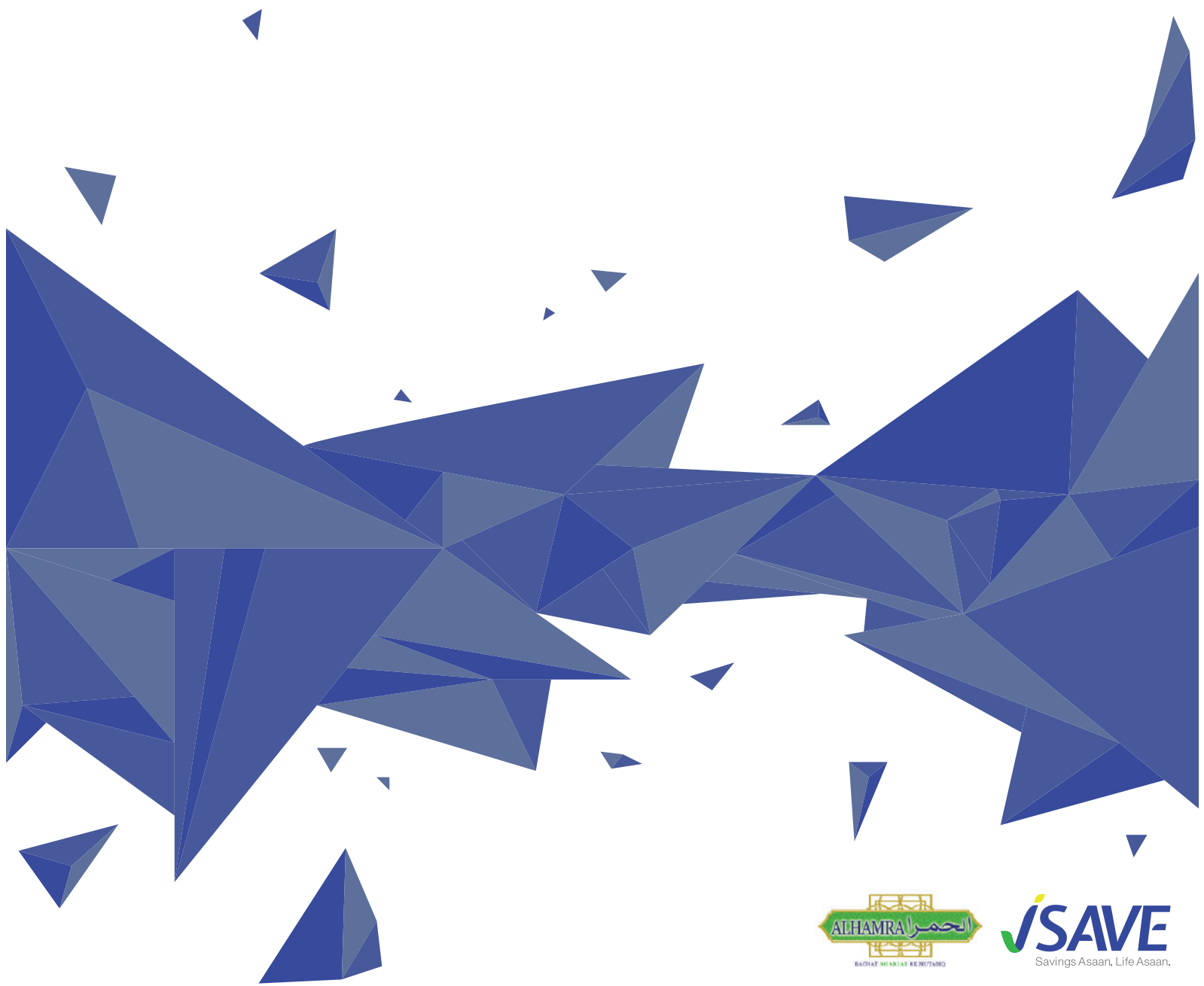


MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2021
(UNAUDITED)

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



ALHAMRA ISLAMIC MONEY MARKET FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Digital Custodian Company Limited (Formerly MCB Financial Services Limited) 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.co	
Bankers	MCB Bank Limited Allied Bank Limited United Bank Limited Meezan Bank Limited Dubai Islamic Bank Limited Faysal Bank Limited National Bank Limited Askari Bank Limited	
Auditors	Ernst & Young Ford Rhodes Chartered Accountants Progressive Plaza, Beaumont Road, P.O.Box 15541 Karachi, Sindh-75530, Pakistan.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM1 Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Money Market Fund** accounts review for the quarter ended September 30, 2021.

Economy and Money Market Review

The fiscal year started on a robust note as Covid-19 vaccination drive gathered paced which helped to lift lockdowns across the county. The economic recovery was higher than expected as lagged impact of monetary easing, higher remittances and government incentives such as TERF facilities provided impetus to economic growth. The GDP growth clocked at 3.94 per cent in FY21 with government expecting the economic growth to clock at 4.8 per cent for FY22.

However, the robust recovery in domestic demand, coupled with higher international commodity prices, led to a strong pick-up in imports and a rise in the current account deficit. This put pressure on the local currency as rupee depreciated by 13.1 per cent against USD during this quarter.

Current account deficit posted a deficit of USD 2,290 million in the first two months of fiscal year compared to a surplus of USD 838 million in the corresponding period of the last year. The deterioration came in primarily on the back of higher imports which grew by 67.8 per cent in the first two months compared to export growth of 35.4 per cent. Trade Deficit increased by 100.2 per cent to USD 6.8 billion compared to USD 3.4 billion last year. Foreign exchange reserves of central bank saw an increase of USD 1.6 billion as Pakistan received USD 2.75 billion from the IMF under its new SDR allocation to back economically vulnerable countries combating the coronavirus pandemic.

Inflation remained a concern for the government as rising commodities continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.58 per cent during the quarter, with food inflation averaging 9.5 per cent during the period. Inflation was also effected by increase in fuel prices on account of increase in international oil and LNG prices. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.5 per cent for the period. The MPC committee conducted two monetary policies during the quarter and increased policy rate by 25bps in the Sep-21 meeting. SBP increased the interest rate to control the current account deficit and prevent the overheating of the economy as it noted the need to gradually increase the interest rates to protect the nascent economic growth.

On the fiscal side FBR Tax collection increased by 38 per cent over last year in this quarter to clock at PKR 1,395 billion compared to target of PKR 1,211 billion exceeding it by PKR 186 billion. This was on the back of higher custom duty and sales tax due to higher import.

Secondary markets yields have increased significantly in the quarter as SBP has started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average FY22 inflation to clock above the range of 7-9 per cent forecasted by SBP. 3Y, 5Y and 10Y bonds saw a rise of 73 bps, 46 bps and 51 bps respectively during th e period.

FUND PERFORMANCE

During the period under review, the fund posted a return of 6.97 per cent compared to the benchmark return of 3.26 per cent. In addition, the fund's exposure in Cash stood at 65.8 per cent.

The Net Assets of the Fund as at September 30, 2021 stood at Rs. 13,780 million as compared to Rs. 15,258 million as at June 30, 2021 registering a decrease of -9.69 per cent. The Net Asset Value (NAV) per unit as at September 30, 2021 was Rs. 99.5100 as compared to Rs. 99.5100 at June 30, 2021 as well.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Economy & Market – Future Outlook

The government has set a GDP growth target of 4.8 per cent for fiscal year 2022 (FY22). Covid-19 vaccination drive is continuing with success as over 50 million people have received the first dose of coronavirus vaccine. This has helped to lift lockdown across the country and we expect the Covid-19 situation to remain under control. Broader economy also appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc. However, the recent surge in commodity prices poses challenges to both to Fiscal and External Accounts. Due to the recent government steps to curtail demand we see some downside risks to government growth target. We expect GDP growth to clock higher as compared to previous year but it is likely to remain lower than the government target of 4.8 per cent.

The robust recovery in domestic demand on the back of pro-growth measures by the government, coupled with higher international commodity prices, has led to a strong pick-up in imports and a rise in the current account deficit. The current account deficit is expected to increase to USD 13.1 billion (4.0 per cent of GDP) in FY22, amid rising international crude oil prices along with general increase in international commodity prices. The Current Account deficit is likely to further weaken the local currency and we expect the exchange rate to close the year around 176 PKR/USD. Swift resumption of IMF program will be a key prerequisite to keep the financial account in positive zone. SBP has indicated that the flexible market determined exchange rate and gradual tightening of interest rates would be used in tandem to ensure sustainable current account position. The remittances along with bilateral and multilateral flows would also be crucial in managing our external position.

CPI averaged 8.9 per cent in FY21. The expected utility adjustments, currency depreciation and higher international commodities prices will lead to increase in inflation in this year. We expect Average FY22 inflation to clock at 9.7 per cent with inflation going in double digits in second half of the fiscal year. Based on our expected inflation, the real interest rates now fall into negative range thus requiring adjustments in the monetary policy during the current fiscal year. However, SBP has shown its focus to avoid any shocks to economic growth and will gradually increase interest rate to achieve mildly positive interest rate over the medium term. We expect the Policy Rate to reach 9.0 per cent by the end of the year.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in expected interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 15.9 per cent, a discount of 43 per cent from its historical average. Similarly, risk premiums are close to 5.9 per cent, compared to historical average of 1.5 per cent signifying abnormal returns for long term investors. We believe a micro view of sectors and stock will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds yields may continue to rise given expected increase in interest rates. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

Mutual Fund Industry Review

The Net Assets of the open end mutual fund industry increased by about 1.4 per cent during the quarter to PKR 1,032 billion at the end of 1QFY22. Total money market funds grew by about 1.1 per cent since June 2021. Within the money market sphere, the conventional funds dominated as they grew by about 8.1 per cent to PKR 308 billion while Islamic funds declined by 9.9 per cent to PKR 164 billion. In addition, the total fixed Income funds increased by about 8.5 per cent since June 2021, as the conventional income funds grew by 13.6 per cent to PKR 143 billion.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Equity and related funds declined by 4.4 per cent over last quarter as market witnessed a decline in the quarter eroding AUMS and concern over macroeconomic and geopolitical factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 46 per cent, followed by Equity and Equity related funds with a share of 28 per cent and Income funds having a share of 26 per cent as at the end of 1QFY22.

Mutual Fund Industry Outlook

The recent increase in interest rates along with prospect of further monetary tightening would increase flows in the money market funds. The money markets funds by virtue of its short duration would be the ideal for investors with a short term horizon and low risk profile. However recent correction in stock prices have opened up valuations and long term investors would look to add equity exposure at these attractive levels. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
October 22, 2021



Kashif A. Habib
Director

ڈائریکٹرز رپورٹ

مختصر مدت کی بدولت ایسے سرمایہ کاروں کے لیے موزوں ترین ثابت ہوں گے جو محدود مدت کے لیے اور کم خطرات کے ساتھ کام کرنا چاہتے ہیں۔ تاہم اسٹاک کی قیمتوں میں حالیہ تصحیح نے valuations کو کشادہ کر دیا ہے اور سرمایہ کار ان پُرکشش سطحوں پر ایکویٹی میں پیسہ لگانا چاہیں گے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سہولت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیوں کی مسلسل معاونت اور حمایت کے لیے شکرگزار ہے۔ علاوہ ازیں، ڈائریکٹرز انتظامیہ ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

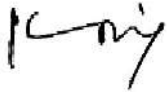
من جانب ڈائریکٹرز



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

22 اکتوبر 2021ء



کاشف اے حبیب

ڈائریکٹر

ڈائریکٹرز رپورٹ

سال رواں کے دوران افراط زر میں اضافہ ہوگا۔ ہماری توقع کے مطابق مالی سال 2022ء کا افراط زر کا اوسط 9.7 فیصد ہوگا، اور سال کے نصف آخر میں افراط زر دو ہندسوں میں پہنچ جائے گی۔ ہماری متوقع افراط زر کی بنیاد پر حقیقی شروع سودا منفی حد میں آرہی ہے، چنانچہ موجودہ مالی سال کے دوران مالیاتی پالیسی میں ترمیمات درکار ہیں۔ تاہم ایس بی پی نے معاشی ترقی کو متوقع دھچکوں سے محفوظ رکھنے پر توجہ مرکوز کی ہے اور درمیانی مدت میں معتدل حد تک مثبت شرح سود حاصل کرنے کے لیے شروع سود میں بتدریج اضافہ کیا جائے گا۔ ہماری توقع کے مطابق پالیسی شرح اختتام سال تک 9.0 فیصد تک پہنچ جائے گی۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے تناظر میں، اسٹاک کی قیمتوں میں حالیہ تصحیح کے نتیجے میں تعین قدر کھل گئی ہے۔ مارکیٹ نے شرح سود میں متوقع اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہوا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 15.9 فیصد ہو گیا ہے، جو اس کے قدیم اوسط سے 43 رعایت ہے۔ اسی طرح خطرات کے پریمیئم تقریباً 5.9 فیصد ہیں، اور ان کے قدیم اوسط 1.5 فیصد کے ساتھ تقابل سے طویل المیعاد سرمایہ کاروں کے لیے غیر معمولی منافعوں کا عندیہ ملتا ہے۔ ہم سمجھتے ہیں کہ شعبوں اور اسٹاک کی مجموعی تصویر اہمیت کی حامل رہے گی، اور سرمایہ کاری کے انتخاب میں ایسی کمپنیوں پر توجہ مرکوز ہونی چاہیے جو اپنی خلقی قدر سے گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب، شروع سود میں متوقع اضافے کی بدولت حکومتی بانڈز کے منافع جات میں اضافہ جاری رہ سکتا ہے۔ ہم بانڈز کے منافع جات کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ کی صنعت کا جائزہ

اپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2022ء کی پہلی سہ ماہی کے دوران تقریباً 1.4 فیصد بڑھ کر اختتام مدت پر 1,032 بلین روپے تھے۔ مجموعی money مارکیٹ فنڈز میں جون 2021ء کے مقابلے میں 1.1 فیصد اضافہ ہوا۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور 8.1 فیصد بڑھ کر 308 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 9.9 فیصد گھٹ کر 164 بلین روپے ہو گئے۔ علاوہ ازیں، مجموعی فلکسڈ انکم فنڈز میں جون 2021ء کے مقابلے میں 8.5 فیصد اضافہ ہوا اور روایتی انکم فنڈز 13.6 فیصد بڑھ کر 143 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں گزشتہ سہ ماہی کے مقابلے میں 4.4 فیصد کمی ہوئی کیونکہ دوران مدت مارکیٹ میں تنزل دیکھا گیا جس کے نتیجے میں اثاثہ جات تحت الانظامیہ (AUMs) گھٹ گئے اور کلاں معاشیاتی اور ارضی سیاسی عوامل پر خدشات نے سرمایہ کاروں کو ڈور رکھا۔ شعبہ جاتی اعتبار سے مالی سال 2022ء کی پہلی سہ ماہی کے اختتام پر money مارکیٹ فنڈز تقریباً 46 فیصد شراکت کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز کی شراکت 28 فیصد اور انکم فنڈز کی 26 فیصد تھی۔

میوچل فنڈز صنعت کے مستقبل کا منظر

سود کی شرحوں میں حالیہ اضافے کے ساتھ ساتھ مزید مالیاتی سختی سے money مارکیٹ فنڈز میں آمدات میں اضافہ ہوگا۔ Money مارکیٹ فنڈز اپنی

ڈائریکٹرز رپورٹ

ثانوی مارکیٹس کی پیداواروں میں دوران سہ ماہی قابل ذکر اضافہ ہوا ہے کیونکہ اسٹیٹ بینک آف پاکستان نے مالیاتی سختی کا دورہ شروع کر دیا ہے۔ روپے کی قدر میں حالیہ کمی کے ساتھ مسلسل بلند ایشیائی قیمتوں سے افراط زر پر دباؤ میں اضافہ ہوگا اور مالی سال 2022ء کے لیے افراط زر کا اوسط متوقع طور پر اسٹیٹ بینک آف پاکستان کی پیش گوئی کردہ سطح 7 تا 9 فیصد سے بلند ہوگا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈز میں دوران مدت بالترتیب 73 بی پی ایس، 46 بی پی ایس اور 51 بی پی ایس اضافہ ہوا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 6.97 فیصد منافع حاصل کیا جبکہ مقررہ معیار 3.26 فیصد تھا۔ علاوہ ازیں، فنڈ کی نقد میں سرمایہ کاری 65.8 فیصد تھی۔

30 ستمبر 2021ء کو فنڈ کے net اثاثہ جات 13,780 ملین روپے تھے، جو 30 جون 2021ء کی سطح 15,258 ملین روپے کے مقابلے میں 9.69 فیصد کمی ہے۔

30 ستمبر 2021ء کو net اثاثہ جاتی قدر (این اے وی) نی یونٹ 99.5100 روپے تھی، جو 30 جون 2021ء کو بھی 99.5100 روپے تھی۔

معیشت اور بازار - مستقبل کا منظر

حکومت نے مالی سال 2022ء کے لیے جی ڈی پی میں ترقی کا ہدف 4.8 فیصد مقرر کیا ہے۔ کووڈ-19 ویکسین مہم کامیابی کے ساتھ جاری ہے اور پانچ کروڑ سے زیادہ افراد پہلی خوراک حاصل کر چکے ہیں۔ اس کی بدولت ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی ہے اور ہم اُمید کرتے ہیں کہ کووڈ کی صورتحال قابو میں رہے گی۔ وسیع تر معیشت قبل از کووڈ سطحوں کے قریب چلتی ہوئی نظر آ رہی ہے جس کی پیمائش ایل ایس ایم میں ترقی، سیمنٹ کی فروخت، گاڑیوں کی فروخت وغیرہ سے ہوتی ہے۔ تاہم اشیاء کی قیمتوں میں حالیہ اضافہ مالیاتی اور خارجی اکاؤنٹس، دونوں کو مشکلات سے دوچار کر دے گا۔ طلب میں کمی کے حالیہ حکومتی اقدامات کے سبب ترقی کے حکومتی اہداف کی تکمیل کو خطرات لاحق ہو گئے ہیں۔ ہم توقع کرتے ہیں کہ جی ڈی پی میں سال گزشتہ کے مقابلے میں زیادہ ترقی ہوگی، لیکن زیادہ امکان اس بات کا ہے کہ یہ 4.8 فیصد کے حکومتی ہدف سے نیچے رہے گی۔

حکومتی ترقیاتی اقدامات اور بلند ترین الاقوامی ایشیائی قیمتوں کے باعث مقامی طلب میں بھرپور بحالی ہوئی ہے اور اس کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں بھرپور اضافہ ہوا ہے۔ خام تیل کی بین الاقوامی قیمتوں اور اشیاء کی عمومی قیمتوں میں اضافے کی صورتحال میں مالی سال 2022ء میں کرنٹ اکاؤنٹ خسارہ بڑھ کر 13.1 بلین ڈالر (جی ڈی پی کے 4.0 فیصد) تک پہنچ سکتا ہے۔ خدشہ ہے کہ یہ خسارہ مقامی روپے کو مزید کمزور کرے گا، اور اختتام سال پر شرح مبادلہ تقریباً 176 ڈالر فی روپیہ ہو جانے کا امکان ہے۔ آئی ایم ایف پروگرام کی تیز رفتار بحالی مالیاتی گوشوارے کو مثبت احاطے میں رکھنے کے لیے کلیدی شرط ہوگی۔ ایس بی پی نے اشارہ دیا ہے کہ کرنٹ اکاؤنٹ کی قابل بقاء صورتحال یقینی بنانے کے لیے مارکیٹ کی متعین کردہ چکدار شرح مبادلہ اور سود کی شرحوں میں بتدریج سختی کو بھی استعمال کیا جائے گا۔ ہماری خارجی صورتحال کو سنبھالنے میں ترسیلات کے ساتھ ساتھ دو طرفہ اور کثیر الطرفہ آمدات بھی اہم کردار ادا کریں گی۔

مالی سال 2021ء میں سی پی آئی کا اوسط 8.9 فیصد تھا۔ متوقع یوٹیلٹی ترسیمات، روپے کی قدر میں کمی اور بلند ترین الاقوامی ایشیائی قیمتوں کے نتیجے میں

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسلامی منی مارکیٹ فنڈ کے گوشواروں میں اختتامہ سہ ماہی 30 ستمبر 2021ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

مالی سال کا بھرپور آغاز ہوا جب کووڈ-19 ویکسین کی مہم میں تیز رفتاری سے ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی۔ معیشت میں بحالی متوقع سے زیادہ ہوئی کیونکہ مالیاتی تسہیل کی سست رفتار اثر پذیری، ترسیلات زر میں اضافے، اور حکومتی ترغیبات مثلاً TERF سہولتوں نے معاشی ترقی کو محرک فراہم کیا۔ مالی سال 2021ء میں مجموعی ملکی پیداوار (جی ڈی پی) میں 3.94 فیصد ترقی ہوئی اور اگلے مالی سال 2022ء کے لیے حکومت کو 4.8 فیصد معاشی ترقی کی توقع ہے۔

تاہم مقامی طلب کی بھرپور بحالی، اور اس کے ساتھ بلند ترین الاقوامی ایشیائی قیمتوں، کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا۔ چنانچہ مقامی روپے پر دباؤ پڑا جس کی قدر میں دوران سہ ماہی امریکی ڈالر کے مقابلے میں 13.1 فیصد کمی ہوئی۔ کرنٹ اکاؤنٹ نے مالی سال کے پہلے دو ماہ میں 2,290 ملین ڈالر خسارہ پوسٹ کیا جبکہ اس کے بالمقابل سال گزشتہ مماثل مدت میں 838 ملین ڈالر فاضل تھے۔ اس ابتری کی بنیادی وجہ درآمدات میں اضافہ تھی جس میں پہلے دو ماہ کے دوران 67.8 فیصد اضافہ ہوا جبکہ اس کے بالمقابل برآمدات میں 35.4 فیصد اضافہ ہوا۔ تجارتی خسارہ 100.2 فیصد بڑھ کر 6.8 بلین ڈالر ہو گیا جبکہ اس کے بالمقابل سال گزشتہ 3.4 بلین ڈالر تھا۔ مرکزی بینک میں غیر ملکی زرمبادلہ کے ذخائر میں 1.6 بلین ڈالر کا اضافہ ہوا کیونکہ پاکستان کو آئی ایم ایف سے اس کے نئے ایس ڈی آر اختصاص کے تحت 2.75 بلین ڈالر موصول ہوئے جس کا مقصد کورونا وائرس وبا سے نبرد آزما ضرر پذیر ممالک کی معاشی معاونت ہے۔

