

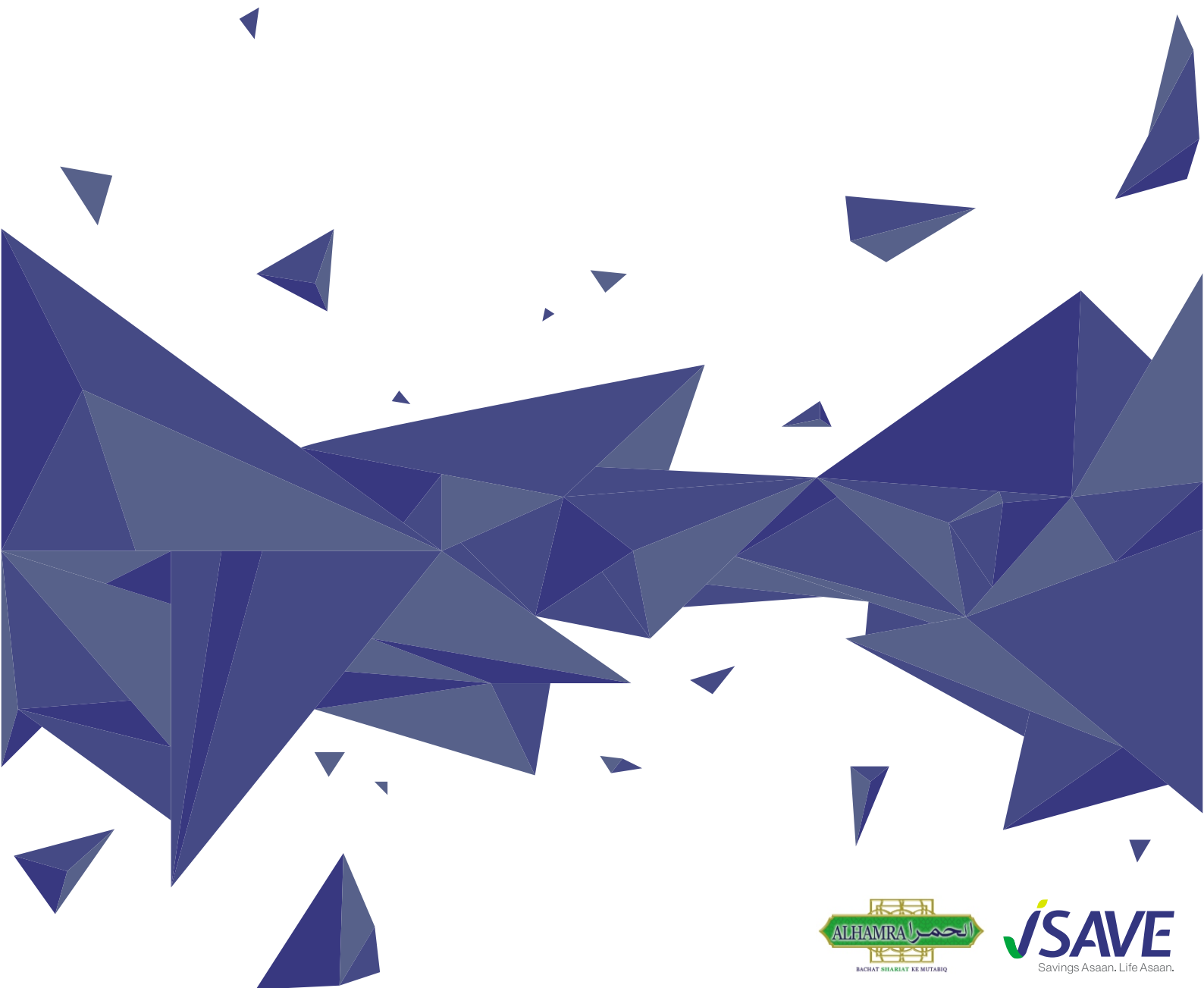


MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2022
(UNAUDITED)

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



ALHAMRA ISLAMIC ACTIVE ALLOCATION FUND

TABLE OF CONTENTS

1	Fund's Information	294
2	Report of the Directors of the Management Company	295
3	Condensed Interim Statement of Assets And Liabilities	302
4	Condensed Interim Income Statement (Un-audited)	303
5	Condensed Interim Statement of Other Comprehensive Income (Un-audited)	304
6	Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)	305
7	Condensed Interim Cash Flow Statement (Un-audited)	306
8	Notes to and forming part of the Condensed Interim Financial Statements	307

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 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 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, 2022

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Smart Portfolio** accounts review for the quarter ended September 30, 2022 (launched on June 11, 2021).