افراط زر (مہنگائی) حکومت کے لیے مسئلہ بنی رہی اور بڑھتی ہوئی ایشیائی قیمتوں نے پالیسی سازوں کو مشکلات سے دوچار رکھا۔ مجموعی افراط زر، جس کی ترجمانی صارفین کی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط دوران سہ ماہی 8.58 فیصد تھا، اور ایشیائے خورد و نوش کے افراط زر کا اوسط 9.5 فیصد تھا۔ بین الاقوامی سطح پر تیل اور ایل این جی کی قیمتوں میں اضافے کے نتیجے میں ایندھن کی قیمتوں میں اضافہ بھی افراط زر پر اثر انداز ہوا۔ اس کے باوجود بنیادی افراط زر، جس کی پیمائش ایشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.5 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے دوران سہ ماہی دو اجلاس منعقد کیے اور ستمبر 2021ء کے اجلاس میں پالیسی کی شرح میں 25 بیسیس پوائنٹس (بی پی ایس) کا اضافہ کیا۔ اسٹیٹ بینک آف پاکستان نے سود کی شرح میں اضافہ کیا تاکہ کرنٹ اکاؤنٹ خسارے اور معیشت میں بڑھتی ہوئی حرارت کو قابو میں رکھا جائے کیونکہ نوزائیدہ معاشی ترقی کی حفاظت کے لیے سود کی شرحوں میں بتدریج اضافے کی ضرورت ہوتی ہے۔

مالیاتی جانب ایف بی آر کی ٹیکس وصولی میں دوران سہ ماہی سال گزشتہ کے مقابلے میں 38 فیصد اضافہ ہوا؛ 1,395 بلین روپے، جو 1,211 بلین روپے کے ہدف سے 184 بلین روپے زیادہ ہیں۔ اس کی وجہ بلند تر درآمدات کے باعث بلند تر کسٹم ڈیوٹی اور سیلز ٹیکس ہیں

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Balance with banks	6	9,090,945	7,092,512
Investments	7	4,626,633	8,122,692
Markup receivable on investments and bank balance		82,334	64,162
Advances, deposits and prepayments		1,642	4,214
Receivable from Management Company		-	1,844
Total assets		13,801,554	15,285,424
LIABILITIES			
Payable to the Management Company	8	5,835	60
Payable to Digital Custodian Company - Trustee (Formerly : MCB Financial Services Limited)		1,009	818
Payable to the Securities and Exchange Commission of Pakistan		829	1,211
Dividend Payable		8,272	5,033
Accrued expenses and other liabilities	9	5,982	20,672
Total liabilities		21,927	27,794
NET ASSETS		13,779,627	15,257,630
Unit holders' fund (as per statement attached)		13,779,627	15,257,630
Contingencies and commitments	10		
		(Number of units)	
Number of units in issue		138,474,794	153,327,608
		(Rupees)	
NET ASSET VALUE PER UNIT		99.51	99.51

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

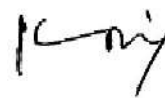
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Quarter ended September 30,	
	2021	2020
Note	----- (Rupees in '000) -----	
INCOME		
Markup on investments	131,974	625
Markup on bank deposit	159,647	3,746
Capital (Loss) / Gain On Sale Of Investments - Net	-	(1,922)
Other Income	-	25
Total income	291,621	2,475
EXPENSES		
Remuneration of MCB-Arif Habib Savings and Investments Limited - Management Company	6,191	116
Sindh Sales Tax on remuneration of the Management Company	805	15
Allocated expenses	142	21
Selling and marketing expenses	3,554	165
Remuneration of Digital Custodian Company (Formerly MCB Financial Services Limited) - Trustee	2,404	68
Sindh Sales Tax on remuneration of trustee	313	9
Annual fee of Securities and Exchange Commission of Pakistan	740	4
Auditors' remuneration	138	85
Amortization of preliminary expenses and formation costs	-	20
Legal and professional charges	432	30
Settlement and bank charges	117	42
Shahriah fee	162	-
Fees and subscriptions	64	-
Printing and related costs	22	65
Total expenses	15,084	639
Net income from Operating activities	276,537	1,836
Sindh Workers' Welfare Fund	10,909	(37)
Net income for the period before taxation	287,446	1,799
Taxation	-	-
Net income for the period	287,446	1,799
Allocation of net income for the period:		
Net income for the period	287,446	1,799
Income already paid on units redeemed	-	(194)
	287,446	1,605
Accounting income available for distribution		
- Relating to capital gains	-	-
- Excluding capital gains	287,446	1,605
	287,446	1,605

Earnings per unit

12

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

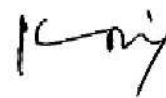
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Quarter ended September 30,	
	2021	2020
	----- (Rupees in '000) -----	
Net income for the period after taxation	287,446	1,799
Other comprehensive income for the period	-	-
Total comprehensive income for the period	287,446	1,799

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

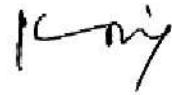
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

Note	Quarter Ended September 30,					
	2021			2020		
	(Rupees in '000)					
	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total
Net assets at beginning of the period	15,252,938	4,692	15,257,630	147,651	4,692	152,343
Issue of 57,188,983 units (2020: 31,960,801 units)						
- Capital value (at net asset value per unit at the beginning of the period)	5,690,876	-	5,690,876	3,180,416	-	3,180,416
- Element of income	-	-	-	(10,573)	-	(10,573)
Total proceeds on issuance of units	5,690,876	-	5,690,876	3,169,843	-	3,169,843
Redemption of units 72,041,796 units (2020: 18,104,449 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(7,168,879.15)	-	(7,168,879)	(1,801,574)	-	(1,801,574)
- Amount paid out of element of income	-	-	-	8,752	-	8,752
- Relating to 'Net income for the period after taxation'	-	-	-	-	(194)	(194)
Total payments on redemption of units	(7,168,879)	-	(7,168,879)	(1,792,820)	(194)	(1,793,014)
Total comprehensive income for the period	-	287,446	287,446	-	1,799	1,799
Distribution made during the period	-	(287,446)	(287,446)	-	-	-
Net loss for the period less distribution	-	-	-	-	1,799	1,799
Net assets at end of the period	13,774,935	4,692	13,779,627	1,524,674	6,297	1,530,971
Undistributed income brought forward						
- Realised		4,321			4,321	
- Unrealised		371			371	
		4,692			4,692	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		287,446			1,605	
		287,446			1,605	
Cash distribution during the period		(287,446)			-	
Undistributed income carried forward		4,692			6,297	
Undistributed income carried forward						
- Realised		4,692			6,297	
- Unrealised		-			-	
		4,692			6,297	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period	99.5100			99.5100		
Net assets value per unit at end of the period	99.5100			99.4959		

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

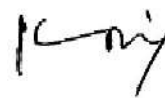
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Quarter ended September 30,	
	2021	2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	287,446	1,799
Adjustments for non cash and other items:		
Unrealised diminution in value of investments classified as 'at fair value through profit or loss' - net	-	-
	287,446	1,799
Decrease/ (Increase) in assets		
Investments	3,496,059	104,843
Dividend and profit receivable	(18,172)	698
Advances, deposit and prepayments	2,572	143
Preliminary expenses and floatation costs	-	37
Receivable from Management Company	1,844	(322)
Receivable from National Clearing Company of Pakistan Limited	-	5,180
	3,482,303	110,580
Increase / (decrease) in liabilities		
Payable to the Management Company	5,775	91
Remuneration of Digital Custodian Company (Formerly MCB Financial Services Limited) - Trustee	191	18
Payable to the Securities and Exchange Commission of Pakistan	(382)	(22)
Dividend payable	3,239	-
Accrued expenses and other liabilities	(14,691)	10
	(5,868)	96
Net cash generated from operating activities	3,763,881	112,475
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	5,690,876	3,169,843
Payments on redemption of units	(7,168,879)	(1,793,014)
Distribution during the period	(287,445)	-
Net cash used in financing activities	(1,765,448)	1,376,829
Net (decrease) / increase in cash and cash equivalents during the period	1,998,433	1,489,304
Cash and cash equivalents at beginning of the period	7,092,512	43,747
Cash and cash equivalents at end of the period	9,090,945	1,533,051

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

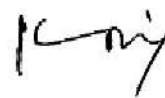
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Money Market Fund (Formerly MCB Pakistan Frequent Payout Fund) ("the Fund") was established under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) as an open-end unit trust scheme. The Fund is governed under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008. MCB Arif Habib Savings and Investments Limited is the Management Company (Wakeel) of the Fund, and Digital Custodian Company (formerly MCB Financial Services Limited) is the Trustee. The Trust Deed was executed on 22 July 2015 (modified & restated on 17 July 2020 for changing the name & category of the fund) and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 16 July 2015.
- 1.2 Being an Islamic Fund, all the activities of the Fund are undertaken in accordance with the Islamic Shariah rules and principles. The Management Company (Wakeel) has appointed a Shariah Supervisory Council whose advice is followed to ensure that activities of the Fund are in compliance with Shariah.
- 1.3 The Fund was an open-end collective investment scheme categorized as an "Asset Allocation" scheme by the Board of Directors of the Management Company pursuant to Circular 7 of 2009 dated 6 March 2009 issued by the SECP. Securities and Exchange Commission of Pakistan (SECP) vide its letter # SCD / AMCW / MCB AHSIL / MCBPFPF /03/2020 dated July 14, 2020, has approved the conversion of MCB Pakistan Frequent Payout Fund renamed as Alhamra Islamic Money Market Fund from Asset Allocation Scheme to Islamic Money Market Scheme. The Fund was converted from forward pricing fund to backward pricing fund and NAV of 20 August 2020 is applicable NAV of 21 August 2020. The Fund offers units for public subscription on a continuous basis. The units of the Fund can be transferred to / from the funds managed by the Management Company and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4 The Management Company (Wakeel) of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.5 The title to the assets of the Fund is held in the name of Digital Custodian Company (formerly MCB Financial Services Limited) as the Trustee of the Fund.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) has maintained an asset manager rating of 'AM1' dated 6 October 2021 to the Management Company and stability rating of "AA(f)" dated 9 September 2021 to the Fund.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement of the Trust Deed.

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

- 2.1.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2021.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

2.1.3 The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2021, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the quarter ended 30 September 2020.

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

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

2.2 Basis of Measurement

This condensed interim financial information have been prepared on the basis of historical cost convention except that investments have been included at fair value.

2.3 Functional and presentation currency

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

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 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 year ended June 30, 2021.

3.2 Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant and does not have any significant impact on the Fund's operations or a change in accounting policies of the Fund, therefore, have not been detailed in these condensed interim financial statements.

4. Estimates and Judgements

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2021.

5. Financial Risk Management

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2021.

		(Un-audited) September 30, 2021 ---- (Rupees in '000) ----	(Audited) June 30, 2021
6. BALANCE WITH BANKS			
In savings accounts	6.1	9,090,945	7,092,512
In current accounts		-	-
		9,090,945	7,092,512

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

6.1 These carry profit at the rates ranging between 5.5% to 7.25% (June 30, 2021: 5.5% to 6.93%) per annum. It includes bank balance Rs. 7.029 million (June 30, 2021: 1.904 million) maintained with MCB Limited (a related party) which carries profit at the rate of 5.75% (June 30, 2021: 5.5%) per annum.

7. INVESTMENTS	Note	(Un-audited) September 30, 2021 ---- (Rupees in '000) ----	(Audited) June 30, 2021
<i>At fair value through profit or loss</i>			
- Sukuk certificates - Unlisted	7.1	352,000	352,000
- Commercial Paper	7.2	899,633	1,278,407
- Bai Muajjal	7.3	-	3,892,285
- Term Deposit Receipts	7.4	3,375,000	2,600,000
Total Investment		4,626,633	8,122,692

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

7.1 Listed debt securities - Sukuku Certificates

Security	Issue Date	Face value			As at September 30, 2021		Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2021	Purchases during the period	Sales / matured during the period	Carrying value	Appreciation / (diminution)		
	 (Number of certificates)		 (Rupees in '000)	 %	
Commercial banks								
Hub Power Company Limited - Sukuk	5-May-21	352	-	-	352,000	352,000	-	2.55%
Total as at September 30, 2021 (Un-audited)					352,000	352,000		
Totals as at 30 June 2021 (Audited)								
					352,000	352,000		

7.2 Commercial papers

Name of investee company	As at 01 June 2021	Purchased during the year	Disposed / matured during the year	As at 30 September 2021	As at 30 June 2021		Market value As at September 30, 2021	Market value As at total investments
					Carrying value before revaluation	Unrealised appreciation / (diminution)		
	 (Number of certificates)		 (Rupees in '000)	 (%)	
K Electric ICP 14	675	-	675	-	-	-	-	-
K Electric ICP 15	200	400	600	-	-	-	-	-
K Electric ICP 16	170	340	510	-	-	-	-	-
K Electric ICP 17	250	500	500	250	249,726	249,726	1.81%	5.40%
K Electric ICP 21	-	675	-	675	649,907	649,907	4.72%	14.05%
Total as at September 30, 2021 (Un-audited)	1,295	1,915	2,285	925	899,633	899,633		
Totals as at 30 June 2021 (Audited)					1,278,407	1,278,407		

7.2.1 Face value of these commercial papers are Rs.1,000,000 per certificate.

7.2.2 The terms and conditions of commercial papers outstanding as at 30 September 2021 are as follows:

Description - Commercial Papers	Issue Date	Maturity Date	Mark-up rate	Total Face Value (maturity value)	Units in '000'	
					Term	Secured / Unsecured
K Electric ICP 17	6-Apr-21	6-Oct-21	8.10%	250,000	6 months	unsecured
K Electric ICP 21	22-Sep-21	22-Mar-22	8.21%	675,000	6 months	unsecured
				925,000		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

7.3 Bai Muajjal Receivable

Description	As at 01 July 2021	Transaction executed during the year	Markup accrued during the year	Matured during the year	Carrying Value as at 30 September 2021	Carrying value as a percentage of net assets of Fund	Carrying value as a percentage of total investments
Total as at September 30, 2021 (Un-audited)	3,892,285	1,228,273	10,953	5,131,511	-	0.00%	0.00%
Total as at 30 June 2021 (Audited)	-	5,468,061	40,014	1,615,790	3,892,285		

7.3.1 The terms and conditions of Bai Muajjal as at 30 June 2021 are as follows:

Counter Party Name	Issue date	Maturity date	Markup rate	Total transaction price (maturity value)	Deferred Income (unearned income as at year end)	Accrued Markup (earned income)	Carrying Value
BANK OF PUNJAB	06-Aug-21	23-Sep-21	7.00%	198,837	-	1,830	-
BANK OF PUNJAB	06-Aug-21	23-Sep-21	7.00%	168,457	-	1,551	-
BANK OF PUNJAB	06-Aug-21	23-Sep-21	7.00%	246,625	-	2,270	-
BANK OF PUNJAB	09-Aug-21	23-Sep-21	7.00%	198,975	-	1,717	-
BANK OF PUNJAB	09-Aug-21	23-Sep-21	7.00%	168,577	-	1,455	-
BANK OF PUNJAB	09-Aug-21	23-Sep-21	7.00%	246,803	-	2,130	-
				1,228,273	-	10,953	-

7.3.2 These Bai Muajjal transaction balances have arisen on the sale of K-Electric Commercial Papers.

7.4 TERM DEPOSIT RECEIPTS

This represents Term Deposit Receipts (TDR) placed with Faysal Bank Limited (Islamic Banking) and As kart Bank Limited maturing between 06 Oct 2021 and 23 December 2021, carrying markup at the rates ranging between 7.30% to 7.750% per annum respectively.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

8	Payable to MCB-Arif Habib Savings and Investments Limited – Management Company	Note	(Un-audited) September 30, 2021 (Rupees in '000)	(Audited) 30 June 2021
	Management remuneration payable		1,835	-
	Sindh Sales Tax payable on management remuneration		239	-
	Sales load payable		1	-
	Payable against allocated expenses		142	-
	Shariah Fee		64	60
	Marketing & Selling expenses		3,554	-
			5,835	60
			5,835	60
			(Un-audited) September 30, 2021 (Rupees in '000)	(Audited) 30 June 2021
9	ACCRUED EXPENSES AND OTHER LIABILITIES			
	Provision against Sindh Workers' Welfare Fund	9.1	-	10,909
	Provision for Federal Excise Duty:			
	- Management fee	9.2	841	841
	- Sales load		3,625	3,625
	Brokerage payable		22	18
	Auditors' remuneration payable		542	386
	Donation Payable		422	277
	WHT payable on dividend paid (subsequently paid)		1	4,536
	Others		529	80
			5,982	20,672
			5,982	20,672

9.1 Provision for Sindh Workers' Welfare Fund (SWWF)

Sindh Revenue Board (SRB) through its letter dated August 12, 2021 received on August 13, 2021 has intimated Mutual Funds Association of Pakistan's (MUFAP) that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the Sindh Workers' Welfare Fund (SWWF) contributions. This development was discussed at MUFAP level and was also been taken up with the the Securities and Exchange Commission of Pakistan (SECP). All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds till August 12, 2021 on August 13, 2021.

SECP has also given its concurrence for recording reversal of provision of SWWF on the day letter was received by MUFAP. This reversal of provision has contributed towards an unusual increase in NAV of the Fund on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

Going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

9.2 Federal Excise Duty and related tax payable

There is no change in the status of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2021. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2021 would have been higher by Re. 0.03 per unit (June 30, 2021: Re. 0.02 per unit).

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at 30 September 2021 and 30 June 2021.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

11 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute at least 90% of income to be earned during current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

12 EARNINGS PER UNIT

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

13 TOTAL EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 0.36% (September 30, 2020: 0.99%) and this includes 0.04% (September 30, 2020: 0.08%) representing government levy, SECP fee etc.

14 TRANSACTIONS WITH CONNECTED PERSONS

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the holding company of the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Fund.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

14.1 Details of transactions with the connected persons / related parties during the period are as follows:

For the nine months period ended September 30, 2021 (unaudited)								
As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021	
-----Units-----				----- (Rupees in '000) -----				
Key management personnel	14,710	52,016	48,942	17,785	1,464	5,176	4,870	1,770
Mandate under discretionary portfolio services	-	137	-	137	-	14	-	14
Unit holders holding 10% or more units	112,396,782	21,171,562	35,172,345	98,395,999	11,184,593	1,365,467,496	503,000,000	9,791,386
For the nine months period ended September 30, 2020 (unaudited)								
As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020	As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020	
-----Units-----				----- (Rupees in '000) -----				
Associated company								
MCB Arif Habib savings and investments Limited	-	4,509,640	4,509,640	-	-	446,404	446,555	-
Key management personnel	-	140,373	86,408	53,965	-	13,886	8,573	5,369
Mandate under discretionary portfolio services	-	24,278,091	12,180,728	12,097,363	-	2,409,192	1,206,165	1,203,638
Unit holders holding 10% or more units	-	20,261,533	10,130,591	10,130,942	-	2,010,633	1,003,155	1,007,987

These persons became connected persons / related parties during the period due to acquiring unit holding of more than 10% of net assets of the Fund.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	(Unaudited) September 30, 2021	(Unaudited) September 30, 2020
	----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited - Management Company		
Remuneration including indirect taxes	6,996	131
Marketing and selling expense	3,554	165
Allocated expenses including indirect taxes	142	21
Reimbursement of expenses	469	322
Digital Custodian Company - Trustee (Formerly MCB Financial Services Limited)		
Remuneration including indirect taxes	2,717	77
MCB Bank Limited - Holding Company of the Management Company		
Profit on bank deposits	-	36
Bank charges	18	-

* The amount disclosed represents the amount of brokerage paid to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter parties are not connected persons.

* These are not a related party & are disclosed for comparative purpose only.

14.2 Amount outstanding as at period end / year end	(Unaudited) September 30, 2021	(Audited) June 30, 2021
MCB-Arif Habib Savings and Investments Limited - Management Company		
Management remuneration payable	1,835	-
Sindh Sales Tax payable on management remuneration	239	-
Payable against allocated expenses	142	-
Payable against selling and marketing expenses	3,554	-
Sales load payable	1	-
Shahriah fee payable	64	60
Receivable from Management Company	-	1,844
Digital Custodian Company - Trustee (Formerly MCB Financial Services Limited)		
Trustee remuneration payable	892	724
Sindh Sales Tax payable on trustee remuneration	117	94
MCB Bank Limited - Parent of the Management Company		
Bank balances	7,029	1,904

15 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a n orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

Fair value hierarchy

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

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly

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

16 Impact of COVID-19

A novel strain of coronavirus (COVID-19) was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally. Measures taken to contain the spread of the virus, including lock-downs, travel bans, quarantines, social distancing, and closures of non-essential services and factories triggered significant disruptions to businesses worldwide and in Pakistan, resulting in an economic slowdown. During the lockdown that lasted from March to May 2020, the funds continued their activity, as the Pakistan Stock Exchange and the money markets continued trading. Management Company is of the view that while COVID-19 and its resulting containment measures have affected the economy, investors' confidence and adequate steps from the government and regulators have spearheaded recovery and subsequent events reflect that in due course, things would be normalised.

17 GENERAL

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

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

18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 22, 2021 by the Board of Directors of the Management Company.

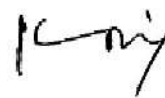
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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

UAN: (+92-21) 11-11-622-24 (11-11-MCB-AH)

URL: www.mcbah.com, **Email:** info@mcbah.com

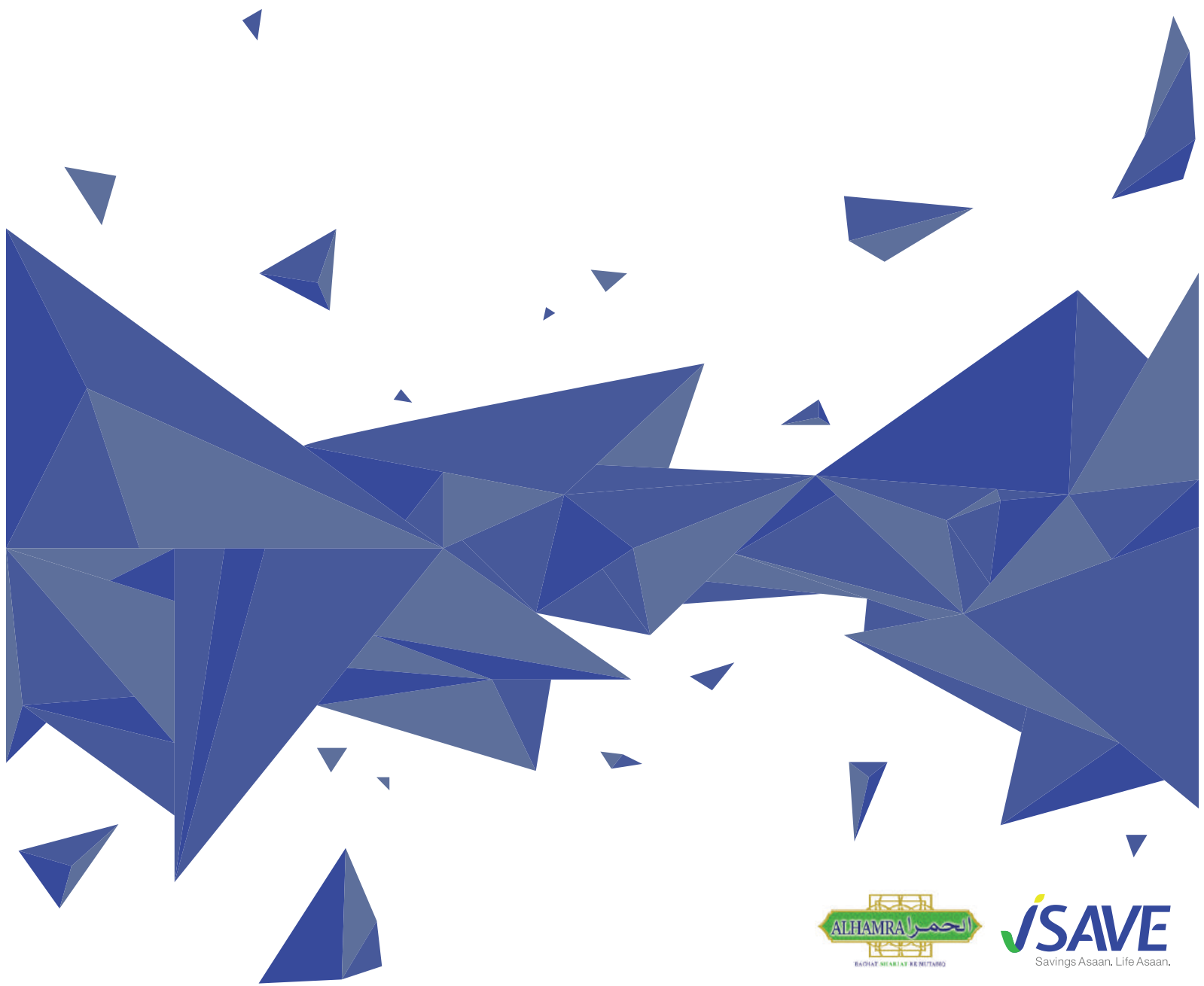


MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2021
(UNAUDITED)

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



ALHAMRA DAILY DIVIDEND FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcPakistan.com	
Bankers	MCB Bank Limited Bank Al-Habib Limited Habib Bank Limited Dubai Islamic Bank Limited Bank Islami Pakistan Limited Silk Bank Limited Faysal Bank Limited National Bank of Pakistan MCB Islamic Bank Limited Askari Bank Limited	
Auditors	Ernst & Young Ford Rhodes Chartered Accountants Progressive Plaza, Beaumont Road, P.O.Box 15541 Karachi, Sindh-75530, Pakistan.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM1 Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Daily Dividend Fund** accounts review for the quarter ended September 30, 2021.

Economy and Money Market Review

The fiscal year started on a robust note as Covid-19 vaccination drive gathered paced which helped to lift lockdowns across the county. The economic recovery was higher than expected as lagged impact of monetary easing, higher remittances and government incentives such as TERF facilities provided impetus to economic growth. The GDP growth clocked at 3.94 per cent in FY21 with government expecting the economic growth to clock at 4.8 per cent for FY22.

However, the robust recovery in domestic demand, coupled with higher international commodity prices, led to a strong pick-up in imports and a rise in the current account deficit. This put pressure on the local currency as rupee depreciated by 13.1 per cent against USD during this quarter.

Current account deficit posted a deficit of USD 2,290 million in the first two months of fiscal year compared to a surplus of USD 838 million in the corresponding period of the last year. The deterioration came in primarily on the back of higher imports which grew by 67.8 per cent in the first two months compared to export growth of 35.4 per cent. Trade Deficit increased by 100.2 per cent to USD 6.8 billion compared to USD 3.4 billion last year. Foreign exchange reserves of central bank saw an increase of USD 1.6 billion as Pakistan received USD 2.75 billion from the IMF under its new SDR allocation to back economically vulnerable countries combating the coronavirus pandemic.

Inflation remained a concern for the government as rising commodities continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.58 per cent during the quarter, with food inflation averaging 9.5 per cent during the period. Inflation was also effected by increase in fuel prices on account of increase in international oil and LNG prices. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.5 per cent for the period. The MPC committee conducted two monetary policies during the quarter and increased policy rate by 25bps in the Sep-21 meeting. SBP increased the interest rate to control the current account deficit and prevent the overheating of the economy as it noted the need to gradually increase the interest rates to protect the nascent economic growth.

On the fiscal side FBR Tax collection increased by 38 per cent over last year in this quarter to clock at PKR 1,395 billion compared to target of PKR 1,211 billion exceeding it by PKR 186 billion. This was on the back of higher custom duty and sales tax due to higher import.

Secondary markets yields have increased significantly in the quarter as SBP has started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average FY22 inflation to clock above the range of 7-9 per cent forecasted by SBP. 3Y, 5Y and 10Y bonds saw a rise of 73 bps, 46 bps and 51 bps respectively during the period.

FUND PERFORMANCE

During the period, ALHDDF generated a return of 8.12 per cent as compared to a return of 3.13 per cent witnessed by the Benchmark, outperforming the benchmark by 4.99 per cent. The Fund kept its exposure in cash at 51.3 per cent towards the period end.

The Net Assets of the fund as at September 30, 2021 stood at Rs. 1,409 million. The Net Asset Value (NAV) per unit as at September 30, 2021 was Rs. 100.00.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Economy & Market – Future Outlook

The government has set a GDP growth target of 4.8 per cent for fiscal year 2022 (FY22). Covid-19 vaccination drive is continuing with success as over 50 million people have received the first dose of coronavirus vaccine. This has helped to lift lockdown across the country and we expect the Covid-19 situation to remain under control. Broader economy also appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc. However, the recent surge in commodity prices poses challenges to both to Fiscal and External Accounts. Due to the recent government steps to curtail demand we see some downside risks to government growth target. We expect GDP growth to clock higher as compared to previous year but it is likely to remain lower than the government target of 4.8 per cent.

The robust recovery in domestic demand on the back of pro-growth measures by the government, coupled with higher international commodity prices, has led to a strong pick-up in imports and a rise in the current account deficit. The current account deficit is expected to increase to USD 13.1 billion (4.0 per cent of GDP) in FY22, amid rising international crude oil prices along with general increase in international commodity prices. The Current Account deficit is likely to further weaken the local currency and we expect the exchange rate to close the year around 176 PKR/USD. Swift resumption of IMF program will be a key prerequisite to keep the financial account in positive zone. SBP has indicated that the flexible market determined exchange rate and gradual tightening of interest rates would be used in tandem to ensure sustainable current account position. The remittances along with bilateral and multilateral flows would also be crucial in managing our external position.

CPI averaged 8.9 per cent in FY21. The expected utility adjustments, currency depreciation and higher international commodities prices will lead to increase in inflation in this year. We expect Average FY22 inflation to clock at 9.7 per cent with inflation going in double digits in second half of the fiscal year. Based on our expected inflation, the real interest rates now fall into negative range thus requiring adjustments in the monetary policy during the current fiscal year. However, SBP has shown its focus to avoid any shocks to economic growth and will gradually increase interest rate to achieve mildly positive interest rate over the medium term. We expect the Policy Rate to reach 9.0 per cent by the end of the year.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in expected interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 15.9 per cent, a discount of 43 per cent from its historical average. Similarly, risk premiums are close to 5.9 per cent, compared to historical average of 1.5 per cent signifying abnormal returns for long term investors. We believe a micro view of sectors and stock will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds yields may continue to rise given expected increase in interest rates. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

Mutual Fund Industry Review

The Net Assets of the open end mutual fund industry increased by about 1.4 per cent during the quarter to PKR 1,032 billion at the end of 1QFY22. Total money market funds grew by about 1.1 per cent since June 2021. Within the money market sphere, the conventional funds dominated as they grew by about 8.1 per cent to PKR 308 billion while Islamic funds declined by 9.9 per cent to PKR 164 billion. In addition, the total fixed Income funds increased by about 8.5 per cent since June 2021, as the conventional income funds grew by 13.6 per cent to PKR 143 billion. Equity and related funds declined by 4.4 per cent over last quarter as market witnessed a decline in the quarter eroding AUMS and concern over macroeconomic and geopolitical factors kept investors at bay.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

In terms of the segment share, Money Market funds were the leader with a share of around 46 per cent, followed by Equity and Equity related funds with a share of 28 per cent and Income funds having a share of 26 per cent as at the end of 1QFY22.

Mutual Fund Industry Outlook

The recent increase in interest rates along with prospect of further monetary tightening would increase flows in the money market funds. The money markets funds by virtue of its short duration would be the ideal for investors with a short term horizon and low risk profile. However recent correction in stock prices have opened up valuations and long term investors would look to add equity exposure at these attractive levels. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

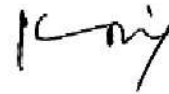
ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
October 22, 2021



Kashif A. Habib
Director

ڈائریکٹرز رپورٹ

اسٹاک کی قیمتوں میں حالیہ تصحیح نے valuations کو کشادہ کر دیا ہے اور سرمایہ کار ان پُرکشش سطحوں پر ایکوٹی میں پیسہ لگانا چاہیں گے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سہولت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکتے۔

اظہار تشکر

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

من جانب ڈائریکٹرز

M. Sami

کاشف اے جیب

ڈائریکٹر

محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

22 اکتوبر 2021ء

ڈائریکٹرز رپورٹ

افراط زر دو ہندسوں میں پہنچ جائے گی۔ ہماری متوقع افراط زر کی بنیاد پر حقیقی شروع سودا منفی حد میں آرہی ہے، چنانچہ موجودہ مالی سال کے دوران مالیاتی پالیسی میں ترمیمات درکار ہیں۔ تاہم ایس بی پی نے معاشی ترقی کو متوقع دھچکوں سے محفوظ رکھنے پر توجہ مرکوز کی ہے اور درمیانی مدت میں معتدل حد تک مثبت شرح سود حاصل کرنے کے لیے شروع سود میں بتدریج اضافہ کیا جائے گا۔ ہماری توقع کے مطابق پالیسی شرح اختتام سال تک 9.0 فیصد تک پہنچ جائے گی۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے تناظر میں، اسٹاک کی قیمتوں میں حالیہ تصحیح کے نتیجے میں تعیین قدر کھل گئی ہے۔ مارکیٹ نے شرح سود میں متوقع اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہوا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 15.9 فیصد ہو گیا ہے، جو اس کے قدیم اوسط سے 43 رعایت ہے۔ اسی طرح خطرات کے پرمیئم تقریباً 5.9 فیصد ہیں، اور ان کے قدیم اوسط 1.5 فیصد کے ساتھ تقابل سے طویل المیعاد سرمایہ کاروں کے لیے غیر معمولی منافعوں کا عندیہ ملتا ہے۔ ہم سمجھتے ہیں کہ شعبوں اور اسٹاک کی مجموعی تصویر اہمیت کی حامل رہے گی، اور سرمایہ کاری کے انتخاب میں ایسی کمپنیوں پر توجہ مرکوز ہونی چاہیے جو اپنی خلقی قدر سے گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلار کاوٹ پالیسی شروع کی عکاسی جاری رکھیں گے۔ دوسری جانب، شروع سود میں متوقع اضافے کی بدولت حکومتی بانڈز کے منافع جات میں اضافہ جاری رہ سکتا ہے۔ ہم بانڈز کے منافع جات کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ کی صنعت کا جائزہ

اپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2022ء کی پہلی سہ ماہی کے دوران تقریباً 1.4 فیصد بڑھ کر اختتام مدت پر 1,032 بلین روپے تھے۔ مجموعی money مارکیٹ فنڈز میں جون 2021ء کے مقابلے میں 1.1 فیصد اضافہ ہوا۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور 8.1 فیصد بڑھ کر 308 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 9.9 فیصد گھٹ کر 164 بلین روپے ہو گئے۔ علاوہ ازیں، مجموعی فکسڈ انکم فنڈز میں جون 2021ء کے مقابلے میں 8.5 فیصد اضافہ ہوا اور روایتی انکم فنڈز 13.6 فیصد بڑھ کر 143 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں گزشتہ سہ ماہی کے مقابلے میں 4.4 فیصد کمی ہوئی کیونکہ دوران مدت مارکیٹ میں تنزل دیکھا گیا جس کے نتیجے میں اثاثہ جات تحت الانظامیہ (AUMs) گھٹ گئے اور کلاں معاشیاتی اور ارضی سیاسی عوامل پر خدشات نے سرمایہ کاروں کو ڈور رکھا۔ شعبہ جاتی اعتبار سے مالی سال 2022ء کی پہلی سہ ماہی کے اختتام پر money مارکیٹ فنڈز تقریباً 46 فیصد شراکت کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز کی شراکت 28 فیصد اور انکم فنڈز کی 26 فیصد تھی۔

میوچل فنڈز صنعت کے مستقبل کا منظر

سود کی شرحوں میں حالیہ اضافے کے ساتھ ساتھ مزید مالیاتی سختی سے money مارکیٹ فنڈز میں آمدات میں اضافہ ہوگا۔ Money مارکیٹ فنڈز اپنی مختصر مدت کی بدولت ایسے سرمایہ کاروں کے لیے موزوں ترین ثابت ہوں گے جو محدود مدت کے لیے اور کم خطرات کے ساتھ کام کرنا چاہتے ہیں۔ تاہم

ڈائریکٹرز رپورٹ

ثانوی مارکیٹس کی پیداواروں میں دوران سہ ماہی قابل ذکر اضافہ ہوا ہے کیونکہ اسٹیٹ بینک آف پاکستان نے مالیاتی سختی کا دورہ شروع کر دیا ہے۔ روپے کی قدر میں حالیہ کمی کے ساتھ مسلسل بلند اشیائی قیمتوں سے افراط زر پر دباؤ میں اضافہ ہوگا اور مالی سال 2022ء کے لیے افراط زر کا اوسط متوقع طور پر اسٹیٹ بینک آف پاکستان کی پیش گوئی کردہ سطح 7 تا 9 فیصد سے بلند ہوگا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈز میں دوران مدت بالترتیب 73 بی پی ایس، 46 بی پی ایس اور 51 بی پی ایس اضافہ ہوا۔

فنڈ کی کارکردگی

دوران مدت ALHDDF نے 8.12 فیصد منافع حاصل کیا جو مقررہ معیار 3.13 فیصد سے 4.99 فیصد بہتر کارکردگی ہے۔ فنڈ نے نقد میں اپنی سرمایہ کاری اختتام مدت کی طرف 51.3 فیصد رکھی۔ 30 ستمبر 2021ء کو فنڈ کے Inet اثاثہ جات 1,409 ملین روپے تھے، جبکہ Inet اثاثہ جاتی قدر (این اے وی) نی یونٹ 100.00 روپے تھی۔

معیشت اور بازار - مستقبل کا منظر

حکومت نے مالی سال 2022ء کے لیے جی ڈی پی میں ترقی کا ہدف 4.8 فیصد مقرر کیا ہے۔ کووڈ-19 ویکسین مہم کامیابی کے ساتھ جاری ہے اور پانچ کروڑ سے زیادہ افراد پہلی خوراک حاصل کر چکے ہیں۔ اس کی بدولت ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی ہے اور ہم اُمید کرتے ہیں کہ کووڈ کی صورتحال قابو میں رہے گی۔ وسیع تر معیشت قبل از کووڈ سطحوں کے قریب چلتی ہوئی نظر آرہی ہے جس کی پیمائش ایل ایس ایم میں ترقی، سینٹ کی فروخت، گاڑیوں کی فروخت وغیرہ سے ہوتی ہے۔ تاہم اشیاء کی قیمتوں میں حالیہ اضافہ مالیاتی اور خارجی اکاؤنٹس، دونوں کو مشکلات سے دوچار کر دے گا۔ طلب میں کمی کے حالیہ حکومتی اقدامات کے سبب ترقی کے حکومتی اہداف کی تکمیل کو خطرات لاحق ہو گئے ہیں۔ ہم توقع کرتے ہیں کہ جی ڈی پی میں سال گزشتہ کے مقابلے میں زیادہ ترقی ہوگی، لیکن زیادہ امکان اس بات کا ہے کہ یہ 4.8 فیصد کے حکومتی ہدف سے نیچے رہے گی۔

حکومتی ترقیاتی اقدامات اور بلند ترین الاقوامی اشیائی قیمتوں کے باعث مقامی طلب میں بھرپور بحالی ہوئی ہے اور اس کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں بھرپور اضافہ ہوا ہے۔ خام تیل کی بین الاقوامی قیمتوں اور اشیاء کی عمومی قیمتوں میں اضافے کی صورتحال میں مالی سال 2022ء میں کرنٹ اکاؤنٹ خسارہ بڑھ کر 13.1 بلین ڈالر (جی ڈی پی کے 4.0 فیصد) تک پہنچ سکتا ہے۔ خدشہ ہے کہ یہ خسارہ مقامی روپے کو مزید کمزور کرے گا، اور اختتام سال پر شرح مبادلہ تقریباً 176 ڈالر فی روپیہ ہو جانے کا امکان ہے۔ آئی ایم ایف پروگرام کی تیز رفتار بحالی مالیاتی گوشوارے کو مثبت احاطے میں رکھنے کے لیے کلیدی شرط ہوگی۔ ایس بی پی نے اشارہ دیا ہے کہ کرنٹ اکاؤنٹ کی قابل بقاء صورتحال یقینی بنانے کے لیے مارکیٹ کی متعین کردہ چکدار شرح مبادلہ اور سود کی شرحوں میں بتدریج سختی کو بھی استعمال کیا جائے گا۔ ہماری خارجی صورتحال کو سنبھالنے میں ترسیلات کے ساتھ ساتھ دو طرفہ اور کثیر الطرفہ آمدات بھی اہم کردار ادا کریں گی۔

مالی سال 2021ء میں سی پی آئی کا اوسط 8.9 فیصد تھا۔ متوقع یوٹیلیٹی ترمیمات، روپے کی قدر میں کمی اور بلند ترین الاقوامی اشیائی قیمتوں کے نتیجے میں سال رواں کے دوران افراط زر میں اضافہ ہوگا۔ ہماری توقع کے مطابق مالی سال 2022ء کا افراط زر کا اوسط 9.7 فیصد ہوگا، اور سال کے نصف آخر میں

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ ڈیویڈنڈ فنڈ کے گوشواروں مختتمہ سہ ماہی 30 ستمبر 2021ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

مالی سال کا بھر پور آغاز ہوا جب کووڈ-19 ویکسین کی مہم میں تیز رفتاری سے ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی۔ معیشت میں بحالی متوقع سے زیادہ ہوئی کیونکہ مالیاتی تسہیل کی سست رفتار اثر پذیری، ترسیلات زر میں اضافے، اور حکومتی ترغیبات مثلاً TERF سہولتوں نے معاشی ترقی کو محرک فراہم کیا۔ مالی سال 2021ء میں مجموعی ملکی پیداوار (جی ڈی پی) میں 3.94 فیصد ترقی ہوئی اور اگلے مالی سال 2022ء کے لیے حکومت کو 4.8 فیصد معاشی ترقی کی توقع ہے۔

تاہم مقامی طلب کی بھر پور بحالی، اور اس کے ساتھ بلند ترین الاقوامی ایشیائی قیمتوں، کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا۔ چنانچہ مقامی روپے پر دباؤ پڑا جس کی قدر میں دوران سہ ماہی امریکی ڈالر کے مقابلے میں 13.1 فیصد کمی ہوئی۔ کرنٹ اکاؤنٹ نے مالی سال کے پہلے دو ماہ میں 2,290 ملین ڈالر خسارہ پوسٹ کیا جبکہ اس کے بالمقابل سال گزشتہ مماثل مدت میں 838 ملین ڈالر فاضل تھے۔ اس ابتری کی بنیادی وجہ درآمدات میں اضافہ تھی جس میں پہلے دو ماہ کے دوران 67.8 فیصد اضافہ ہوا جبکہ اس کے بالمقابل برآمدات میں 35.4 فیصد اضافہ ہوا۔ تجارتی خسارہ 100.2 فیصد بڑھ کر 6.8 بلین ڈالر ہو گیا جبکہ اس کے بالمقابل سال گزشتہ 3.4 بلین ڈالر تھا۔ مرکزی بینک میں غیر ملکی زرمبادلہ کے ذخائر میں 1.6 بلین ڈالر کا اضافہ ہوا کیونکہ پاکستان کو آئی ایم ایف سے اس کے نئے ایس ڈی آر اختصاص کے تحت 2.75 بلین ڈالر موصول ہوئے جس کا مقصد کورونا وائرس وبا سے نبرد آزما ضرر پذیر ممالک کی معاشی معاونت ہے۔