ECONOMY AND MONEY MARKET REVIEW

The new fiscal year started with unprecedented rainfall and added further woes to the already struggling economy of Pakistan. The country witnessed 3 times more rainfall than 30-year average of 135mm which caused considerable damage to the infrastructure, wiped off crops, devastated livestock and resulted in the loss of precious lives. The floods would directly hit our already fragile economy in the shape of higher inflation, worsening Current Account Deficit (CAD), fiscal strain, and lower GDP growth amid the tough global landscape.

The key crop affected by floods are cotton and rice. We expect the cotton imports to increase by 2.5mn bales which translates into an additional import bill of around USD 1.1bn. Similarly, we expect rice export to decrease by 20% leading to a decline in export of USD 500mn. This would worsen our trade deficit by USD 1.6 billion. The inflation could also escalate in the short term as supply chain disruption would lead to increase in price of perishable food products.

Agriculture contributes around 22.7% to the country's GDP with livestock having a weight of 14.0% in the overall pie followed by crops with a weightage of 7.8%. The floods would trim FY23 GDP growth number by 0.4% to 2.0%. On the fiscal front, the government will have to increase its spending to rehabilitate the peoples affected by floods. This could increase risk of fiscal slippage and cause us to miss our target of achieving a primary budget surplus of PKR 153bn (0.2% of GDP) in FY23.

The country posted a current account deficit of USD 1.9bn in first two months of fiscal year 2023 (2MFY23) compared to a deficit of USD 2.4bn in the corresponding period last year, registering a 20% improvement over last year. Narrowing trade deficit was the major contributor towards improving CAD as an 11.2% jump in exports coupled with 2.1% drop in imports led to 11% contraction in trade deficit. In addition to CAD, debt repayments put further pressure on the FX reserves, which dropped by another USD 1.9 billion to USD 7.9 billion, hardly enough for 6 weeks. This led PKR to lost its ground against the USD by 11% to close the quarter at PKR 227 against a Dollar.

Headline inflation represented by CPI averaged 25.1% during the quarter as compared to 8.6% in the corresponding period last year. Higher food prices as an aftermath of floods coupled with higher electricity tariff and rising petroleum prices were the major contributors towards rising CPI. The inflationary pressure was broad based which is depicted by core inflation increasing to 15.7% compared to 12.3% at the end of last quarter. SBP increased policy rate by a further 125bps in July-22 monetary policy while maintained interest rates in the latest MPS held in Oct-22. On the fiscal side, FBR tax collection increased by 17.1% in 1QFY23 to PKR 1,635 billion compared to PKR 1,396 billion in the same quarter last year. This exceeded the target by 25bn.

Secondary markets yields increased in the quarter on account of monetary tightening and additional bout of inflationary pressure post floods. The 3, 6 and 12 Month T-Bills yield increased by 50, 52 and 44 basis points (bps) respectively while 3 and 5 Years Bond yields rose by 38 and 19bps respectively during the quarter.

EQUITY MARKET REVIEW

The KSE-100 index declined by 1.0% to close the quarter at 41,129 points. The period was marked with high volatility whereby initial exuberance on the completion of Pakistan's seventh & eighth review with the IMF and financial support assurances worth ~USD4bn from friendly countries soon vanished due to the catastrophic floods in the country. The quarter also witnessed extreme volatility of Rupee against the greenback, 47-year high inflation reading, continuance depletion of SBP reserves, and political noise which all contributed to dampen investors' sentiments. Foreigners turned net buyers with an inflow of USD 17mn mainly due to the buyback of TRG shares by the associate company, while on the local front Insurance and Mutual Funds remained sellers with net outflow of USD 41mn and USD 35mn, respectively. During the quarter, average trading volumes saw a decline to 218 million shares compared to about 247 million shares during the preceding quarter. Similarly, the average trading value during the quarter saw a drop of 16% over the last quarter to USD 31 million.