افراط زر (مہنگائی) حکومت کے لیے مسئلہ بنی رہی اور بڑھتی ہوئی ایشیائی قیمتوں نے پالیسی سازوں کو مشکلات سے دوچار رکھا۔ مجموعی افراط زر، جس کی ترجمانی صارفین کی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط دوران سہ ماہی 8.58 فیصد تھا، اور ایشیائے خورد و نوش کے افراط زر کا اوسط 9.5 فیصد تھا۔ بین الاقوامی سطح پر تیل اور ایل این جی کی قیمتوں میں اضافے کے نتیجے میں ایندھن کی قیمتوں میں اضافہ بھی افراط زر پر اثر انداز ہوا۔ اس کے باوجود بنیادی افراط زر، جس کی پیمائش ایشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.5 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے دوران سہ ماہی دو اجلاس منعقد کیے اور ستمبر 2021ء کے اجلاس میں پالیسی کی شرح میں 25 بیسیس پوائنٹس (بی پی ایس) کا اضافہ کیا۔ اسٹیٹ بینک آف پاکستان نے سود کی شرح میں اضافہ کیا تاکہ کرنٹ اکاؤنٹ خسارے اور معیشت میں بڑھتی ہوئی حرارت کو قابو میں رکھا جائے کیونکہ نوزائیدہ معاشی ترقی کی حفاظت کے لیے سود کی شرحوں میں بتدریج اضافے کی ضرورت ہوتی ہے۔

مالیاتی جانب ایف بی آر کی ٹیکس وصولی میں دوران سہ ماہی سال گزشتہ کے مقابلے میں 38 فیصد اضافہ ہوا؛ 1,395 بلین روپے، جو 1,211 بلین روپے کے ہدف سے 184 بلین روپے زیادہ ہیں۔ اس کی وجہ بلند تر درآمدات کے باعث بلند تر کسٹم ڈیوٹی اور سیلز ٹیکس ہیں

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021**

	(Un-Audited) September 30, 2021	(Audited) June 30, 2021
Note	----- (Rupees in '000) -----	
ASSETS		
Balances with banks	6 723,630	2,176,906
Investments	7 672,734	146,650
Markup and other receivables	14,820	23,988
Total assets	1,411,185	2,347,544
LIABILITIES		
Payable to Management Company	8 890	434
Dividend payable	208	346
Accrued expenses and other liabilities	9 1,128	68,195
Total liabilities	2,226	68,975
NET ASSETS	1,408,959	2,278,569
Unit holders' fund (as per statement attached)	1,408,959	2,278,569
Contingencies and Commitments	10	
	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE	14,089,594	22,785,693
	----- (Rupees) -----	
NET ASSET VALUE PER UNIT	100.0000	100.0000

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

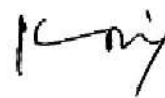
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Note	September 30, 2021 ----- (Rupees in '000) -----	September 30, 2020
INCOME			
Mark-up on:			
- Balances with banks		17,992	41,825
- Investments		6,397	9,079
Total income		24,389	50,904
EXPENSES			
Remuneration of Management Company		1,514	1,843
Sindh sales tax on Management fee		197	240
Allocated Expense		187	737
Brokerage Expense		3	-
Marketing and selling Expense		-	2,587
Total expenses		1,901	5,406
Sindh Workers' Welfare Fund (SWWF)	9.1	7,516	(910)
Net income for the period before taxation		30,004	44,588
Taxation	11	-	-
Net income for the period		30,004	44,588
<i>Allocation of net income for the period:</i>			
Net income for the period		30,004	44,588
Income already paid on units redeemed		-	-
		30,004	44,588
<i>Accounting income available for distribution:</i>			
- Relating to capital gains		-	-
- Excluding capital gains		30,004	44,588
		30,004	44,588
Earnings per unit	12		

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

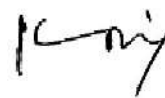
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 30, 2021	September 30, 2020
	----- (Rupees in '000) -----	
Net income for the period after taxation	30,004	44,588
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>30,004</u>	<u>44,588</u>

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

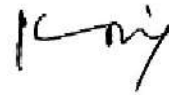
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 30, 2021			September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
Note	----- (Rupees in '000) -----					
Net assets at beginning of the period	2,278,569	-	2,278,569	3,236,901	-	3,236,901
Issuance of 10,030,559 units (2020: 25,657,238 units):						
- Capital value (at net asset value per unit at the beginning of the period)	1,003,056	-	1,003,056	2,565,724	-	2,565,724
- Element of income	-	-	-	-	-	-
	1,003,056	-	1,003,056	2,565,724	-	2,565,724
Redemption of 18,726,658 units (2020: 33,286,344 units):						
- Capital value (at net asset value per unit at the beginning of the period)	(1,872,666)	-	(1,872,666)	(3,328,634)	-	(3,328,634)
- Amount paid out of element of income	-	-	-	-	-	-
	(1,872,666)	-	(1,872,666)	(3,328,634)	-	(3,328,634)
Total comprehensive income for the period	-	30,004	30,004	-	44,588	44,588
Distribution during the period	-	(30,004)	(30,004)	-	(44,588)	(44,588)
Net income for the period less distribution	-	-	-	-	-	-
Net assets at end of the period	1,408,959	-	1,408,959	2,473,991	-	2,473,991
Undistributed income brought forward comprising of:						
- Realised	-			-		
- Unrealised	-			-		
Accounting income available for distribution:						
- Relating to capital gains	-			44,588		
- Excluding capital gains	30,004			44,588		
	30,004			44,588		
Distribution during the period		(30,004)		(44,588)		
Undistributed income carried forward	-			-		
Undistributed income carried forward comprising of:						
- Realised	-			-		
- Unrealised	-			-		
	-			-		
			-- (Rupees) --			-- (Rupees) --
Net assets value per unit at beginning of the period			100.0000			100.0000
Net assets value per unit at end of the period			100.0000			100.0000

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

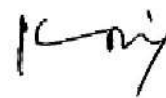
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 30, 2021	September 30, 2020
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	30,004	44,588
(Increase) / Decrease in assets		
Investments	(526,085)	(360,606)
Markup and other receivables	9,168	(5,750)
	(516,917)	(366,356)
Increase in liabilities		
Payable to Management Company	456	3,047
Payable Against Redemption of units	-	-
Dividend Payable	692	-
Accrued expenses and other liabilities	(67,897)	(59,723)
	(66,749)	(56,676)
Net cash (used in) / generated from operating activities	(553,662)	(378,444)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received on issuance of units	1,003,056	2,565,724
Cash paid for redemption of units	(1,872,666)	(3,328,634)
Cash distribution	(30,004)	(44,588)
Net cash generated (used in) / from financing activities	(899,614)	(807,498)
Net (decrease) / increase in cash and cash equivalents	(1,453,276)	(1,185,942)
Cash and cash equivalents at beginning of the period	2,176,906	2,796,317
Cash and cash equivalents at end of the period	723,630	1,610,375

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

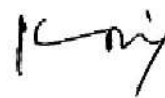
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Daily Dividend Fund (the Fund) was established through a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 07, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 30, 2017 in accordance with Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Baking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is located at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end mutual fund and has been categorised as "Shariah Compliant Income Scheme" by the Board of Directors of the Management Company and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund.
- 1.4 The Fund shall primarily invest in shariah compliant money market investment and debt securities having good credit rating and liquidity.
- 1.5 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 6, 2021 to the Management Company and AA-(f) to the Fund in its rating report dated September 09, 2021.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of:
 - International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement of the Trust Deed.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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

- 2.1.2** This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2021.
- 2.1.3** The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2021, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the quarter ended 30 September 2020.
- 2.1.4** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.1.5** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the Fund.

2.2 Basis of Measurement

This condensed interim financial information have been prepared on the basis of historical cost convention except that investments have been included at fair value.

2.3 Functional and presentation currency

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

3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1** 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 year ended June 30, 2021.

3.2 Standards, amendments and interpretations to existing standards not yet effective and not applicable/ relevant to the Fund

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant and does not have any significant impact on the Fund's operations or a change in accounting policies of the Fund, therefore, have not been detailed in these condensed interim financial statements

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

4 Estimates and Judgements

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2021.

5 Financial Risk Management

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2021.

		(Un-Audited) September 30, 2021	(Audited) June 30, 2021
		----- (Rupees in '000) -----	
6 BALANCES WITH BANKS			
In current accounts	6.1	11,672	5,100
In saving accounts	6.2	711,959	2,171,806
		<u>723,630</u>	<u>2,176,906</u>

6.1 This represent balance with MCB Bank Limited.

6.2 These carry markup at the rates ranging between 5.75% to 7.05% (2021: 5.50% to 7%) per annum. This includes balance of 1.03 million maintained with MCB Islamic Bank Limited.

7 Investments - At fair value through profit or loss

		(Un-Audited) September 30, 2021	(Audited) June 30, 2021
		----- (Rupees in '000) -----	
-Commercial paper			
K - Electric ICP 17		99,888	97,853
K - Electric ICP 18		49,802	48,797
Term Deposit Receipt	7.1	250,000	-
Bai-Muajjal	7.2	273,044	-
		<u>672,734</u>	<u>146,650</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

7.1 Term deposit receipt - at fair value through profit and loss

Name of the investee company	Rate of return per annum	Maturity	Rating	As at September 30, 2021
Faysal Bank Limited Islamic Banking	7.50%	October 21, 2021	AA	125,000
Faysal Bank Limited Islamic Banking	7.30%	December 23, 2021	AA+	125,000
				<u>250,000</u>

7.2 Investment in Bai maujjal- at fair value through profit and loss

	(Un-Audited) September 30, 2021	(Audited) June 30, 2021
	----- (Rupees in '000) -----	
Opening Balance	-	-
Transaction Executed During the period	270,124	-
Markup Accrued during the period	2,920	-
Matured during the period	-	-
Closing balance	<u>273,044</u>	<u>-</u>

7.2.1

Name of the Counter Party	Maturity Date	Profit Rate	Total Transaction Price	Deffered Income	Accrued Profit	Carrying Value
Pak Kuwait Investment Company (Pvt.) Limited	October 04, 2021	7.10%	136,587	1,628	1,549	136,508
Pak Brunei Investment Company (Pvt.) Limited	October 11, 2021	7.12%	136,799	1,634	1,371	136,536

	(Un-Audited) September 30, 2021	(Audited) June 30, 2021
	----- (Rupees in '000) -----	

8 PAYABLE TO THE MANAGEMENT COMPANY

Remuneration payable	622	384
Sales tax on remuneration payable	81	50
Allocated Expense Payable	187	-
	<u>890</u>	<u>434</u>

9 ACCRUED AND OTHER LIABILITIES

Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	830	7,516
Withholding tax payable		-	655
Payable against redemption of units			60,022
Brokerage Payable		3	-
Sales load payable		295	2
		<u>1128</u>	<u>68,195</u>

9.1 Sindh Revenue Board (SRB) through its letter dated August 12, 2021 received on August 13, 2021 has intimated Mutual Funds Association of Pakistan's (MUFAP) that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the Sindh Workers' Welfare Fund (SWWF) contributions. This development was discussed at MUFAP level and was also been taken up with the the Securities and Exchange Commission of Pakistan (SECP). All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds till August 12, 2021 on August 13, 2021.

SECP has also given its concurrence for recording reversal of provision of SWWF on the day letter was received by MUFAP. This reversal of provision has contributed towards an unusual increase in NAV of the Fund on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

Going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

11 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute at least 90% of income to be earned during current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

12. EARNINGS PER UNIT

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

13. INTERIM DISTRIBUTION

The Fund makes distribution on daily basis as per clause 12.1 of Trust Deed and 5.1 of the Offering Document. During the period, the Management Company on behalf of the Fund, have distributed all net profit amounting to Rs.33.004 million as dividend which has been re-invested after deducting applicable taxes in the form acceptable by SECP that may qualify under tax laws. The SECP has approved the above arrangement vide letter No. SCD/AMCW/MCBAHSIL/ADDF/297/2018 dated March 13, 2018.

14 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the holding company of the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Fund.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

14.1 Unit Holders' Fund

	FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (Un-Audited)							
	As at July 01, 2021	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at September 30, 2021	As at July 01, 2021	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at September 30, 2021
	(Units)			(Rupees in '000)				
Group / associated company								
Arif Habib Securities Limited Employees Provident Fund Trust Limited - Employees Provident Fund	77,053	49	77,090	12	7,705	5	7,709	1
Mandate Under Discretionary Portfolio	3	-	-	3	1	-	-	1
Unit Holder holding 10% or more units	887,911	1,019,991	-	1,907,902	88,791	101,999	-	190,790

**These persons became connected persons / related parties during the period due to acquiring unit holding of more than 10% of net assets of the Fund.

	FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (Un-Audited)							
	As at July 01, 2020	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at September 30, 2020	As at July 01, 2020	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at September 30, 2020
	(Units)			(Rupees in '000)				
MCB-Arif Habib Savings Investment Limited - Management Company	-	3,502,354	3,502,354	-	-	350,235	350,235	-
Group / associated company								
Hyundai Nishat Motor Private Limited - Employees Provident Fund	27,768	426	-	28,194	2,777	43	-	2,819
Adamjee Life Assurance Company Limited - PTF	54,220	761	-	54,981	5,422	76	-	5,498
Arif Habib Securities Limited Employees Provident Fund Trust	69,448	11	69,459	0	6,945	1	6,946	0
Mcb Islamic Bank Limited	-	2,254,759	2,254,759	-	-	225,476	225,476	-
Mandate Under Discretionary Portfolio	3	-	-	3	1	-	-	1
Key Management Personnel	39,488	373,498	371,607	41,379	3,949	37,350	37,161	4,138
Unit Holder holding 10% or more units	10,175,921	144,011	65,000	10,254,932	1,017,592	14,401	6,500	1,025,493

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	(Un-Audited)	
	September 30, 2021	September 30, 2020
	----- (Rupees in '000) -----	
14.2 Transactions during the period:		
MCB-Arif Habib Savings and Investments Limited - Management Company		
Remuneration (including indirect taxes)	1,711	2,082
Allocated Expense	187	737
Marketing and selling Expense	-	2,587
Bank Charges	167	194

	(Un-Audited)	(Audited)
	September 30, 2021	June 30, 2021
	----- (Rupees in '000) -----	
14.3 Balances outstanding at period end:		
MCB-Arif Habib Savings and Investments Limited - Management Company		
Remuneration payable	622	384
Sale tax payable on remuneration payable	81	50
Allocated expense payable	187	-
Receivable from management company	59	33
MCB Bank Limited - Group / associated company		
Bank balance*	11,672	5,101
Other receivable against collection account	13,386	10,751
MCB Islamic Bank Limited		
Bank balance - saving account	1,030	2,030
Mark-up receivable on bank balances	-	-

* This represents a balance held in current account.

15 TOTALEXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 0.52% (September 30, 2020:0.87%) and this includes 0.08% (September 30, 2020:0.16%) representing government levy, SECP fee etc.

16 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Fair value hierarchy

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

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

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

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

17 Impact of COVID-19

A novel strain of coronavirus (COVID-19) was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally. Measures taken to contain the spread of the virus, including lock-downs, travel bans, quarantines, social distancing, and closures of non-essential services and factories triggered significant disruptions to businesses worldwide and in Pakistan, resulting in an economic slowdown. During the lockdown that lasted from March to May 2020, the funds continued their activity, as the Pakistan Stock Exchange and the money markets continued trading. Management Company is of the view that while COVID-19 and its resulting containment measures have affected the economy, investors' confidence and adequate steps from the government and regulators have spearheaded recovery and subsequent events reflect that in due course, things would be normalised.

18 GENERAL

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

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

19 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 22, 2021 by the Board of Directors of the Management Company.

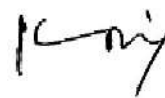
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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

UAN: (+92-21) 11-11-622-24 (11-11-MCB-AH)

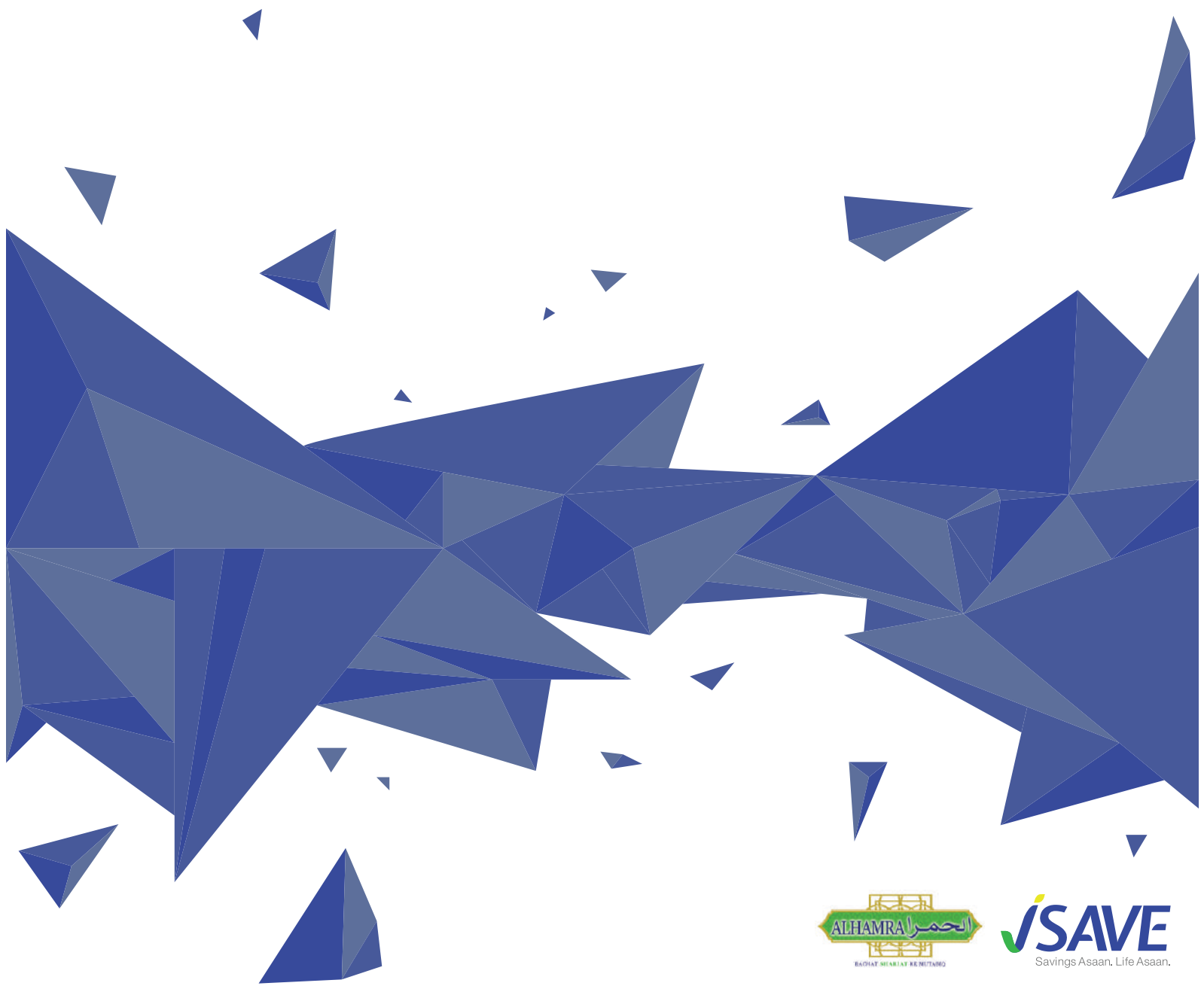
URL: www.mcbah.com, **Email:** info@mcbah.com



QUARTERLY REPORT

SEPTEMBER
2021
(UNAUDITED)

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



ALHAMRA ISLAMIC ACTIVE ALLOCATION FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Digital Custodian Company Limited (Formerly MCB Financial Services Limited) 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.co	
Bankers	MCB Bank Limited Dubai Islamic Bank Limited	
Auditors	Ernst & Young Ford Rhodes Chartered Accountants Progressive Plaza, Beaumont Road P.O. Box 15541, Karachi Sindh-75530 Pakistan.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM1 Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Smart Portfolio** accounts review for the fiscal year ended September 30, 2021.

Economy and Money Market Review

The fiscal year started on a robust note as Covid-19 vaccination drive gathered paced which helped to lift lockdowns across the county. The economic recovery was higher than expected as lagged impact of monetary easing, higher remittances and government incentives such as TERF facilities provided impetus to economic growth. The GDP growth clocked at 3.94 per cent in FY21 with government expecting the economic growth to clock at 4.8 per cent for FY22.

However, the robust recovery in domestic demand, coupled with higher international commodity prices, led to a strong pick-up in imports and a rise in the current account deficit. This put pressure on the local currency as rupee depreciated by 13.1 per cent against USD during this quarter.

Current account deficit posted a deficit of USD 2,290 million in the first two months of fiscal year compared to a surplus of USD 838 million in the corresponding period of the last year. The deterioration came in primarily on the back of higher imports which grew by 67.8 per cent in the first two months compared to export growth of 35.4 per cent. Trade Deficit increased by 100.2 per cent to USD 6.8 billion compared to USD 3.4 billion last year. Foreign exchange reserves of central bank saw an increase of USD 1.6 billion as Pakistan received USD 2.75 billion from the IMF under its new SDR allocation to back economically vulnerable countries combating the coronavirus pandemic.

Inflation remained a concern for the government as rising commodities continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.58 per cent during the quarter, with food inflation averaging 9.5 per cent during the period. Inflation was also effected by increase in fuel prices on account of increase in international oil and LNG prices. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.5 per cent for the period. The MPC committee conducted two monetary policies during the quarter and increased policy rate by 25bps in the Sep-21 meeting. SBP increased the interest rate to control the current account deficit and prevent the overheating of the economy as it noted the need to gradually increase the interest rates to protect the nascent economic growth.

On the fiscal side FBR Tax collection increased by 38 per cent over last year in this quarter to clock at PKR 1,395 billion compared to target of PKR 1,211 billion exceeding it by PKR 186 billion. This was on the back of higher custom duty and sales tax due to higher import.

Secondary markets yields have increased significantly in the quarter as SBP has started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average FY22 inflation to clock above the range of 7-9 per cent forecasted by SBP. 3Y, 5Y and 10Y bonds saw a rise of 73 bps, 46 bps and 51 bps respectively during the period.

Equity Market Review

The KSE-100 index closed the first quarter down by 5.2 per cent compared to a positive return of 17.9 per cent same period last year. Weakness in macroeconomic indicators, uncertainty over Pak-Afghan relations post US exit from Afghanistan, and MSCI's decision to downgrade Pakistan from Emerging Market to Frontier Market all weighted heavily on the index. Foreigners continued to offload as they sold stocks worth of near USD 83 million, while on the local front Individuals and Banks added about USD 33/21 million respectively to their positions. During the quarter, average trading volumes saw a decline to 412 million shares compared to about 669 million shares during the preceding quarter. Similarly, average trading value during the quarter saw a drop of 35 per cent over last quarter to near USD 85 million.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Cements, Oil & Gas Exploration companies, Refinery, Oil & Gas Marketing companies, & Fertilizer sectors were the major contributors to index decline posting negative returns of 20.2 per cent/6.2 per cent/35.4 per cent/10.8/2.2 per cent, respectively. In the cement sector, unprecedented surge in international coal prices amid price control measures by GoP created a weak near-term earnings outlook for the sector leading to selling pressure. Moreover, decline in E&Ps and OMCs were largely on the account of continuous accumulation of circular debt. In the case of Refineries, delay in approval of refinery policy dragged the entire sector performance.

FUND PERFORMANCE

During the period under review, the fund posted a return of -0.31 per cent against -0.78 per cent for the benchmark.

The fund was 22.2 per cent invested in Alhamra Islamic Stock Fund and 72.9 per cent invested in Alhamra Islamic Income Fund as at September 30, 2021.

The Net Assets of the Fund as at September 30, 2021 stood at Rs. 182 million. The Net Asset Value (NAV) per unit as at September 30, 2021 was Rs.99.5673.

Economy & Market – Future Outlook

The government has set a GDP growth target of 4.8 per cent for fiscal year 2022 (FY22). Covid-19 vaccination drive is continuing with success as over 50 million people have received the first dose of coronavirus vaccine. This has helped to lift lockdown across the country and we expect the Covid-19 situation to remain under control. Broader economy also appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc. However, the recent surge in commodity prices poses challenges to both to Fiscal and External Accounts. Due to the recent government steps to curtail demand we see some downside risks to government growth target. We expect GDP growth to clock higher as compared to previous year but it is likely to remain lower than the government target of 4.8 per cent.

The robust recovery in domestic demand on the back of pro-growth measures by the government, coupled with higher international commodity prices, has led to a strong pick-up in imports and a rise in the current account deficit. The current account deficit is expected to increase to USD 13.1 billion (4.0 per cent of GDP) in FY22, amid rising international crude oil prices along with general increase in international commodity prices. The Current Account deficit is likely to further weaken the local currency and we expect the exchange rate to close the year around 176 PKR/USD. Swift resumption of IMF program will be a key prerequisite to keep the financial account in positive zone. SBP has indicated that the flexible market determined exchange rate and gradual tightening of interest rates would be used in tandem to ensure sustainable current account position. The remittances along with bilateral and multilateral flows would also be crucial in managing our external position.

CPI averaged 8.9 per cent in FY21. The expected utility adjustments, currency depreciation and higher international commodities prices will lead to increase in inflation in this year. We expect Average FY22 inflation to clock at 9.7 per cent with inflation going in double digits in second half of the fiscal year. Based on our expected inflation, the real interest rates now fall into negative range thus requiring adjustments in the monetary policy during the current fiscal year. However, SBP has shown its focus to avoid any shocks to economic growth and will gradually increase interest rate to achieve mildly positive interest rate over the medium term. We expect the Policy Rate to reach 9.0 per cent by the end of the year.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in expected interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 15.9 per cent, a discount of 43 per cent from its historical average. Similarly, risk premiums are close to 5.9 per cent, compared to historical average of 1.5 per cent signifying abnormal returns for long term investors. We believe a micro view of sectors and stock will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds yields may continue to rise given expected increase in interest rates. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

Mutual Fund Industry Review

The Net Assets of the open end mutual fund industry increased by about 1.4 per cent during the quarter to PKR 1,032 billion at the end of 1QFY22. Total money market funds grew by about 1.1 per cent since June 2021. Within the money market sphere, the conventional funds dominated as they grew by about 8.1 per cent to PKR 308 billion while Islamic funds declined by 9.9 per cent to PKR 164 billion. In addition, the total fixed Income funds increased by about 8.5 per cent since June 2021, as the conventional income funds grew by 13.6 per cent to PKR 143 billion. Equity and related funds declined by 4.4 per cent over last quarter as market witnessed a decline in the quarter eroding AUMS and concern over macroeconomic and geopolitical factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 46 per cent, followed by Equity and Equity related funds with a share of 28 per cent and Income funds having a share of 26 per cent as at the end of 1QFY22.

Mutual Fund Industry Outlook

The recent increase in interest rates along with prospect of further monetary tightening would increase flows in the money market funds. The money markets funds by virtue of its short duration would be the ideal for investors with a short term horizon and low risk profile. However recent correction in stock prices have opened up valuations and long term investors would look to add equity exposure at these attractive levels. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

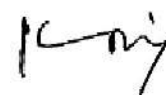
ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
October 22, 2021



Kashif A. Habib
Director

ڈائریکٹرز رپورٹ

میوچل فنڈ کی صنعت کا جائزہ

اپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2022ء کی پہلی سہ ماہی کے دوران تقریباً 1.4 فیصد بڑھ کر اختتام مدت پر 1,032 بلین روپے تھے۔ مجموعی money مارکیٹ فنڈز میں جون 2021ء کے مقابلے میں 1.1 فیصد اضافہ ہوا۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور 8.1 فیصد بڑھ کر 308 بلین روپے ہو گئے، جبکہ اسلاک فنڈز 9.9 فیصد گھٹ کر 164 بلین روپے ہو گئے۔ علاوہ ازیں، مجموعی فیکسڈ انکم فنڈز میں جون 2021ء کے مقابلے میں 8.5 فیصد اضافہ ہوا اور روایتی انکم فنڈز 13.6 فیصد بڑھ کر 143 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں گزشتہ سہ ماہی کے مقابلے میں 4.4 فیصد کمی ہوئی کیونکہ دوران مدت مارکیٹ میں تنازل دیکھا گیا جس کے نتیجے میں اثاثہ جات تحت الانتظامیہ (AUMs) گھٹ گئے اور کلاں معاشیاتی اور ارضی سیاسی عوامل پر خدشات نے سرمایہ کاروں کو ڈور رکھا۔ شعبہ جاتی اعتبار سے مالی سال 2022ء کی پہلی سہ ماہی کے اختتام پر money مارکیٹ فنڈز تقریباً 46 فیصد شراکت کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز کی شراکت 28 فیصد اور انکم فنڈز کی 26 فیصد تھی۔

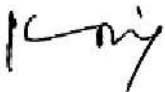
میوچل فنڈز صنعت کے مستقبل کا منظر

سود کی شرحوں میں حالیہ اضافے کے ساتھ ساتھ مزید مالیاتی سختی سے money مارکیٹ فنڈز میں آمدات میں اضافہ ہوگا۔ Money مارکیٹ فنڈز اپنی مختصر مدت کی بدولت ایسے سرمایہ کاروں کے لیے موزوں ترین ثابت ہوں گے جو محدود مدت کے لیے اور کم خطرات کے ساتھ کام کرنا چاہتے ہیں۔ تاہم اسٹاک کی قیمتوں میں حالیہ تصحیح نے valuations کو کشادہ کر دیا ہے اور سرمایہ کار ان پُرکشش سطحوں پر ایکویٹی میں پیسہ لگانا چاہیں گے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکیں گے۔

اظہار تشکر

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

من جانب ڈائریکٹرز



کاشف اے حبیب
ڈائریکٹر



محمد ثاقب سلیم
چیف ایگزیکٹو آفیسر
22 اکتوبر 2021ء

ڈائریکٹرز رپورٹ

گاڑیوں کی فروخت وغیرہ سے ہوتی ہے۔ تاہم اشیاء کی قیمتوں میں حالیہ اضافہ مالیاتی اور خارجی اکاؤنٹس، دونوں کو مشکلات سے دوچار کر دے گا۔ طلب میں کمی کے حالیہ حکومتی اقدامات کے سبب ترقی کے حکومتی اہداف کی تکمیل کو خطرات لاحق ہو گئے ہیں۔ ہم توقع کرتے ہیں کہ جی ڈی پی میں سال گزشتہ کے مقابلے میں زیادہ ترقی ہوگی، لیکن زیادہ امکان اس بات کا ہے کہ یہ 4.8 فیصد کے حکومتی ہدف سے نیچے رہے گی۔

حکومتی ترقیاتی اقدامات اور بلند تر بین الاقوامی اشیائی قیمتوں کے باعث مقامی طلب میں بھرپور بحالی ہوئی ہے اور اس کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں بھرپور اضافہ ہوا ہے۔ خام تیل کی بین الاقوامی قیمتوں اور اشیاء کی عمومی قیمتوں میں اضافے کی صورت حال میں مالی سال 2022ء میں کرنٹ اکاؤنٹ خسارہ بڑھ کر 13.1 بلین ڈالر (جی ڈی پی کے 4.0 فیصد) تک پہنچ سکتا ہے۔ خدشہ ہے کہ یہ خسارہ مقامی روپے کو مزید کمزور کرے گا، اور اختتام سال پر شرح مبادلہ تقریباً 176 ڈالر فی روپیہ ہو جانے کا امکان ہے۔ آئی ایم ایف پروگرام کی تیز رفتار بحالی مالیاتی گوشوارے کو مثبت احاطے میں رکھنے کے لیے کلیدی شرط ہوگی۔ ایس بی پی نے اشارہ دیا ہے کہ کرنٹ اکاؤنٹ کی قابل بقاء صورت حال یقینی بنانے کے لیے مارکیٹ کی متعین کردہ لچکدار شرح مبادلہ اور سود کی شرحوں میں بتدریج سختی کو بھی استعمال کیا جائے گا۔ ہماری خارجی صورت حال کو سنبھالنے میں ترسیلات کے ساتھ ساتھ دو طرفہ اور کثیر الطرفہ آمدات بھی اہم کردار ادا کریں گی۔

مالی سال 2021ء میں سی پی آئی کا اوسط 8.9 فیصد تھا۔ متوقع یوٹیلٹی ترسیمات، روپے کی قدر میں کمی اور بلند تر بین الاقوامی اشیائی قیمتوں کے نتیجے میں سال رواں کے دوران افراط زر میں اضافہ ہوگا۔ ہماری توقع کے مطابق مالی سال 2022ء کا افراط زر کا اوسط 9.7 فیصد ہوگا، اور سال کے نصف آخر میں افراط زر دو ہندسوں میں پہنچ جائے گی۔ ہماری متوقع افراط زر کی بنیاد پر حقیقی شروع سودا منفی حد میں آرہی ہے، چنانچہ موجودہ مالی سال کے دوران مالیاتی پالیسی میں ترمیمات درکار ہیں۔ تاہم ایس بی پی نے معاشی ترقی کو متوقع دھچکوں سے محفوظ رکھنے پر توجہ مرکوز کی ہے اور درمیانی مدت میں معتدل حد تک مثبت شرح سود حاصل کرنے کے لیے شروع سود میں بتدریج اضافہ کیا جائے گا۔ ہماری توقع کے مطابق پالیسی شرح اختتام سال تک 9.0 فیصد تک پہنچ جائے گی۔

کیپٹل مارکیٹ، خصوصاً ایکویٹیز، کے تناظر میں، اسٹاک کی قیمتوں میں حالیہ تصحیح کے نتیجے میں تعیین قدر کھل گئی ہے۔ مارکیٹ نے شرح سود میں متوقع اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہوا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 15.9 فیصد ہو گیا ہے، جو اس کے قدیم اوسط سے 43 رعایت ہے۔ اسی طرح خطرات کے پریمیئم تقریباً 5.9 فیصد ہیں، اور ان کے قدیم اوسط 1.5 فیصد کے ساتھ تقابل سے طویل المیعاد سرمایہ کاروں کے لیے غیر معمولی منافعوں کا عندیہ ملتا ہے۔ ہم سمجھتے ہیں کہ شعبوں اور اسٹاک کی مجموعی تصویر اہمیت کی حامل رہے گی، اور سرمایہ کاری کے انتخاب میں ایسی کمپنیوں پر توجہ مرکوز ہونی چاہیے جو اپنی خلقی قدر سے گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب، شروع سود میں متوقع اضافے کی بدولت حکومتی بانڈز کے منافع جات میں اضافہ جاری رہ سکتا ہے۔ ہم بانڈز کے منافع جات کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

ڈائریکٹرز رپورٹ

ثانوی مارکیٹس کی پیداواروں میں دوران سہ ماہی قابل ذکر اضافہ ہوا ہے کیونکہ اسٹیٹ بینک آف پاکستان نے مالیاتی سختی کا دورہ شروع کر دیا ہے۔ روپے کی قدر میں حالیہ کمی کے ساتھ مسلسل بلند اشیائی قیمتوں سے افراط زر پر دباؤ میں اضافہ ہوگا اور مالی سال 2022ء کے لیے افراط زر کا اوسط متوقع طور پر اسٹیٹ بینک آف پاکستان کی پیش گوئی کردہ سطح 7 تا 9 فیصد سے بلند ہوگا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈز میں دوران مدت بالترتیب 73 بی پی ایس، 46 بی پی ایس اور 51 بی پی ایس اضافہ ہوا۔

ایکویٹی مارکیٹ کا جائزہ

کے ایس ای-100 انڈیکس نے پہلی سہ ماہی کا اختتام سال گزشتہ کی مماثل مدت کے 17.9 فیصد مثبت منافع کے بالمقابل 5.2 فیصد کم پر کیا۔ کلاں معاشی اشاروں میں ضعف، امریکا کے افغانستان سے انخلاء کے بعد پاک افغان تعلقات میں غیر یقینی صورتحال، اور ایم ایس سی آئی کے پاکستان کی درجہ بندی کو امریکہ سے گرا کر فرٹینئر مارکیٹ کر دینے کا فیصلہ، یہ سب عوامل انڈیکس پر بہت بھاری پڑے۔ غیر ملکیوں نے سرمایہ کاری میں کمی کا سلسلہ جاری رکھا اور تقریباً 83 ملین ڈالر کے اسٹاک فروخت کیے، جبکہ مقامی سطح پر افراد اور بینکوں نے بالترتیب 33 اور 21 ملین ڈالر کا اضافہ کیا۔ دوران سہ ماہی اوسط تجارتی حجم میں 412 ملین حصص کی کمی ہوئی جبکہ اس کے بالمقابل گزشتہ سہ ماہی کے دوران 669 ملین حصص کی کمی ہوئی تھی۔ اسی طرح، اوسط تجارتی قدر گزشتہ سہ ماہی کے مقابلے میں 35 فیصد کم ہو کر تقریباً 85 ملین ڈالر ہو گئی۔

انڈیکس کے تنزل میں اہم ترین کردار ادا کرنے والے شعبوں میں سیمنٹ، تیل اور گیس کی دریافت کی کمپنیاں، ریفا سٹری، تیل اور گیس کی مارکیٹنگ کی کمپنیاں شامل ہیں جنہوں نے بالترتیب 20.2 فیصد، 6.2 فیصد، 35.4 فیصد، 10.8 فیصد اور 2.2 فیصد منفی منافع پوسٹ کیا۔ حکومت پاکستان کے قیمتوں پر قابو پانے کے اقدامات کے پس منظر میں کونکے کی قیمتوں میں بین الاقوامی سطح پر بلا نظیر اضافے سے سیمنٹ کے شعبے میں قریب المدتی منافع کا کمزور امکان، اور اس کے نتیجے میں فروخت کا دباؤ، پیدا ہو گیا۔ اس کے علاوہ ای اینڈ پی اور او ایم سی میں تنزل کی بڑی وجہ گردش قرضے کا مسلسل جمع ہونا ہے۔ ریفا سٹری پالیسی کی منظوری میں تاخیر کے باعث ریفا سٹریز کے پورے شعبے کی کارکردگی سست روی کا شکار ہوئی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے (0.31) فیصد منافع پوسٹ کیا جبکہ مقررہ معیار (0.78) فیصد تھا۔ 30 ستمبر 2021ء کو فنڈ کی سرمایہ کاری الحمراء اسلامک اسٹاک فنڈ میں 22.2 فیصد، اور الحمراء اسلامک انکم فنڈ میں 72.9 فیصد تھی۔ 30 ستمبر 2021ء کو فنڈ کے net اثاثہ جات 182 ملین روپے تھے، جبکہ net اثاثہ جاتی قدر (این اے وی) نی یونٹ 99.5673 روپے تھی۔

معیشت اور بازار - مستقبل کا منظر

حکومت نے مالی سال 2022ء کے لیے جی ڈی پی میں ترقی کا ہدف 4.8 فیصد مقرر کیا ہے۔ کووڈ-19 ویکسین مہم کامیابی کے ساتھ جاری ہے اور پانچ کروڑ سے زیادہ افراد پہلی خوراک حاصل کر چکے ہیں۔ اس کی بدولت ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی ہے اور ہم اُمید کرتے ہیں کہ کووڈ کی صورتحال قابو میں رہے گی۔ وسیع تر معیشت قبل از کووڈ سطحوں کے قریب چلتی ہوئی نظر آ رہی ہے جس کی پیمائش ایل ایس ایم میں ترقی، سیمنٹ کی فروخت،

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسٹارٹ اپ پورٹ فولیو کے گوشواروں منجملہ سہ ماہی 30 ستمبر 2021ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

مالی سال کا بھر پور آغاز ہو گیا ہے اور اس کے ساتھ بلند ترین بین الاقوامی ایشیائی قیمتوں، کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا۔ چنانچہ مقامی روپے پر دباؤ پڑا جس کی قدر میں دوران سہ ماہی امریکی ڈالر کے مقابلے میں 13.1 فیصد کمی ہوئی۔ کرنٹ اکاؤنٹ نے مالی سال کے پہلے دو ماہ میں 2,290 ملین ڈالر خسارہ پوسٹ کیا جبکہ اس کے بالمقابل سال گزشتہ مماثل مدت میں 838 ملین ڈالر فاضل تھے۔ اس ابتری کی بنیادی وجہ درآمدات میں اضافہ تھی جس میں پہلے دو ماہ کے دوران 67.8 فیصد اضافہ ہوا جبکہ اس کے بالمقابل برآمدات میں 35.4 فیصد اضافہ ہوا۔ تجارتی خسارہ 100.2 فیصد بڑھ کر 6.8 بلین ڈالر ہو گیا جبکہ اس کے بالمقابل سال گزشتہ 3.4 بلین ڈالر تھا۔ مرکزی بینک میں غیر ملکی زرمبادلہ کے ذخائر میں 1.6 بلین ڈالر کا اضافہ ہوا کیونکہ پاکستان کو آئی ایم ایف سے اس کے نئے ایس ڈی آر اختصاص کے تحت 2.75 بلین ڈالر موصول ہوئے جس کا مقصد کورونا وائرس وبا سے نبرد آزما ضرر پذیر ممالک کی معاشی معاونت ہے۔

تاہم مقامی طلب کی بھر پور بحالی، اور اس کے ساتھ بلند ترین بین الاقوامی ایشیائی قیمتوں، کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا۔ چنانچہ مقامی روپے پر دباؤ پڑا جس کی قدر میں دوران سہ ماہی امریکی ڈالر کے مقابلے میں 13.1 فیصد کمی ہوئی۔ کرنٹ اکاؤنٹ نے مالی سال کے پہلے دو ماہ میں 2,290 ملین ڈالر خسارہ پوسٹ کیا جبکہ اس کے بالمقابل سال گزشتہ مماثل مدت میں 838 ملین ڈالر فاضل تھے۔ اس ابتری کی بنیادی وجہ درآمدات میں اضافہ تھی جس میں پہلے دو ماہ کے دوران 67.8 فیصد اضافہ ہوا جبکہ اس کے بالمقابل برآمدات میں 35.4 فیصد اضافہ ہوا۔ تجارتی خسارہ 100.2 فیصد بڑھ کر 6.8 بلین ڈالر ہو گیا جبکہ اس کے بالمقابل سال گزشتہ 3.4 بلین ڈالر تھا۔ مرکزی بینک میں غیر ملکی زرمبادلہ کے ذخائر میں 1.6 بلین ڈالر کا اضافہ ہوا کیونکہ پاکستان کو آئی ایم ایف سے اس کے نئے ایس ڈی آر اختصاص کے تحت 2.75 بلین ڈالر موصول ہوئے جس کا مقصد کورونا وائرس وبا سے نبرد آزما ضرر پذیر ممالک کی معاشی معاونت ہے۔

افراط زر (مہنگائی) حکومت کے لیے مسئلہ بنی رہی اور بڑھتی ہوئی ایشیائی قیمتوں نے پالیسی سازوں کو مشکلات سے دوچار رکھا۔ مجموعی افراط زر، جس کی ترجمانی صارفین کی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط دوران سہ ماہی 8.58 فیصد تھا، اور ایشیائی خورد و نوش کے افراط زر کا اوسط 9.5 فیصد تھا۔ بین الاقوامی سطح پر تیل اور ایل این جی کی قیمتوں میں اضافے کے نتیجے میں ایندھن کی قیمتوں میں اضافہ بھی افراط زر پر اثر انداز ہوا۔ اس کے باوجود بنیادی افراط زر، جس کی پیمائش ایشیائی خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.5 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے دوران سہ ماہی دو اجلاس منعقد کیے اور ستمبر 2021ء کے اجلاس میں پالیسی کی شرح میں 25 بیسیس پوائنٹس (بی پی ایس) کا اضافہ کیا۔ اسٹیٹ بینک آف پاکستان نے سود کی شرح میں اضافہ کیا تاکہ کرنٹ اکاؤنٹ خسارے اور معیشت میں بڑھتی ہوئی حرارت کو قابو میں رکھا جائے کیونکہ نوزائیدہ معاشی ترقی کی حفاظت کے لیے سود کی شرحوں میں بتدریج اضافے کی ضرورت ہوتی ہے۔

مالیاتی جانب ایف بی آر کی ٹیکس وصولی میں دوران سہ ماہی سال گزشتہ کے مقابلے میں 38 فیصد اضافہ ہوا؛ 1,395 بلین روپے، جو 1,211 بلین روپے کے ہدف سے 184 بلین روپے زیادہ ہیں۔ اس کی وجہ بلند تر درآمدات کے باعث بلند تر کسٹم ڈیوٹی اور سیلز ٹیکس ہیں۔

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

Note	(Un-audited) ----- September 30, 2021 -----				(Audited) ----- June 30, 2021 -----			
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total
	----- (Rupees in '000) -----							
ASSETS								
Balances with banks	5,332	6,935	8,983	21,250	6,146	14,126	2,031	22,303
Investments	-	-	172,828	172,828	-	-	121,079	121,079
Profit receivable	-	-	39	39	-	-	30	30
Advance, deposits and other receivables	-	-	-	-	-	-	-	-
Total assets	5,332	6,935	181,850	194,117	6,146	14,126	123,140	143,412
LIABILITIES								
Payable to the Management Company	-	-	57	57	-	-	10	10
Payable to the Trustee	-	-	23	23	-	-	16	16
Payable to the Securities and Exchange Commission of Pakistan	-	-	9	9	-	29	1	30
Accrued expenses and other liabilities	5,332	6,935	182	12,449	6,146	14,097	54	20,297
Total liabilities	5,332	6,935	271	12,538	6,146	14,126	81	20,353
NET ASSETS	-	-	181,579	181,579	-	-	-	123,059
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	-	-	181,579	181,579	-	-	-	123,059
Contingencies and Commitments								
	--- (Number of units) ---				--- (Number of units) ---			
NUMBER OF UNITS IN ISSUE	-	-	1,823,683		-	-	1,232,102	
	----- (Rupees) -----				----- (Rupees) -----			
NET ASSET VALUE PER UNIT	-	-	99.5673		-	-	99.8771	

The annexed notes 1 to 17 form an integral part of these financial statements.