Fertilizers, Commercial Banks, Oil & Gas Exploration companies and Automobile Assemblers were the major contributors to the index decline posting -380/-260/-250/-158 points, respectively.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Underperformance in Fertilizer and Oil & Gas Exploration companies was due to lower than expected payout from the companies. The decline in the banking sector was due to the negative performance of HBL owing to international scrutiny. Automobile Assembler struggled due to poor volumetric sales on account of restrictions imposed by the SBP. On the flipside, Technology and cement sector added 761 and 276 points respectively to the index.

FUND PERFORMANCE

During the period under review, the fund posted a return of 2.15% against 0.41% for the benchmark. The fund was 6.6% invested in Cash, 23.1% in Alhamra Islamic Stock Fund and 70.2% in Alhamra Islamic Income Fund as at 30th September, 2022.

The Net Assets of the Fund as at September 30, 2022 stood at Rs. 113 million as compared to Rs. 145 million as at June 30, 2022 registering a decrease of 22.1%.

The Net Asset Value (NAV) per unit as at September 30, 2022 was Rs. 102.3120 as compared to opening NAV of Rs. 100.1599 per unit as at June 30, 2022 an increase of Rs. 2.1521 per unit.

ECONOMY & MARKET – FUTURE OUTLOOK

Pakistan GDP growth clocked at 6.0% in FY22 with Agricultural, Industrial and Services sector increasing by 4.4%, 7.2% and 6.2% respectively. The GDP growth is projected to decline to 2.0% in FY23 as monetary tightening, rupee devaluation and the recent floods will lead to slowdown in the economy. The loss of cotton and rice crop would trim agriculture growth to 1.2% while industrial growth is expected at clock at -2.5% owing to demand slowdown. The government is taking administrative measures to control imports which will reduce service sector growth to 3.7%.

The international commodities have eased from their recent high but energy prices remain stubbornly high. We expect the government to keep a tight leash on imports and discourage unnecessary dollar outflows. The imports are expected to decrease by 13% YoY to USD 63bn as we may witness volumetric compression in several segments of the economy. Thus we expect the CAD to ease to USD 7.3bn (2.0% of GDP) in FY23, a massive drop, when compared with USD 17.4bn (4.5% of GDP) in FY22.

The successful resumption of IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. In addition, the aid commitment by multilateral agencies should lend support to foreign inflows. However, our external position still remains precarious as we are unlikely to issue international Eurobond or Sukuk owing to the challenging global conditions. The proceeds from FDI and RDA are also likely to remain muted owing to the current economic challenges. Thus we would have to ensure a sustainable current account this year to stave off external concerns.

The rupee has now recovered from its recent low as more clarity has emerged on foreign assistance from multilateral agencies. In addition, the statement given by the new finance minister regarding the overvaluation of dollar curbed speculation in the market. However, materialization of foreign inflows will be crucial to build sufficient reserve and lend support to the currency. We expect USD/PKR to close at 240 by fiscal year end on an assumed REER of 95.

We expect Average FY23 inflation to clock at 24.7% assuming international oil stays around USD 100/bbl. The government has increased petroleum and electricity prices, which will lead to a bout of inflationary pressure. We will also witness the second round impact of the currency devaluation which will keep inflation numbers elevated for remainder of the year. Food inflation is also expected to stay elevated due to the recent floods. SBP has already increased policy rate to 15.0% to cool aggregate demand and deescalate inflationary pressure. Given the significant economic slowdown and demand curtailment we do not rule out a scenario where SBP keeps real interest rates negative.