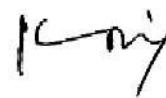
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Note	September 30, 2021			September 30, 2020			
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
		(Rupees in '000)						
INCOME								
Gain / (loss) on sale of investments - net		-	-	109	109	608	407	1,015
Net unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss	7.1	-	-	(990)	(990)	4,323	2,001	6,323
Profit on bank balances		-	-	129	129	186	149	334
Dividend income		-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-
Total income / (loss)		-	-	(751)	(751)	5,116	2,557	7,673
EXPENSES								
Remuneration of the Management Company		-	-	13	13	19	15	33
Sindh sales tax on remuneration of the Management Company		-	-	2	2	2	2	4
Remuneration of the Trustee		-	-	63	63	72	63	135
Sindh sales tax on remuneration of the Trustee		-	-	8	8	9	8	18
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		-	-	9	9	16	9	25
Allocated expenses		-	-	45	45	80	43	124
Auditors' remuneration		-	-	111	111	66	36	101
Printing charges		-	-	25	25	3	4	7
Settlement and bank charges		-	-	5	5	2	-	2
Listing Fee		-	-	-	-	3	2	5
Legal and professional charges		-	-	8	8	16	11	27
Provision for Sindh Workers' Welfare Fund		-	-	-	-	97	47	144
Total expenses		-	-	289	289	386	240	626
Net income / (loss) for the year before taxation		-	-	(1,040)	(1,040)	4,731	2,317	7,048
Taxation	10	-	-	-	-	-	-	-
Net income / (loss) for the year		-	-	(1,040)	(1,040)	4,731	2,317	7,048
Allocation of net income for the year								
Net income for the year after taxation		-	-	-	-	4,731	2,317	7,048
Income already paid on units redeemed		-	-	-	-	(245)	(195)	(440)
Accounting income available for distribution		-	-	-	-	4,485	2,122	6,607
- Relating to capital gains		-	-	-	-	4,485	2,122	6,607
- Excluding capital gains		-	-	-	-	-	-	-
		-	-	-	-	4,485	2,122	6,607

The annexed notes 1 to 17 form an integral part of these financial statements.

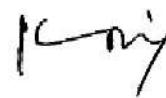
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 30, 2021				September 30, 2020		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----						
Net income / (loss) for the year after taxation	-	-	(1,040)	(1,040)	4,731	2,317	7,048
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the year	-	-	(1,040)	(1,040)	4,731	2,317	7,048

The annexed notes 1 to 17 form an integral part of these financial statements.

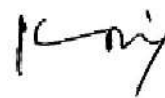
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



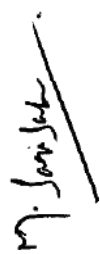
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Alhamra Islamic Active Allocation Plan - I			Alhamra Smart Portfolio			Alhamra Islamic Active Allocation Plan - II			Alhamra Islamic Active Allocation Plan - II		
	September 30, 2021			September 30, 2021			September 30, 2020			September 30, 2020		
	Capital Value	Undistrib-uted (loss) / income	Total	Capital Value	Undistrib-uted (loss) / income	Total	Capital Value	Undistrib-uted loss	Total	Capital Value	Undistrib-uted Income / (loss)	Total
Net Assets at the beginning of the year	-	-	-	123,200	(141)	123,059	472,874	(132,082)	340,792	211,921	(35,358)	176,563
Issuance of 996,118 units of Alhamra Smart Portfolio (2020: 425,582 units of Plan-I, 164,341 units of Plan-II)	-	-	-	99,489	-	99,489	-	-	-	32	-	32
- Capital value (at net assets value per unit at the beginning of the year)	-	-	-	99,489	507	507	-	-	-	1	-	1
- Element of income	-	-	-	99,996	-	99,996	-	-	-	32	-	32
Redemption of 404,538 units of Alhamra Smart Portfolio (2020: 425,582 units of Plan-I, 164,341 units of Plan-II)	-	-	-	(40,404)	(32)	(40,436)	(38,430)	(245)	(38,676)	(15,735)	(195)	(15,735)
- Capital value (at net assets value per unit at the beginning of the year)	-	-	-	(40,404)	(32)	(40,436)	(38,430)	(245)	(38,676)	(15,735)	(195)	(15,735)
- Element of Loss	-	-	-	(40,404)	(32)	(40,436)	(38,430)	(245)	(38,676)	(15,735)	(195)	(15,735)
Total comprehensive income / (loss) for the year	-	-	-	(1,040)	(1,040)	(1,040)	-	4,731	4,731	-	2,317	2,317
Distribution during the year	-	-	-	-	-	-	-	-	-	-	-	-
Net income / (loss) for the year less distribution	-	-	-	(1,040)	(1,040)	(1,040)	-	4,731	4,731	-	2,317	2,317
Net assets at end of the maturity/period	-	-	-	182,792	(1,213)	181,579	434,444	(127,596)	306,847	196,218	(33,236)	162,982
Payable to unit holders on maturity	-	-	-	-	-	-	-	-	-	-	-	-
Net assets at end of the year	-	-	-	182,792	(1,213)	181,579	472,874	(132,082)	340,792	211,921	(35,358)	162,982
Undistributed (loss) / income brought forward comprising of:	-	-	-	-	-	-	-	(134,287)	(134,287)	-	(86,374)	(86,374)
- Realised	-	-	-	-	-	-	-	-	-	-	-	-
- Unrealised	-	-	-	-	-	-	-	(132,082)	(132,082)	-	(86,359)	(86,359)
Accounting income available for distribution:	-	-	-	-	-	-	-	4,485	4,485	-	2,122	2,122
- Relating to capital gains	-	-	-	-	-	-	-	-	-	-	-	-
- Excluding capital gains	-	-	-	-	-	-	-	16,559	16,559	-	2,122	2,122
Net income / (loss) for the year	-	-	-	(1,040)	(1,040)	(1,040)	-	(127,596)	(127,596)	-	(33,236)	(33,236)
Undistributed loss carried forward	-	-	-	-	-	-	-	-	-	-	-	-
Undistributed loss / (income) carried forward comprising of:	-	-	-	(50)	(990)	(1,040)	-	(131,918)	(131,918)	-	(35,237)	(35,237)
- Realised	-	-	-	(50)	(990)	(1,040)	-	(131,918)	(131,918)	-	(35,237)	(35,237)
- Unrealised	-	-	-	-	-	-	-	-	-	-	-	-
Net assets value per unit at beginning of the year	-	-	-	99.8771	-	99.8771	90.2890	-	90.2890	-	95.6301	95.6301
Net assets value per unit at end of the year	-	-	-	99.5673	-	99.5673	91.6375	-	91.6375	-	96.8919	96.8919

The annexed notes 1 to 17 form an integral part of these financial statements.

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


M. Saad Jaleel

Chief Executive Officer


A. Akhbar

Chief Financial Officer


K. M. Khan

Director

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 30, 2021		September 30, 2020		
	Alhamra Smart Portfolio	Total	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
----- (Rupees in '000) -----					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income / (loss) for the year	(1,040)	(1,040)	4,731	2,317	7,048
Adjustments for non cash and other items:					
Net unrealised loss / (income) on re-measurement of investments at fair value through profit or loss	(109)	(109)	(4,323)	(2,001)	(6,324)
	(109)	(109)	(4,323)	(2,001)	(6,324)
Decrease / (increase) in assets					
Investments	(51,749)	(51,749)	34,391	9,594	43,985
Profit receivable	(9)	(9)	40	2	42
Advance, deposits and other receivables	-	-	(29)	(22)	(51)
	(51,758)	(51,758)	34,402	9,574	43,976
(Decrease) / increase in liabilities					
Payable to the Management Company	47	47	(8)	(2)	(10)
Payable to the Trustee	7	7	(3)	-	(3)
Payable to the Securities and Exchange Commission of Pakistan	8	8	(71)	(56)	(127)
Accrued expenses and other liabilities	237	237	156	61	217
	299	299	74	3	77
Net cash generated from operating activities	(52,608)	(52,608)	34,884	9,893	44,777
CASH FLOWS FROM FINANCING ACTIVITIES					
Amount received on issuance of units	99,996	99,996	-	32	32
Amount paid on redemption of units	(40,436)	(40,436)	(38,675)	(15,930)	(54,605)
Dividend paid	-	-	-	-	-
Net cash used in financing activities	59,560	59,560	(38,675)	(15,898)	(54,572)
Net (decrease) / increase in cash and cash equivalents during the year	6,952	6,952	(3,791)	(6,005)	(9,795)
Cash and cash equivalents at the beginning of the year	2,031	2,031	19,166	11,444	30,610
Cash and cash equivalents at the end of the year	8,983	8,983	15,375	5,439	20,815

The annexed notes 1 to 17 form an integral part of these financial statements.

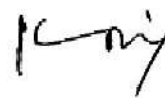
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Active Allocation Fund (the Fund) was established under a Trust Deed dated, November 25, 2016, executed between MCB Arif Habib Investments Limited as Management Company and Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 02, 2016 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008).
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company has been changed from 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi to 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund commenced its operations from December 29, 2016. The Fund is an open-end Shariah Compliant Fund of Funds that shall invest in other Shariah compliant Collective Investment Schemes as specified in the Investment Policy contained in the offering document and SECP circular No. 7 of 2009, as may be amended or substituted from time to time. The units of the Fund are redeemable subject to a contingent load.
- 1.4 The duration of the Fund is perpetual. However, Allocation Plans launched may have a set time frame. The Fund commenced its operations from December 29, 2016 and on that date, had offered one type of Allocation Plan (Plan-I). On June 16, 2017, the Fund has launched Allocation Plan-II. The Fund is allowed to invest in Shariah Compliant Collective Investment Schemes or in cash and / or near cash instruments as allowed under circular no.7 of 2009 dated March 6, 2009 issued by the SECP. The maturity of Allocation Plan I was two years from the close of the initial offer period of December 29, 2016 (i.e. maturing on December 28, 2018), however, the said maturity has been extended for another two years (i.e. maturing on December 28, 2020). The maturity of Allocation Plan II was two years from the close of the initial offer period of June 16, 2017 (i.e. maturing on June 16, 2019) however, the said maturity has been extended by two year (i.e. maturing on June 16, 2021). Accordingly, Plan-I is matured on December 28, 2020 and Plan-II is matured on June 15, 2021. The Management Company has launched Alhamra Smart Portfolio on June 10, 2021.
- 1.5 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 06, 2021 to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations)
- Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement of the Trust Deed.

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

- 2.1.2** This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2021
- 2.1.3** The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2021, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the quarter ended 30 September 2020.
- 2.1.4** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.1.5** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the Fund.

2.2 Basis of Measurement

This condensed interim financial information have been prepared on the basis of historical cost convention except that investments have been included at fair value.

2.3 Functional and presentation currency

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 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 year ended June 30, 2021.

3.2 Standards, amendments and interpretations to existing standards not yet effective and not applicable/ relevant to the Fund

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant and does not have any significant impact on the Fund's operations or a change in accounting policies of the Fund, therefore, have not been detailed in these condensed interim financial statements

4. Estimates and Judgements

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2021.

5. Financial Risk Management

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2021.

		(Un-Audited)			
		September 30, 2021			
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total
		----- (Rupees in '000) -----			
6. BALANCES WITH BANKS	Note				
In current accounts	6.1	5,332	6,935	1,984	14,251
In saving accounts	6.2	-	-	6,999	6,999
		5,332	14,126	8,983	21,250

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

6.1 This represents balance maintained with MCB Bank Limited

6.2 These carry profit at the rates ranging between 6.60% to 6.60% (2021: 6.60% to 6.80%) per annum.

	(Audited)			
	June 30, 2021			
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total
	----- (Rupees in '000) -----			
In current accounts	6,146	14,126	10	20,282
In saving accounts	-	-	2,020	2,020
	<u>6,146</u>	<u>14,126</u>	<u>2,031</u>	<u>22,303</u>

		(Un-Audited)	
		September 30, 2021	
		Alhamra Smart Portfolio	Total
		----- (Rupees in '000) -----	
7. INVESTMENTS	Note		
At fair value through profit or loss			
- Units of open-end mutual funds	7.1	<u>172,828</u>	<u>172,828</u>

		(Audited)	
		June 30, 2020	
		Alhamra Smart Portfolio	Total
		----- (Rupees in '000) -----	
At fair value through profit or loss - held for trading			
- Units of open-end mutual funds		<u>121,079</u>	<u>121,079</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

7.1 Units of open-end mutual funds

Name of the fund	Number of units			Balances as at September 30, 2021				Market value as a percentage of net assets %	Market value as a percentage of total investment
	As at July 01, 2021	Purchased during the period	Redemption during the period	As at September 30, 2021	Carrying Value	Market Value	Unrealised (loss) / gain		
Alhamra Smart Portfolio - with related party									
Alhamra Islamic Stock Fund	2,681,101	1,809,657	655,293	3,835,465	43,470	40,311	(3,160)	22.20%	23.32%
Alhamra Islamic Income Fund	890,625	935,029	551,565	1,274,089	130,348	132,518	2,170	72.98%	76.68%
Total as at September 30, 2021					173,818	172,828	(990)		
Total as at June 30, 2021					121,435	121,079	(357)		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

(Un-Audited) September 30, 2021				
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total
Note	----- (Rupees in '000) -----			
8. ACCRUED EXPENSES AND OTHER LIABILITIES				
Auditors' remuneration	-	-	128	128
Provision for Sindh Workers' Welfare Fund (SWWF)	-	-	-	-
Payable to legal advisor	-	-	11	11
Others	5,332	6,935	43	12,310
	<u>5,332</u>	<u>6,935</u>	<u>182</u>	<u>12,448</u>

(Audited) June 30, 2021				
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total
	----- (Rupees in '000) -----			
Auditors' remuneration	-	283	17	300
Provision for Sindh Workers' Welfare Fund (SWWF)	982	942	-	1,924
Payable to legal advisor	-	29	3	32
Others	5,164	12,872	34	18,070
	<u>6,146</u>	<u>14,126</u>	<u>54</u>	<u>20,324</u>

8.1 Sindh Revenue Board (SRB) through its letter dated August 12, 2021 received on August 13, 2021 has intimated Mutual Funds Association of Pakistan's (MUFAP) that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the Sindh Workers' Welfare Fund (SWWF) contributions. This development was discussed at MUFAP level and was also been taken up with the the Securities and Exchange Commission of Pakistan (SECP). All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds till August 12, 2021 on August 13, 2021.

SECP has also given its concurrence for recording reversal of provision of SWWF on the day letter was received by MUFAP. This reversal of provision has contributed towards an unusual increase in NAV of the Fund on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

Going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

10. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute at least 90% of income to be earned during current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

11. EARNING/(LOSS) PER UNIT

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

12. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Management Company is determined in accordance with the provision of the NBFC Regulations and constitutive documents of the Fund respectively.

Details of transactions and balances at year end with related parties / connected persons are as follows:

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

12.2 Transactions during the period:

	(Un-Audited)			
	For quarter ended September 30, 2021			
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total
	----- (Rupees in '000) -----			
MCB-Arif Habib Savings and Investments Limited - Management Company				
Remuneration of the Management Company	-	-	13	13
Sindh sales tax on remuneration of the Management Company	-	-	2	2
Allocated expenses	-	-	45	45
Digital Custodian Company Limited - Trustee				
Remuneration of the Trustee	-	-	63	63
Sindh sales tax on remuneration of the Trustee	-	-	8	8
Alhamra Islamic Stock Fund				
Purchase of 1,809,655 units by the Fund	-	-	20,628	20,628
Sale of 655,292 units by the Fund	-	-	7,101	7,101
Alhamra Islamic Income Fund				
Purchase of 935,032 units by the Fund	-	-	67,344	67,344
Sale of 551,565 units by the Fund	-	-	56,788	56,788
MCB Bank Limited				
Bank charges	-	-	8	8

	(Un-Audited)			
	For quarter ended September 30, 2020			
	----- (Rupees in '000) -----			
MCB-Arif Habib Savings and Investments Limited - Management Company				
Remuneration of the Management Company	19	15	-	33
Sindh sales tax on remuneration of the Management Company	2	2	-	4
Allocated expenses	80	43	-	124
Digital Custodian Company Limited - Trustee				
Remuneration of the Trustee	72	63	-	135
Sindh sales tax on remuneration of the Trustee	9	8	-	18
Alhamra Islamic Stock Fund				
Purchase of 0 units and 0 units by the Fund	-	-	-	-
Sale of 0 units and 0 units by the Fund	-	-	-	-
Alhamra Islamic Income Fund				
Purchase of 0 units and 0 units by the Fund	-	-	-	-
Sale of 0 units and 0 units by the Fund	-	-	-	-
MCB Bank Limited				
Bank charges	1	-	-	1

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

12.3 Balances outstanding at year end:

	(Un-Audited) September 30, 2021			
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total
	----- (Rupees in '000) -----			
MCB-Arif Habib Savings and Investments Limited - Management Company				
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company			56	56
Sindh sales tax payable on Management Company remuneration			1	1
Payable against allocated expenses			16	16
Digital Custodian Company Limited - Trustee				
Trustee remuneration payable			21	21
Sindh sales tax payable on Trustee remuneration			3	3
MCB Bank Limited - Group / associated company				
Balances with bank - current account	5,332	6,935	1,984	14,251
Alhamra Islamic Stock Fund				
Outstanding 3,835,465 units (investments made by the Fund)			40,311	40,311
Alhamra Islamic Income Fund				
Outstanding 1,274,089 units (investments made by the Fund)			132,518	132,518

	(Audited) June 30, 2021			
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Alhamra Smart Portfolio	Total
	----- (Rupees in '000) -----			
MCB-Arif Habib Savings and Investments Limited - Management Company				
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company			3	3
Sindh sales tax payable on Management Company remuneration			-	-
Payable against allocated expenses			7	7
Digital Custodian Company Limited - Trustee				
Trustee remuneration payable			14	14
Sindh sales tax payable on Trustee remuneration			2	2
MCB Bank Limited - Group / associated company				
Balances with bank - current account	6,146	14,126	10	20,282
Alhamra Islamic Income Fund				
Outstanding 890,625 units (investments made by the Fund)			90,809	90,809
Alhamra Islamic Stock Fund				
Outstanding 2,681,101 units (investments made by the Fund)			30,270	-

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

13. TOTAL EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 0.63% and this includes 0.03% representing government levy, SECP fee etc.

14. IMPACT OF COVID-19

A novel strain of coronavirus (COVID-19) was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally. Measures taken to contain the spread of the virus, including lock-downs, travel bans, quarantines, social distancing, and closures of non-essential services and factories triggered significant disruptions to businesses worldwide and in Pakistan, resulting in an economic slowdown. During the lockdown that lasted from March to May 2020, the funds continued their activity, as the Pakistan Stock Exchange and the money markets continued trading. Management Company is of the view that while COVID-19 and its resulting containment measures have affected the economy, investors' confidence and adequate steps from the government and regulators have spearheaded recovery and subsequent events reflect that in due course, things would be normalised.

15. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

Fair value hierarchy

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

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

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

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

16. GENERAL

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

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

17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 22, 2021 by the Board of Directors of the Management Company.

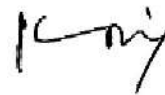
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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

UAN: (+92-21) 11-11-622-24 (11-11-MCB-AH)

URL: www.mcbah.com, **Email:** info@mcbah.com

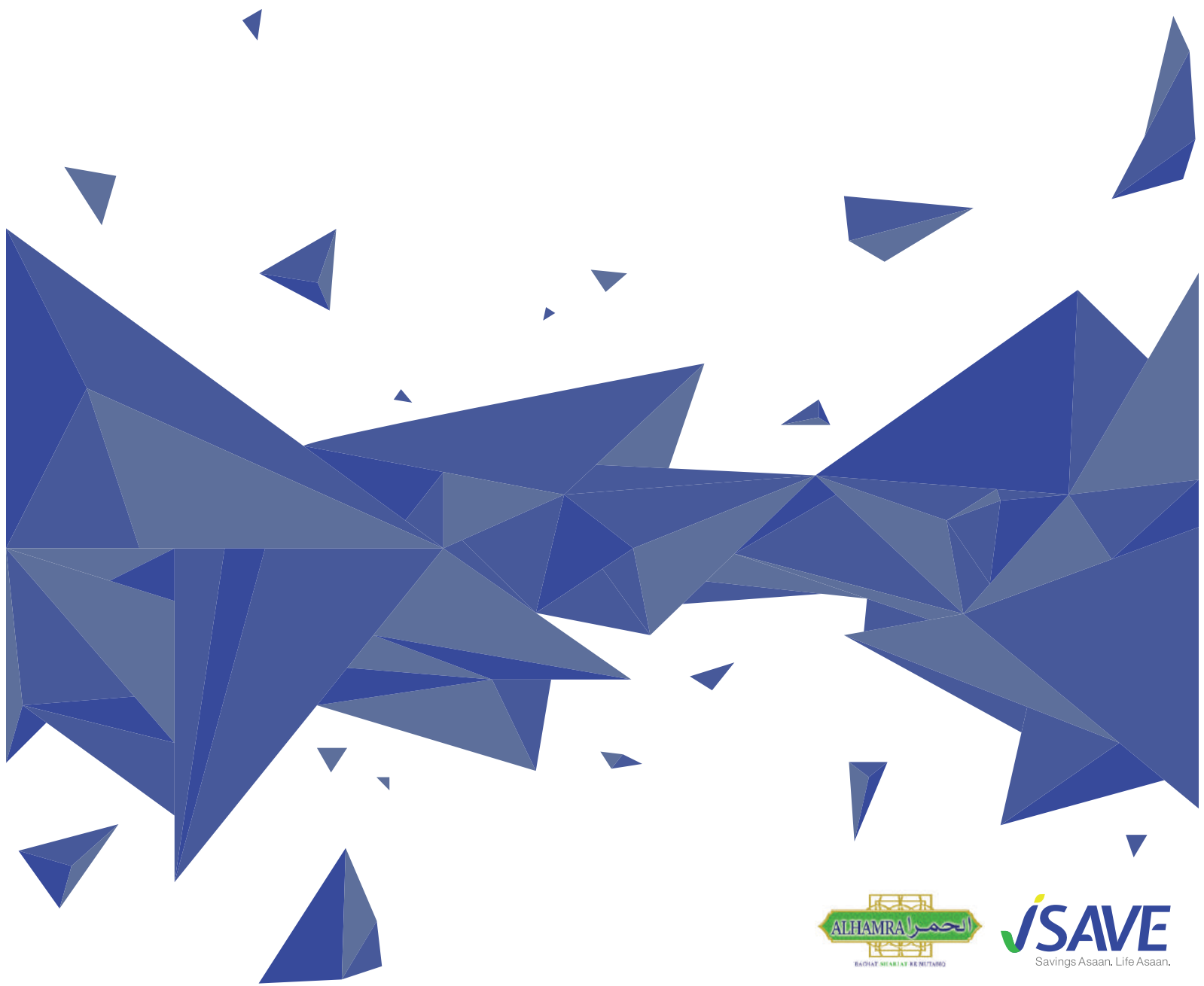


MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2021
(UNAUDITED)

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



ALHAMRA ISLAMIC INCOME FUND

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FUND'S INFORMATION

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

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Income Fund** accounts review for the quarter ended September 30, 2021

Economy and Money Market Review

The fiscal year started on a robust note as Covid-19 vaccination drive gathered paced which helped to lift lockdowns across the county. The economic recovery was higher than expected as lagged impact of monetary easing, higher remittances and government incentives such as TERF facilities provided impetus to economic growth. The GDP growth clocked at 3.94 per cent in FY21 with government expecting the economic growth to clock at 4.8 per cent for FY22.

However, the robust recovery in domestic demand, coupled with higher international commodity prices, led to a strong pick-up in imports and a rise in the current account deficit. This put pressure on the local currency as rupee depreciated by 13.1 per cent against USD during this quarter.

Current account deficit posted a deficit of USD 2,290 million in the first two months of fiscal year compared to a surplus of USD 838 million in the corresponding period of the last year. The deterioration came in primarily on the back of higher imports which grew by 67.8 per cent in the first two months compared to export growth of 35.4 per cent. Trade Deficit increased by 100.2 per cent to USD 6.8bn compared to USD 3.4bn last year. Foreign exchange reserves of central bank saw an increase of USD 1.6bn as Pakistan received USD 2.75 billion from the IMF under its new SDR allocation to back economically vulnerable countries combating the coronavirus pandemic.

Inflation remained a concern for the government as rising commodities continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.58 per cent during the quarter, with food inflation averaging 9.5 per cent during the period. Inflation was also effected by increase in fuel prices on account of increase in international oil and LNG prices. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.5 per cent for the period. The MPC committee conducted two monetary policies during the quarter and increased policy rate by 25bps in the Sep-21 meeting. SBP increased the interest rate to control the current account deficit and prevent the overheating of the economy as it noted the need to gradually increase the interest rates to protect the nascent economic growth.

On the fiscal side FBR Tax collection increased by 38 per cent over last year in this quarter to clock at PKR 1,395bn compared to target of PKR 1,211 bn. exceeding it by PKR 186bn. This was on the back of higher custom duty and sales tax due to higher import.

Secondary markets yields have increased significantly in the quarter as SBP has started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average FY22 inflation to clock above the range of 7-9 per cent forecasted by SBP. 3Y, 5Y and 10Y bonds saw a rise of 73 bps, 46 bps and 51 bps respectively during the period.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 7.97 per cent as against its benchmark return of 3.13 per cent.

The fund was 8.1 per cent invested in Corporate Sukuks while significant exposure was in Cash.

The Net Assets of the Fund as at September 30, 2021 stood at Rs. 7,573 million as compared to Rs. 5,575 million as at June 30, 2021 registering an increase of 35.84 per cent.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

The Net Asset Value (NAV) per unit as at September 30, 2021 was Rs. 104.0096 as compared to opening NAV of Rs. 101.9608 per unit as at June 30, 2021 registering an increase of Rs. 2.0488 per unit.

Economy & Market – Future Outlook

The government has set a GDP growth target of 4.8 per cent for fiscal year 2022 (FY22). Covid-19 vaccination drive is continuing with success as over 50 million people have received the first dose of coronavirus vaccine. This has helped to lift lockdown across the country and we expect the Covid-19 situation to remain under control. Broader economy also appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc. However, the recent surge in commodity prices poses challenges to both to Fiscal and External Accounts. Due to the recent government steps to curtail demand we see some downside risks to government growth target. We expect GDP growth to clock higher as compared to previous year but it is likely to remain lower than the government target of 4.8 per cent.

The robust recovery in domestic demand on the back of pro-growth measures by the government, coupled with higher international commodity prices, has led to a strong pick-up in imports and a rise in the current account deficit. The current account deficit is expected to increase to USD 13.1 billion (4.0 per cent of GDP) in FY22, amid rising international crude oil prices along with general increase in international commodity prices. The Current Account deficit is likely to further weaken the local currency and we expect the exchange rate to close the year around 176 PKR/USD. Swift resumption of IMF program will be a key prerequisite to keep the financial account in positive zone. SBP has indicated that the flexible market determined exchange rate and gradual tightening of interest rates would be used in tandem to ensure sustainable current account position. The remittances along with bilateral and multilateral flows would also be crucial in managing our external position.

CPI averaged 8.9 per cent in FY21. The expected utility adjustments, currency depreciation and higher international commodities prices will lead to increase in inflation in this year. We expect Average FY22 inflation to clock at 9.7 per cent with inflation going in double digits in second half of the fiscal year. Based on our expected inflation, the real interest rates now fall into negative range thus requiring adjustments in the monetary policy during the current fiscal year. However, SBP has shown its focus to avoid any shocks to economic growth and will gradually increase interest rate to achieve mildly positive interest rate over the medium term. We expect the Policy Rate to reach 9.0 per cent by the end of the year.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in expected interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 15.9 per cent, a discount of 43 per cent from its historical average. Similarly, risk premiums are close to 5.9 per cent, compared to historical average of 1.5 per cent signifying abnormal returns for long term investors. We believe a micro view of sectors and stock will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds yields may continue to rise given expected increase in interest rates. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

Mutual Fund Industry Review

The Net Assets of the open end mutual fund industry increased by about 1.4 per cent during the quarter to PKR 1,032bn at the end of 1QFY22. Total money market funds grew by about 1.1 per cent since June 2021. Within the money market sphere, the conventional funds dominated as they grew by about 8.1 per cent to PKR 308bn while Islamic funds declined by 9.9 per cent to PKR 164bn. In addition, the total fixed Income funds increased by about 8.5 per cent since June 2021, as the conventional income funds grew by 13.6 per cent to PKR 143bn. Equity and related funds declined by 4.4 per cent over last quarter as

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

market witnessed a decline in the quarter eroding AUMS and concern over macroeconomic and geopolitical factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 46 per cent, followed by Equity and Equity related funds with a share of 28 per cent and Income funds having a share of 26 per cent as at the end of 1QFY22.

Mutual Fund Industry Outlook

The recent increase in interest rates along with prospect of further monetary tightening would increase flows in the money market funds. The money markets funds by virtue of its short duration would be the ideal for investors with a short term horizon and low risk profile. However recent correction in stock prices have opened up valuations and long term investors would look to add equity exposure at these attractive levels. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

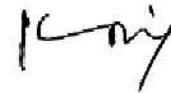
ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
October 22, 2021



Kashif A. Habib
Director

ڈائریکٹرز رپورٹ

میوچل فنڈز صنعت کے مستقبل کا منظر

سود کی شرحوں میں حالیہ اضافے کے ساتھ ساتھ مزید مالیاتی سختی سے money مارکیٹ فنڈز میں آمدات میں اضافہ ہوگا۔ Money مارکیٹ فنڈز اپنی مختصر مدت کی بدولت ایسے سرمایہ کاروں کے لیے موزوں ترین ثابت ہوں گے جو محدود مدت کے لیے اور کم خطرات کے ساتھ کام کرنا چاہتے ہیں۔ تاہم اسٹاک کی قیمتوں میں حالیہ تصحیح نے valuations کو کشادہ کر دیا ہے اور سرمایہ کار ان پُرکشش سطحوں پر ایکوٹی میں پیسہ لگانا چاہیں گے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکے۔

اظہار تشکر

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

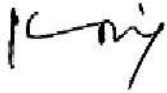
من جانب ڈائریکٹرز



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

22 اکتوبر 2021ء



کاشف اے حبیب

ڈائریکٹر

ڈائریکٹرز رپورٹ

مالی سال 2021ء میں سی پی آئی کا اوسط 8.9 فیصد تھا۔ متوقع یوٹیلیٹی ترمیمات، روپے کی قدر میں کمی اور بلند ترین الاقوامی ایشیائی قیمتوں کے نتیجے میں سال رواں کے دوران افراط زر میں اضافہ ہوگا۔ ہماری توقع کے مطابق مالی سال 2022ء کا افراط زر کا اوسط 9.7 فیصد ہوگا، اور سال کے نصف آخر میں افراط زر دو ہندسوں میں پہنچ جائے گی۔ ہماری متوقع افراط زر کی بنیاد پر حقیقی شروع سودا منفی حد میں آرہی ہے، چنانچہ موجودہ مالی سال کے دوران مالیاتی پالیسی میں ترمیمات درکار ہیں۔ تاہم ایس بی پی نے معاشی ترقی کو متوقع دھچکوں سے محفوظ رکھنے پر توجہ مرکوز کی ہے اور درمیانی مدت میں معتدل حد تک مثبت شرح سود حاصل کرنے کے لیے شروع سود میں بتدریج اضافہ کیا جائے گا۔ ہماری توقع کے مطابق پالیسی شرح اختتام سال تک 9.0 فیصد تک پہنچ جائے گی۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے تناظر میں، اسٹاک کی قیمتوں میں حالیہ تصحیح کے نتیجے میں تعیین قدر کھل گئی ہے۔ مارکیٹ نے شرح سود میں متوقع اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہوا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 15.9 فیصد ہو گیا ہے، جو اس کے قدیم اوسط سے 43 رعایت ہے۔ اسی طرح خطرات کے پریمنیم تقریباً 5.9 فیصد ہیں، اور ان کے قدیم اوسط 1.5 فیصد کے ساتھ تقابل سے طویل المیعاد سرمایہ کاروں کے لیے غیر معمولی منافعوں کا عندیہ ملتا ہے۔ ہم سمجھتے ہیں کہ شعبوں اور اسٹاک کی مجموعی تصویر اہمیت کی حامل رہے گی، اور سرمایہ کاری کے انتخاب میں ایسی کمپنیوں پر توجہ مرکوز ہونی چاہیے جو اپنی خلقی قدر سے گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب، شروع سود میں متوقع اضافے کی بدولت حکومتی بانڈز کے منافع جات میں اضافہ جاری رہ سکتا ہے۔ ہم بانڈز کے منافع جات کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ کی صنعت کا جائزہ

اوپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2022ء کی پہلی سہ ماہی کے دوران تقریباً 1.4 فیصد بڑھ کر اختتام مدت پر 1,032 بلین روپے تھے۔ مجموعی money مارکیٹ فنڈز میں جون 2021ء کے مقابلے میں 1.1 فیصد اضافہ ہوا۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور 8.1 فیصد بڑھ کر 308 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 9.9 فیصد گھٹ کر 164 بلین روپے ہو گئے۔ علاوہ ازیں، مجموعی فلسفہ انکم فنڈز میں جون 2021ء کے مقابلے میں 8.5 فیصد اضافہ ہوا اور روایتی انکم فنڈز 13.6 فیصد بڑھ کر 143 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں گزشتہ سہ ماہی کے مقابلے میں 4.4 فیصد کمی ہوئی کیونکہ دوران مدت مارکیٹ میں تنزل دیکھا گیا جس کے نتیجے میں اثاثہ جات تحت الانظامیہ (AUMs) گھٹ گئے اور کلاں معاشیاتی اور ارضی سیاسی عوامل پر خدشات نے سرمایہ کاروں کو ڈور رکھا۔ شعبہ جاتی اعتبار سے مالی سال 2022ء کی پہلی سہ ماہی کے اختتام پر money مارکیٹ فنڈز تقریباً 46 فیصد شراکت کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز کی شراکت 28 فیصد اور انکم فنڈز کی 26 فیصد تھی۔

ڈائریکٹرز رپورٹ

ثانوی مارکیٹس کی پیداواروں میں دوران سہ ماہی قابل ذکر اضافہ ہوا ہے کیونکہ اسٹیٹ بینک آف پاکستان نے مالیاتی سختی کا دورہ شروع کر دیا ہے۔ روپے کی قدر میں حالیہ کمی کے ساتھ مسلسل بلند اشیائی قیمتوں سے افراط زر پر دباؤ میں اضافہ ہوگا اور مالی سال 2022ء کے لیے افراط زر کا اوسط متوقع طور پر اسٹیٹ بینک آف پاکستان کی پیش گوئی کردہ سطح 7 تا 9 فیصد سے بلند ہوگا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈز میں دوران مدت بالترتیب 73 بی پی ایس، 46 بی پی ایس اور 51 بی پی ایس اضافہ ہوا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 7.97 فیصد تھا جبکہ مقررہ معیار 3.13 فیصد تھا۔ فنڈ کی سرمایہ کاری کارپوریٹ سٹاک میں 8.1 فیصد تھی جبکہ قابل ذکر سرمایہ کاری نقد میں تھی۔ 30 ستمبر 2021ء کو فنڈ کے net اثاثہ جات 7,573 ملین روپے تھے، جو 30 جون 2021ء کی سطح 5,575 ملین روپے کے مقابلے میں 35.84 فیصد اضافہ ہے۔ 30 ستمبر 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 104.0096 روپے تھی، جو 30 جون 2021ء پر ابتدائی این اے وی 101.9608 روپے کے مقابلے میں 2.0488 روپے فی یونٹ اضافہ ہے۔

معیشت اور بازار - مستقبل کا منظر

حکومت نے مالی سال 2022ء کے لیے جی ڈی پی میں ترقی کا ہدف 4.8 فیصد مقرر کیا ہے۔ کووڈ-19 ویکسین مہم کامیابی کے ساتھ جاری ہے اور پانچ کروڑ سے زیادہ افراد پہلی خوراک حاصل کر چکے ہیں۔ اس کی بدولت ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی ہے اور ہم اُمید کرتے ہیں کہ کووڈ کی صورتحال قابو میں رہے گی۔ وسیع تر معیشت قبل از کووڈ سطحوں کے قریب چلتی ہوئی نظر آرہی ہے جس کی پیمائش ایل ایس ایم میں ترقی، سینٹ کی فروخت، گاڑیوں کی فروخت وغیرہ سے ہوتی ہے۔ تاہم اشیاء کی قیمتوں میں حالیہ اضافہ مالیاتی اور خارجی اکاؤنٹس، دونوں کو مشکلات سے دوچار کر دے گا۔ طلب میں کمی کے حالیہ حکومتی اقدامات کے سبب ترقی کے حکومتی اہداف کی تکمیل کو خطرات لاحق ہو گئے ہیں۔ ہم توقع کرتے ہیں کہ جی ڈی پی میں سال گزشتہ کے مقابلے میں زیادہ ترقی ہوگی، لیکن زیادہ امکان اس بات کا ہے کہ یہ 4.8 فیصد کے حکومتی ہدف سے نیچے رہے گی۔

حکومتی ترقیاتی اقدامات اور بلند تر بین الاقوامی اشیائی قیمتوں کے باعث مقامی طلب میں بھرپور بحالی ہوئی ہے اور اس کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں بھرپور اضافہ ہوا ہے۔ خام تیل کی بین الاقوامی قیمتوں اور اشیاء کی عمومی قیمتوں میں اضافے کی صورتحال میں مالی سال 2022ء میں کرنٹ اکاؤنٹ خسارہ بڑھ کر 13.1 بلین ڈالر (جی ڈی پی کے 4.0 فیصد) تک پہنچ سکتا ہے۔ خدشہ ہے کہ یہ خسارہ مقامی روپے کو مزید کمزور کرے گا، اور اختتام سال پر شرح مبادلہ تقریباً 176 ڈالر فی روپیہ ہو جانے کا امکان ہے۔ آئی ایم ایف پروگرام کی تیز رفتار بحالی مالیاتی گوشوارے کو مثبت احاطے میں رکھنے کے لیے کلیدی شرط ہوگی۔ ایس بی پی نے اشارہ دیا ہے کہ کرنٹ اکاؤنٹ کی قابل بقاء صورتحال یقینی بنانے کے لیے مارکیٹ کی متعین کردہ چکدار شرح مبادلہ اور سود کی شرحوں میں بتدریج سختی کو بھی استعمال کیا جائے گا۔ ہماری خارجی صورتحال کو سنبھالنے میں ترسیلات کے ساتھ ساتھ دو طرفہ اور کثیر الطرفہ آمدات بھی اہم کردار ادا کریں گی۔

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسلامک انکم فنڈ کے گوشواروں میں مختصراً سہ ماہی 30 ستمبر 2021ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

مالی سال کا بھرپور آغاز ہوا جب کووڈ-19 ویکسین کی مہم میں تیز رفتاری سے ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی۔ معیشت میں بحالی متوقع سے زیادہ ہوئی کیونکہ مالیاتی تسہیل کی سست رفتار اثر پذیری، ترسیلات زر میں اضافے، اور حکومتی ترغیبات مثلاً TERF سہولتوں نے معاشی ترقی کو محرک فراہم کیا۔ مالی سال 2021ء میں مجموعی ملکی پیداوار (جی ڈی پی) میں 3.94 فیصد ترقی ہوئی اور اگلے مالی سال 2022ء کے لیے حکومت کو 4.8 فیصد معاشی ترقی کی توقع ہے۔

تاہم مقامی طلب کی بھرپور بحالی، اور اس کے ساتھ بلند ترین الاقوامی ایشیائی قیمتوں، کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا۔ چنانچہ مقامی روپے پر دباؤ پڑا جس کی قدر میں دوران سہ ماہی امریکی ڈالر کے مقابلے میں 13.1 فیصد کمی ہوئی۔ کرنٹ اکاؤنٹ نے مالی سال کے پہلے دو ماہ میں 2,290 ملین ڈالر خسارہ پوسٹ کیا جبکہ اس کے بالمقابل سال گزشتہ مماثل مدت میں 838 ملین ڈالر فاضل تھے۔ اس ابتری کی بنیادی وجہ درآمدات میں اضافہ تھی جس میں پہلے دو ماہ کے دوران 67.8 فیصد اضافہ ہوا جبکہ اس کے بالمقابل برآمدات میں 35.4 فیصد اضافہ ہوا۔ تجارتی خسارہ 100.2 فیصد بڑھ کر 6.8 بلین ڈالر ہو گیا جبکہ اس کے بالمقابل سال گزشتہ 3.4 بلین ڈالر تھا۔ مرکزی بینک میں غیر ملکی زرمبادلہ کے ذخائر میں 1.6 بلین ڈالر کا اضافہ ہوا کیونکہ پاکستان کو آئی ایم ایف سے اس کے نئے ایس ڈی آر اختصاص کے تحت 2.75 بلین ڈالر موصول ہوئے جس کا مقصد کورونا وائرس وبا سے نبرد آزما ضرر پذیر ممالک کی معاشی معاونت ہے۔