From capital market perspective, particularly equities, the correction in stock prices has further opened up valuation. The market appears to have priced in the interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 9.4%, a discount of 55% from its historical average. Similarly, risk premiums are close to 7.8%, compared to historical average of 2.2% signifying deep discount at which market is trading. 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. The market is currently trading at PER of 5.0x, while offering a dividend yield of 10.2%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. We would continue to monitor the data points and capitalize on opportunities to add government

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2022

bonds in Income Funds at attractive rates to benefit from the expected monetary easing in the medium term.

MUTUAL FUND INDUSTRY REVIEW

The Net Assets of the open end mutual fund industry increased by about 6.3% during 1QFY23 to PKR 1,291bn. Total money market funds grew by about 7.0% since June 2022. Within the money market sphere, the conventional funds showed a growth of 0.6% to PKR 449bn while Islamic funds increased by 19.6% to PKR 270bn. In addition, the total fixed Income funds increased by about 3.3% since June 2022 to PKR 308bn. Equity and related funds declined by 3.6% as market witnessed a decline in 1QFY23 eroding AUMs as concern over macroeconomic factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 55.6%, followed by Income funds with 23.9% and Equity and Equity related funds having a share of 17.2% as at the end of 1QFY23.

MUTUAL FUND INDUSTRY OUTLOOK

The current interest rates would encourage higher flows in the money market funds as they are ideal for investors with a short term horizon and low risk profile. However, a correction in stock prices has opened up valuations and the long term investors may look to add equity exposure at these highly attractive levels. Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the growing number of investors available online.


ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
October 21, 2022



Nasim Beg
Director / Vice Chairman

ڈائریکٹرز رپورٹ

پرائم فنڈز تھے جن کا 23.9 فیصد حصہ تھا، اور تیسرے نمبر پر ایکویٹی اور ایکویٹی سے متعلقہ فنڈز تھے جن کا 17.2 فیصد حصہ تھا۔

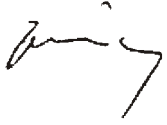
میوچل فنڈ کی صنعت کے مستقبل کا منظر

سود کی موجودہ شرحوں سے Money مارکیٹ فنڈز میں آمدورفت میں اضافے کی حوصلہ افزائی ہوگی کیونکہ یہ مختصر المیعاد سرمایہ کاروں کے لیے موزوں ترین ہیں جو خطرے کی کم سطح پر رہنا چاہتے ہیں۔ تاہم اسٹاک کی قیمتوں میں تصحیح سے تعینات قدر کھٹل گئی ہیں اور طویل المیعاد سرمایہ کاران بے حد پُرکشش سطحوں پر ایکویٹی میں مزید بیسہ 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 کام کرنے والے سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکتے ہیں۔

اظہار تشکر

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

منجانب ڈائریکٹرز



نسیم بیگ

ڈائریکٹر اداس چیئر مین



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

21 اکتوبر 2022ء

ڈائریکٹرز رپورٹ

مضبوط لگام ڈالے رکھے گی اور ڈالر کے غیر ضروری اخراجات بہاؤ کی حوصلہ شکنی کرے گی۔ درآمدات متوقع طور پر 13 فیصد سال در سال (YoY) کم ہو کر 63 بلین ڈالر ہو جائیں گی کیونکہ معیشت کے متعدد شعبوں میں خجما تسی سنکیز دیکھا جائے گا۔ چنانچہ مالی سال 2023ء میں سی اے ڈی متوقع طور پر کم ہو کر 7.3 بلین ڈالر (جی ڈی پی کا 2.0 فیصد) ہو جائے گا، جو مالی سال 2022ء (17.4 بلین ڈالر - جی ڈی پی کا 4.5 فیصد) کے مقابلے میں بڑی کمی ہے۔

آئی ایم ایف پروگرام کی کامیاب بحالی ایک کلیدی مثبت پیش رفت ہے کیونکہ اس کی بدولت ہم دو جہتی اور کثیر الجہتی ذرائع سے رقم حاصل کر سکیں گے۔ علاوہ ازیں، کثیر الجہتی ایجنسیوں کی طرف سے امداد کے وعدے سے غیر منکلی آمدنی بہاؤ کو معاونت حاصل ہوگی۔ تاہم ہماری خارجی حالت اب بھی غیر یقینی ہے کیونکہ دقت طلب عالمی حالات کے باعث اس بات کا امکان کم ہے کہ ہم بین الاقوامی یورہ بانڈ یا سنکک جاری کریں۔ FDI اور RDA سے حاصل ہونے والی آمدنیاں بھی موجودہ معاشی مشکلات کے باعث متوقع طور پر رکی رہیں گی۔ چنانچہ اس سال ہمیں ایک قابل بقاء کرنٹ اکاؤنٹ یقینی بنانا ہوگا تاکہ خارجی خدشات ختم ہو سکیں۔

روپے کی قدر حالیہ پست سطح سے بحال ہوئی ہے کیونکہ کثیر الجہتی ایجنسیوں سے غیر منکلی امداد کے حوالے سے صورتحال مزید واضح ہوئی ہے۔ علاوہ ازیں، نئے وزیر خزانہ کے ڈالر کی بیش قدری سے متعلق بیان سے بازار میں قیاس آرائی میں کمی ہوئی۔ تاہم خاطر خواہ ذخائر جمع کرنے اور روپے کو سہارا فراہم کرنے کے لیے غیر منکلی آمدنی بہاؤ کا عملی جامہ پہننا بے حد ضروری ہوگا۔ ہماری توقع کے مطابق مالی سال کے اختتام پر (REER کے 95 ہونے کے مفروضے پر) ڈالر کے مقابلے میں روپے کی قدر 240 ہوگی۔

مالی سال 2023ء میں اوسط مہنگائی 24.7 فیصد متوقع ہے، بشرطیکہ تیل بین الاقوامی سطح پر تقریباً 100 ڈالر فی بیرل پر برقرار رہے۔ حکومت نے پٹرول اور بجلی کی قیمتوں میں اضافہ کیا ہے جس کے نتیجے میں مہنگائی کی دباؤ میں شدت آئے گی۔ روپے کی قدر میں کمی کے اثر کا دوسرا دور بھی دیکھنے میں آئے گا جس کے باعث سال کے بقیہ حصے کے دوران مہنگائی کے عدد بلند سطح ہر رہیں گے۔ حالیہ سیلابوں کے سبب اشیائے خورد و نوش کی قیمتیں بھی بلند رہنے کا امکان ہے۔ اسٹیٹ بینک آف پاکستان نے پہلے ہی پالیسی شرح کو بڑھا کر 15.0 فیصد کر دیا ہے تاکہ مجموعی مانگ اور مہنگائی کے دباؤ سے نمٹا جاسکے۔ معیشت میں اچھی خاصی سست رفتاری اور مانگ میں کمی کے باعث ایس بی پی کے حقیقی شروع سود کو منفی رکھنے کا امکان خارج از بحث نہیں ہے۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے نقطہ نظر سے اسٹاک کی قیمتوں میں تصحیح سے تعین قدر مزید کھل گئی ہے۔ مارکیٹ نے بظاہر شرح سود میں اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہے۔ مارکیٹ کا جی ڈی پی کے ساتھ تناسب کم ہو کر 9.4 فیصد ہو گیا ہے جو اس کے قدیم اوسط سے 55 فیصد کمی ہے۔ اسی طرح، خطرات کے پریمیم 7.8 فیصد کے قریب ہیں، اور ان کے قدیم اوسط 2.2 فیصد سے موازنہ کرنے پر اس بھر پور کمی کا پتہ چلتا ہے جس پر مارکیٹ میں تجارت ہو رہی ہے۔ ہم سمجھتے ہیں کہ اسٹاک اور شعبہ جات کا مجموعی تناظر اہم رہے گا اور سرمایہ کاری کے انتخاب کے لیے ان کمپنیز پر توجہ مرکوز کی جانی چاہیے جو اپنی اندرونی قدر میں بھر پور کمی پر تجارت کرتی ہیں۔ موجودہ طور پر مارکیٹ میں 5.0x PER کے پرتجارت ہو رہی ہے جبکہ ڈیویڈنڈ کی سطح 10.2 فیصد پر ہے۔