افراط زر (مہنگائی) حکومت کے لیے مسئلہ بنی رہی اور بڑھتی ہوئی ایشیائی قیمتوں نے پالیسی سازوں کو مشکلات سے دوچار رکھا۔ مجموعی افراط زر، جس کی ترجمانی صارفی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط دوران سہ ماہی 8.58 فیصد تھا، اور ایشیائے خورد و نوش کے افراط زر کا اوسط 9.5 فیصد تھا۔ بین الاقوامی سطح پر تیل اور ایل این جی کی قیمتوں میں اضافے کے نتیجے میں ایندھن کی قیمتوں میں اضافہ بھی افراط زر پر اثر انداز ہوا۔ اس کے باوجود بنیادی افراط زر، جس کی پیمائش ایشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.5 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے دوران سہ ماہی دو اجلاس منعقد کیے اور ستمبر 2021ء کے اجلاس میں پالیسی کی شرح میں 25 بیسیس پوائنٹس (بی پی ایس) کا اضافہ کیا۔ اسٹیٹ بینک آف پاکستان نے سود کی شرح میں اضافہ کیا تاکہ کرنٹ اکاؤنٹ خسارے اور معیشت میں بڑھتی ہوئی حرارت کو قابو میں رکھا جائے کیونکہ نوزائیدہ معاشی ترقی کی حفاظت کے لیے سود کی شرحوں میں بتدریج اضافے کی ضرورت ہوتی ہے۔

مالیاتی جانب ایف بی آر کی ٹیکس وصولی میں دوران سہ ماہی سال گزشتہ کے مقابلے میں 38 فیصد اضافہ ہوا؛ 1,395 بلین روپے، جو 1,211 بلین روپے کے ہدف سے 184 بلین روپے زیادہ ہیں۔ اس کی وجہ بلند تر درآمدات کے باعث بلند تر کسٹم ڈیوٹی اور سیلز ٹیکس ہیں

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Balance with banks	6	1,900,508	2,722,889
Investments	7	5,616,952	3,460,077
Markup receivable		66,910	40,771
Advances, deposits and other receivables		14,687	16,409
Total assets		7,599,056	6,240,146
LIABILITIES			
Payable to the Management Company	8	10,658	2,783
Payable to the Central Depository Company of Pakistan Limited - Trustee		538	515
Payable to the Securities and Exchange Commission of Pakistan		360	1,341
Payable against purchase of investments		-	605,180
Accrued expenses and other liabilities	9	14,587	55,211
Total liabilities		26,143	665,030
NET ASSETS		7,572,913	5,575,116
Unit holders' fund (as per statement attached)		7,572,913	5,575,116
Contingencies and commitments	10.		
		(Number of units)	
Number of units in issue		72,809,728	54,679,036
		(Rupees)	
NET ASSET VALUE PER UNIT		104.0096	101.9608

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

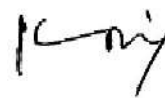
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Note	September 30 2021	September 30 2020
----- (Rupees in '000) -----			
INCOME			
Income from government securities		10,876	20,819
Gain/loss on sale of investments - net		127	(3,789)
Income from term finance certificates		31,558	40,811
Profit on bank deposits		44,672	42,339
Income on term deposit receipt and Bai Muajjal		31,611	-
Income on commercial paper		11,628	10,345
Income on nccpl deposit against exposure margin		8	-
Unrealised diminution in fair value of investments classified as 'at fair value through profit or loss' - net		8,662	10,185
Total income		139,142	120,710
EXPENSES			
Remuneration of the Management Company		6,396	5,783
Sindh Sales Tax and Federal Excise Duty on remuneration of the Management Company		832	752
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		1,355	1,174
Sindh Sales Tax on remuneration of Trustee		176	153
Securities and Exchange Commission of Pakistan - annual fee		360	312
Allocated expense		1,808	1,555
Marketing And Selling Expense		6,458	3,120
Brokerage expenses		57	215
Settlement and bank charges		147	39
Fees and subscriptions		338	108
Legal and professional charges		392	34
Shariah advisory fee		182	204
Auditors' remuneration		153	153
Printing and related costs		25	1
Total expenses		18,679	13,602
		120,462	107,108
Sindh Workers' Welfare Fund	9.1	24,787	(2,142)
Net income for the period before taxation		145,250	104,966
Taxation	11.	-	-
Net income for the period		145,250	104,966
Allocation of net income for the period:			
Net income for the period		145,250	104,966
Income already paid on units redeemed		(18,528)	(15,304)
		126,721	89,662
Accounting income available for distribution			
- Relating to capital gains		8,124	5,920
- Excluding capital gains		118,597	83,742
		126,721	89,662
Earnings per unit	12.		

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

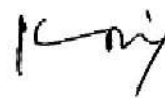
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 30	
	2021	2020
	----- (Rupees in '000) -----	
Net income for the period after taxation	145,250	104,966
Other comprehensive income for the period	-	-
Total comprehensive income for the period	145,250	104,966

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

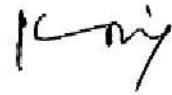
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 30					
	2021			2020		
	(Rupees in '000)					
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	5,542,585	32,531	5,575,116	4,412,266	29,934	4,442,200
Issue of 42,785,445 units (2020: 38,828,637 units)						
- Capital value (at net asset value per unit at the beginning of the period)	4,362,438	-	4,362,438	6,359,301	-	6,359,301
- Element of income	33,019	-	33,019	47,040	-	47,040
Total proceeds on issuance of units	4,395,457	-	4,395,457	6,406,341	-	6,406,341
Redemption of 24,654,752 units (2020: 20,856,518 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(2,513,818)	-	(2,513,818)	(3,665,571)	-	(3,665,571)
- Element of Income	(10,563)	(18,528)	(29,091)	(14,232)	(15,304)	(29,536)
Total payments on redemption of units	(2,524,381)	(18,528)	(2,542,909)	(3,679,803)	(15,304)	(3,695,107)
Total comprehensive income for the period	-	145,250	145,250	-	104,966	104,966
Net income / (loss) for the period less distribution	-	145,250	145,250	-	104,966	104,966
Net assets at end of the period	7,413,661	159,252	7,572,913	7,138,805	119,596	7,258,400
Undistributed income brought forward						
- Realised		17,785			27,041	
- Unrealised		14,747			2,893	
		<u>32,532</u>			<u>29,934</u>	
Accounting income available for distribution						
- Relating to capital gains		8,124			5,920	
- Excluding capital gains		118,597			83,742	
		<u>126,721</u>			<u>89,662</u>	
Cash distribution during the period		-			-	
Undistributed income carried forward		<u>159,252</u>			<u>119,596</u>	
Undistributed income carried forward						
- Realised		150,591			109,411	
- Unrealised		8,662			10,185	
		<u>159,252</u>			<u>119,596</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		<u>101.9608</u>			<u>101.8452</u>	
Net assets value per unit at end of the period		<u>104.0096</u>			<u>103.5931</u>	

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

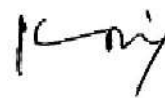
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	September 30,	
	2021	2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	145,250	104,966
Adjustments for non cash and other items:		
Unrealised diminution in value of investments classified as 'at fair value through profit or loss' - net	(8,662)	(10,185)
	136,588	94,781
(Increase) / Decrease in assets		
Investments	(2,148,213)	(534,176)
Profit receivable	(26,139)	(31,945)
Receivable Against Sale of Investments	-	(103,299)
Advances, deposit and prepayments	1,722	(5,340)
	(2,172,630)	(674,759)
Increase / (Decrease) in liabilities		
Payable to the Management Company	7,875	1,885
Payable to the Central Depository Company of Pakistan Limited - Trustee	23	130
Payable to the Securities and Exchange Commission of Pakistan	(981)	312
Payable against purchase of investments	(605,180)	(117,690)
Payable against redemption of units	-	14,944
Accrued expenses and other liabilities	(40,624)	115
	(638,887)	(100,304)
Net cash generated / (used) in operating activities	(2,674,928)	(680,282)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units excluding additional units	4,395,457	6,406,341
Payments on redemption of units	(2,542,909)	(3,695,107)
Net cash (used in) / generated from financing activities	1,852,548	2,711,234
Net (decrease) / increase in cash and cash equivalents during the period	(822,381)	2,030,953
Cash and cash equivalents at beginning of the period	2,722,889	1,760,297
Cash and cash equivalents at end of the period	1,900,508	3,791,250

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

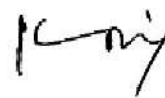
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Income Fund (the Fund) was established under a trust deed executed between MCB Asset Management Company Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. Pursuant to the merger of MCB Asset Management Limited and Arif Habib Investments Limited, the name of the Management Company has been changed from MCB Asset Management Company Limited to MCB–Arif Habib Savings and Investments Limited with effect from June 27, 2011. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 25, 2011 and was executed on March 7, 2011. According to the Trust Deed, the first accounting period of the Fund commenced from May 1, 2011 i.e. the date on which the trust property was first paid or transferred to the Trustee. The SECP has approved Supplemental Trust Deed, under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), vide its letter No. SCD/AMCW/MCBAHSIL/MCBIIIF/396/2017 dated January 25, 2017 to modify and restate the previous Trust Deed to effectuate renaming of the Fund to Alhamra Islamic Income Fund.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigarh Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end collective investment scheme categorised as a "Shariah Compliant (Islamic) Income" scheme by the Board of Directors of the Management Company pursuant to Circular 7 of 2009 dated March 6, 2009 issued by the SECP. The units of the Fund were initially offered for public subscription at a par value of Rs 100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4 The objective of the Fund is to seek to generate superior risk adjusted returns by investing in short, medium and long-term high quality Shariah Compliant fixed income instruments.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of AM1 dated October 06, 2021 to the Management Company and AA-(f) as stability rating dated September 09, 2021 to the Fund.
- 1.6 Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1. STATEMENT OF COMPLIANCE

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement of the Trust Deed.

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

- 2.1.2** This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2021.
- 2.1.3** The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2021, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the quarter ended 30 September 2020.
- 2.1.4** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.1.5** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the Fund.

2.2 Basis of Measurement

This condensed interim financial information have been prepared on the basis of historical cost convention except that investments have been included at fair value.

2.3 Functional and presentation currency

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

3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1** 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 year ended June 30, 2021.
- 3.2** Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant and does not have any significant impact on the Fund's operations or a change in accounting policies of the Fund, therefore, have not been detailed in these condensed interim financial statements.

4 Estimates and Judgements

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2021.

5 Financial Risk Management

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2021.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

		(Un-audited) September 2021 ---- (Rupees in '000) ----	(Audited) June 2021
6 BALANCE WITH BANKS			
- in saving accounts	6.1	1,873,499	2,709,693
- in current accounts	6.2	27,009	13,196
		<u>1,900,508</u>	<u>2,722,889</u>

6.1 These carry profit at the rates ranging between 6.55% to 7.05% (2021: 5.75% and 6.75%) per annum and include Rs. 4.688 million (2021: 1.8 million) maintained with MCB Islamic Bank Limited, (a related party).

6.2 These include Rs.27.009 million (2021: Rs 14.456 million) maintained with MCB Bank Limited, a connected person / related party.

		(Un-audited) September 2021 ---- (Rupees in '000) ----	(Audited) June 2021
	Note		

7. INVESTMENTS

At fair value through profit or loss

Sukuk certificates- Unlisted	7.1	1,536,669	1,583,985
		1,536,669	1,583,985
Government securities	7.2	602,748	601,558
Commercial papers	7.3	852,028	374,534
Term Deposit Receipts	7.4	1,600,000	900,000
Bai Maujjal	7.5	1,025,508	-
		<u>4,080,283</u>	<u>1,876,092</u>
		<u>5,616,952</u>	<u>3,460,077</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

7.3 Commercial papers

Particulars	Profit / mark-up rates	Issue date	Maturity date	Face Value	Carrying Value	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
				---- (Rupees in '000) ----		----- % -----	
Mughal Iron & Steel Industries Limited	9.44%	26-Jul-21	26-Jul-22	228,436	232,394	3.02	4.07
K Electric ICP 18	8.15%	19-Apr-21	19-Oct-21	329,847	333,675	4.36	5.87
K Electric ICP 21	8.21%	22-Sep-21	22-Mar-22	285,381	285,959	3.77	5.08
As at September 30, 2021				843,664	852,028		
Total as at June 30, 2021				383,000	374,534		

7.4 Term Deposit Receipt

Particulars	Profit rate	Issue Date	Maturity Date	Face Value	Carrying Value	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
				---- (Rupees in '000) ----		----- % -----	
MCB Islamic Bank Limited	6.75%	31-Aug-21	30-Nov-21	700,000	700,000	9.24	12.46
Faysal Bank Limited Islamic Banking	7.25%	13-Sep-21	13-Oct-21	350,000	350,000	4.62	6.23
Faysal Bank Limited Islamic Banking	7.25%	13-Sep-21	13-Oct-21	350,000	350,000	4.62	6.23
Askari Bank Limited - Islamic Banking	7.30%	23-Sep-21	23-Dec-21	200,000	200,000	2.64	3.56
As at September 30, 2021				1,600,000	1,600,000		
Total as at June 30, 2021				900,000	900,000		

7.5 Investment in Bai maujjal- at fair value through profit and loss

	September 30, 2021	June 30, 2021
	----- (Rupees in '000) -----	
Opening Balance	-	-
Transaction Executed During the period	1,014,775	-
Profit Accrued during the period	10,733	-
Matured during the period	-	-
Closing balance	<u>1,025,508</u>	-

7.5.1

Name of the Counter Party	Maturity Date	Profit Rate	Total Transactio	Deffered Income	Accrued Profit	Carrying Value
Pak Kuwait Investment Company (Pvt.)	04-OCT-21	7.10%	333,327	3,972	3,780	333,135
Bank Of Punjab	23-SEP-21	7.00%	333,836	3,989	3,345	333,192
Pak Brunei Investment Company Limited	11-OCT-21	7.12%	359,872	4,300	3,607	359,179

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	(Un-audited) September 30, 2021 (Rupees in '000)	(Audited) 30 June 2021
8 PAYABLE TO MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED - MANAGEMENT COMPANY		
Management remuneration payable	2,629	1,587
Sindh sales tax payable on management remuneration	342	206
Sales load payable	534	325
Payable against Shariah advisory fee	60	59
Payable against allocated expenses	634	606
Marketing and Selling Expense	6,458	-
	<u>10,658</u>	<u>2,783</u>

		(Un-audited) September 30, 2021 (Rupees in '000)	(Audited) 30 June 2021
9 ACCRUED AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund	9.1	-	24,787
Provision for Federal Excise Duty and related tax on	9.2		
- Management fee		8,639	8,639
- Sales load		3,028	3,028
Capital gain tax		558	17,003
Auditors' remuneration		573	420
Printing and related expenditure		65	40
Other		1,723	1,294
		<u>14,587</u>	<u>55,211</u>

9.1 Provision for Sindh Workers' Welfare Fund

Sindh Revenue Board (SRB) through its letter dated August 12, 2021 received on August 13, 2021 has intimated Mutual Funds Association of Pakistan's (MUFAP) that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the Sindh Workers' Welfare Fund (SWWF) contributions. This development was discussed at MUFAP level and was also been taken up with the the Securities and Exchange Commission of Pakistan (SECP). All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds till August 12, 2021 on August 13, 2021.

SECP has also given its concurrence for recording reversal of provision of SWWF on the day letter was received by MUFAP. This reversal of provision has contributed towards an unusual increase in NAV of the Fund on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

Going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

9.2 Federal Excise Duty and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2021. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2021 would have been higher by Re. 0.16 per unit (June 30, 2021: Re.0.21 per unit).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

10. CONTINGENCIES AND COMMITMENTS

During the year, an ex-parte income tax order was passed for tax year 2018 through which a tax demand of Rs. 40,769,666 was raised by the concerned Additional Commissioner Inland Revenue (ACIR) of Federal Board of Revenue (FBR) by rejecting the Fund's claim for income tax exemption under clause (99) contained in Part I of the Second Schedule to the Income Tax Ordinance, 2001. The order was passed by misconstruing that the Fund allegedly distributed less than 90% of its income to its unitholders which is the sole criterion for income tax exemption claim under clause (99). Whilst reaching this conclusion, the Additional ACIR neither considered the subsequent payment of cash dividend which was approved by the Board of Directors on July 4, 2018 nor considered the distributions made during the year to outgoing unitholders on redemption of units.

The Fund has already obtained stay from the Hon'ble Sindh High Court against recovery of impugned tax demand and the appeal filed with the Commissioner Inland Revenue – Appeals against the order is presently pending. Based on the views of tax consultants and due to the fact that the respectable Chairman of FBR has also passed orders dated February 25, 2021 under section 7 of the FBR Act, 2007 holding that redemption payments are to be construed as 'distribution' for purposes of clause (99); the Management is confident that the ultimate outcome of appeal will be in favor of the Fund and therefore, no provisioning in this regard is made in the financial statements.

10.1 Commitments

There were no commitments outstanding as at September 30, 2021 and June 30, 2021.

11. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute at least 90% of income to be earned during current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

12. EARNINGS PER UNIT

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

13. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the holding company of the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Fund.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

13.1 Details of transactions with the connected persons / related parties during the period are as follow s:

	(Unaudited) September 30,	
	2021	2020
	----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited - Management Company		
Remuneration of management company	7,228	6,535
Allocated expenses including indirect taxes	1,808	1,555
Shariah advisory fee	182	204
Marketing and Selling Expense	6,458	3,120
Central Depository Company of Pakistan Limited		
Remuneration of the trustee	1,531	1,327
CDC settlement charges	2	1
MCB Bank Limited - Parent of the Management Company		
Bank charges	38	25
Arif Habib Limited		
Brokerage	-	25

13.2 Amount outstanding as at period end / year end

	(Unaudited) September 30,	(Audited) June 30,
	2021	2021
	----- (Rupees in '000) -----	
MCB - Arif Habib Savings & Investment Limited - Management Company		
Management remuneration payable	2,629	1587
Sindh sales tax payable on management remuneration	342	206
Front-end load payable	534	325
Sales tax on front end load	-	-
Payable against Shariah advisory fee	60	59
Payable against allocated expenses	634	606
Marketing and Selling Payable	6,458	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	476	456
Sindh Sales tax payable on remuneration of Trustee	62	59
Security deposits	100	100
MCB Bank Limited		
Bank deposit held	27,009	11,699
Load payable	33	-
MCB Islamic Bank Limited		
Bank balances	4,688	1803

* The amount disclosed represents the amount of brokerage paid to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter parties are not connected persons.

14 EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 1.03% (September 30, 2020:0.99%) and this includes 0.08% (September 30, 2020:0.2%) representing government levy, SECP fee etc.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

15

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

	For the quarter ended September 30, 2021							
	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021
	----- Units ----- (Rupees in '000) -----							
Associated Companies:								
Adamjee Life Assurance Company Limited - Tameen	-	2,636,348	721,343	1,915,005	-	270,000	75,000	199,179
Hyundai Nishat Motor Private Limited Employees Provident Fund	177,940	-	164,165	13,775	18,143	-	16,820	1,433
Arif Habib Securities Limited Employees Provident Fund Trust	-	80,417	-	80,417	-	8,209	-	8,364
Adamjee Insurance Company Limited Window Takaful Operations	508,711	-	-	508,711	51,869	-	-	52,911
Mcbfsl Trustee Alhamra Smart Portfolio	890,625	935,030	551,565	1,274,090	90,809	95,891	56,788	132,518
Mandate Under Discretionary Portfolio Services	1,264,649	754,172	633,698	1,385,124	128,945	77,402	64,931	144,066
Key management personnel	59,539	185,156	171,979	72,717	6,071	19,072	17,753	7,563
Unit Holders Holding 10% or More	8,773,314	110,357	-	8,883,671	894,534	11,399,979	-	923,987

	For the quarter ended September 30, 2020							
	As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020	As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020
	----- Units ----- (Rupees in '000) -----							
Associated Companies:								
Alhamra Islamic Active Allocation Fund (Plan I)	3,167,846	-	642,072	2,525,774	322,630	-	66,000	261,653
Alhamra Islamic Active Allocation Fund (Plan II)	1,630,629	-	428,029	1,202,600	166,072	-	44,000	124,581
Adamjee Life Assurance Company Limited - Tameen	148,552	829,045	442,059	535,538	15,129	85,000	45,261	55,478
Adamjee Life Assurance Company Limited-PTF	49,244	-	-	49,244	5,015	-	-	5,101
Arif Habib Securities Limited Employees Provident Fund Trust	-	68,158	-	68,158	-	6,946	-	7,061
MCB Islamic Bank Limited	-	2,201,298	2,201,298	-	-	225,000	225,384	-
Mandate Under Discretionary Portfolio Services	1,016,305	277,146	545,760	747,690	103,506	28,436	56,286	77,456
Key management personnel	51,430	128,751	122,599	57,582	5,238	13,224	12,584	5,965

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

16 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

Fair value hierarchy

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

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

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

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

17 Impact of COVID-19

A novel strain of coronavirus (COVID-19) was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally. Measures taken to contain the spread of the virus, including lock-downs, travel bans, quarantines, social distancing, and closures of non-essential services and factories triggered significant disruptions to businesses worldwide and in Pakistan, resulting in an economic slowdown. During the lockdown that lasted from March to May 2020, the funds continued their activity, as the Pakistan Stock Exchange and the money markets continued trading. Management Company is of the view that while COVID-19 and its resulting containment measures have affected the economy, investors' confidence and adequate steps from the government and regulators have spearheaded recovery and subsequent events reflect that in due course, things would be normalised.

18 GENERAL

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

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

19 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 22, 2021 by the Board of Directors of the Management Company.

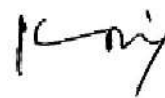
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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

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