حاملین قرض کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ ہم ڈیٹا پوائنٹس کی نگرانی، اور پیکش شرحوں پر آئٹم فنڈز میں حکومتی بانڈز شامل کرنے کے مواقع سے استفادہ جاری رکھیں گے تاکہ درمیانی مدت میں متوقع مالیاتی تسہیل سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ صنعت کا جائزہ

اوپن اینڈ میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2023ء کی پہلی سہ ماہی کے دوران تقریباً 6.3 فیصد بڑھ کر 1,291 بلین روپے ہو گئے۔ مجموعی Money مارکیٹ فنڈز میں جون 2022ء سے اب تک تقریباً 7.0 فیصد اضافہ ہوا ہے۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز تقریباً 0.6 فیصد بڑھ کر 449 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 19.6 فیصد بڑھ کر 270 بلین روپے ہو گئے۔ مزید برآں، مجموعی فیکسڈ انکم فنڈز جون 2022ء سے اب تک تقریباً 3.3 فیصد بڑھ کر 308 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز 3.6 فیصد کم ہو گئے جس کی وجہ مالی سال 2023ء کی پہلی سہ ماہی میں مارکیٹ میں انحطاط اور اثاثہ جات تحت الا نظامیہ میں کمی ہے کیونکہ مجموعی معاشی عوامل سے متعلق خدشات سرمایہ کاروں کی حوصلہ شکنی کا سبب بنے۔

شعبہ جاتی اعتبار سے مالی سال 2023ء کی پہلی سہ ماہی کے اختتام پر Money مارکیٹ فنڈز تقریباً 55.6 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ دوسرے نمبر

ڈائریکٹر رپورٹ

ایکوٹی مارکیٹ کا جائزہ

کراچی اسٹاک ایکسچینج KSE-100 انڈیکس اختتام سہ ماہی کے قریب 1.0 فیصد کم ہو کر 41,129 پوائنٹس ہو گیا۔ زیر جائزہ مدت شدید غیر یقینی صورتحال کا شکار رہی کیونکہ آئی ایم ایف کے ساتھ پاکستان کے ساتویں اور آٹھویں جائزے کی تکمیل کے حوالے سے ابتدائی جوش و خروش، اور دوست ممالک سے 4 بلین ڈالر تک کے مالی تعاون کی یقین دہانیاں، ملک میں تباہ کن سیلابوں کے باعث جلد ہی منظر عام سے غائب ہو گئیں۔ علاوہ ازیں، دوران مدت ڈالر کے مقابلے میں روپے کی قدر بھی غیر یقینی صورتحال کا شکار رہی، گزشتہ 47 برسوں کی سب سے زیادہ مہنگا بنید کیھنے میں آئی، اسٹیٹ بینک آف پاکستان کے ذخائر میں مسلسل کمی ہوتی رہی، اور سیاسی دھماچو کڑی ہوتی رہی، اور ان تمام عوامل نے سرمایہ کاروں کی گرم جوشی پر پانی پھیرنے میں کردار ادا کیا۔ غیر ملکی افراد net خریدار بن کر سامنے آئے اور 17 ملین ڈالر آمد آتی بہاؤ کا سبب بنے، جس کی بنیادی وجہ یہ تھی کہ ایسوسی ایٹ کمپنی نے TRG کے حصص واپس خرید لیے، جبکہ مقامی سطح پر بیمہ اور میوچل فنڈ فروخت کار رہے اور بالترتیب 41 ملین ڈالر اور 35 ملین ڈالر کے اخراجات بہاؤ کا سبب بنے۔ دوران سہ ماہی اوسط تجارتی حجم میں 218 ملین حصص کی کمی ہوئی، جبکہ سابقہ سہ ماہی میں تقریباً 247 ملین حصص کمی ہوئی تھی۔ اسی طرح، دوران سہ ماہی اوسط تجارتی قدر گزشتہ سہ ماہی کے مقابلے میں 16 فیصد کم ہو کر 31 ملین ڈالر ہو گئی۔ انڈیکس میں کمی میں اہم ترین کردار کھاد، کمرشل بینکوں، تیل اور گیس کی دریافت کی کمپنیوں اور گاڑیوں کی اسمبلنگ کے شعبوں نے ادا کیا جنہوں نے بالترتیب 380-، 260-، 250- اور 158- پوائنٹس پوسٹ کیے۔ کھاد، اور تیل اور گیس کی دریافت، کی کمپنیوں کی ناقص کارکردگی کی وجہ کمپنیوں سے متوقع سے کم تر payout ہے۔ بینکاری کے شعبے میں تنزل کا سبب HBL کی منفی کارکردگی بوجہ بین الاقوامی جانچ پڑتال تھی۔ گاڑیوں کی اسمبلنگ کا شعبہ اسٹیٹ بینک آف پاکستان کی عائد کردہ پابندیوں کے نتیجے میں ناقص حُجّمانی فروخت کے باعث مشکلات کا شکار رہا۔ دوسری جانب ٹیکنالوجی اور سیمنٹ کے شعبے نے انڈیکس میں بالترتیب 761 اور 276 پوائنٹس کا اضافہ کیا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 2.15 فیصد تھا، جبکہ مقررہ معیار کا منافع 0.41 فیصد تھا۔ 30 ستمبر 2022 تک فنڈ میں 6.6 فیصد نقد رقم اور 23.1 فیصد الحمر اسلامک اسٹاک فنڈ اور 70.2 فیصد الحمر اسلامک آکم فنڈ میں سرمایہ کاری کی گئی۔ 30 ستمبر 2022ء کو فنڈ کے net اثاثہ جات 113 ملین روپے تھے جو 30 جون 2022ء کی سطح 145 ملین روپے کے مقابلے میں 22.1 فیصد کمی ہے۔ 30 ستمبر 2022ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 102.3120 روپے تھے جو 30 جون 2022ء کو ابتدائی این اے وی 100.1599 روپے فی یونٹ کے مقابلے میں 2.1521 روپے فی یونٹ اضافہ ہے۔

معیشت اور بازار - مستقبل کے امکانات

مالی سال 2022ء میں پاکستان کی مجموعی ملکی پیداوار (ج ڈی پی) کی ترقی 6.0 فیصد تھی۔ زراعت، صنعت اور خدمات کے شعبوں نے بالترتیب 4.4 فیصد، 7.2 فیصد اور 6.2 فیصد ترقی کی۔ مالی سال 2023ء میں جی ڈی پی کی ترقی میں 2.0 فیصد کمی متوقع ہے کیونکہ مالیاتی سختی، روپے کی قدر میں کمی اور حالیہ سیلابوں کے نتیجے میں معیشت سست رفتاری کا شکار ہوگی۔ کپاس اور چاول کی فصل میں نقصان کے باعث زرعی ترقی منسکو کر 1.2 فیصد ہو جائے گی جبکہ صنعتی ترقی (مانگ میں سست رفتاری کے باعث) (2.5) فیصد متوقع ہے۔ حکومت درآمدات پر قابو پانے کے لیے انتظامی اقدامات کر رہی ہے جس سے خدمات کے شعبے کی ترقی منسکو کر 3.7 فیصد ہو جائے گی۔

بین الاقوامی اشیاء کی قیمتیں حالیہ بلند سطح سے نیچے آئی ہیں لیکن توانائی کی قیمتیں ابھی تک آسمان سے باتیں کر رہی ہیں۔ ہم اُمید کرتے ہیں کہ حکومت درآمدات پر

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

منجانب بورڈ آف ڈائریکٹرز الحمر اسمارٹ پورٹ فولیو کے اکاؤنٹس کا جائزہ برائے سہ ماہی مختتمہ 30 ستمبر 2022ء پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

نئے مالی سال کا آغاز فقید المثل برسات سے ہوا جس نے پاکستان کی مسائل میں گھری معیشت کو مزید مشکلات سے دوچار کر دیا۔ ملک میں گزشتہ تیس برسوں کی اوسط بارش 135mm سے تین گنا زیادہ بارشیں ہوئیں جس کے نتیجے میں انتظامی ڈھانچے کو گھمبیر نقصان پہنچا، فصلوں کا صفایا ہو گیا، مویشی ہلاک ہوئے اور قیمتی جانیں ضائع ہوئیں۔ سیلاب ہماری پہلے سے خستہ حال معیشت پر براہ راست وار کریں گے جو مہنگائی میں اضافے، کرنٹ اکاؤنٹ خسارے (سی اے ڈی) میں مزید بگاڑ، مالیاتی تناؤ، اور عالمی سطح پر مشکلات کے نتیجے میں مجموعی ملکی پیداوار (جی ڈی پی) کی ترقی میں کمی کی صورت میں ظاہر ہوگا۔

سیلابوں سے سب سے زیادہ متاثر ہونے والی فصلیں کپاس اور چاول ہیں۔ کپاس کی درآمد میں 2.5 ملین گانٹھیں اضافہ متوقع ہے جس کا مطلب درآمداتی بل میں تقریباً 1.1 بلین ڈالر اضافہ ہے۔ اسی طرح، چاول کی درآمد میں 20 فیصد کمی متوقع ہے جس کے نتیجے میں برآمدات میں 500 ملین ڈالر کمی آئے گی۔ جسکے باعث خسارہ میں 1.6 بلین ڈالر اضافہ ہوگا۔ مہنگائی میں بھی مختصر میعاد میں اضافہ ہو سکتا ہے کیونکہ زنجیر رسد میں بگاڑ کے نتیجے میں جلد خراب ہو جانے والی اشیائے خورد و نوش کی قیمتیں بڑھ جائیں گی۔

زراعت کا جی ڈی پی میں حصہ تقریباً 22.7 فیصد ہے جس میں مویشیوں کا حصہ 14.0 فیصد اور فصلوں کا حصہ 7.8 فیصد ہے۔ سیلابوں کے باعث مالی سال 2023ء میں ترقی کی شرح 0.4 فیصد کم ہو کر 2.0 فیصد رہ جائے گی۔ مالیاتی جہت میں حکومت کو سیلاب متاثرین کی بحالی کے لیے زیادہ رقم خرچ کرنا ہوگی۔ اس کے نتیجے میں مالیاتی اعتبار سے پھسلنے کا خطرہ بڑھ جائے گا اور مالی سال 2023ء میں 153 بلین روپے (جی ڈی پی کا 0.2 فیصد) پر انٹری بجٹ surplus کا ہمارا ہدف چوک سکتا ہے۔

مالی سال 2023ء کے پہلے دو ماہ میں کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) 1.9 بلین ڈالر تھا، جو گزشتہ سال مماثل مدت میں 2.4 بلین ڈالر کے مقابلے میں 20 فیصد بہتری ہے۔ اس کا اہم ترین سبب تجارتی خسارے میں 11 فیصد کمی ہے جو برآمدات میں 11.2 فیصد اضافے اور درآمدات میں 2.1 فیصد کمی کا مجموعی نتیجہ ہے۔ سی اے ڈی کے علاوہ قرضوں کی ادائیگیوں نے بھی زرمبادلہ کے ذخائر پر مزید دباؤ ڈالا، جو مزید 1.9 بلین ڈالر کم ہو کر 7.9 بلین ڈالر رہ گئے ہیں، اور یہ 6 ہفتوں کے لیے بھی بمشکل کافی ہوں گے۔ چنانچہ ڈالر کے مقابلے میں روپے کی قدر 11 فیصد گھٹ کر اختتام سہ ماہی پر 227 روپے فی ڈالر رہ گئی۔

ہیڈ لائن مہنگائی، جس کی ترجمانی CPI سے ہوتی ہے، کا اوسط دوران سہ ماہی 25.1 فیصد تھا جبکہ گزشتہ سال مماثل مدت میں 8.6 فیصد تھا۔ سیلابوں کے نتیجے میں اشیائے خورد و نوش کی قیمتوں کے ساتھ ساتھ بجلی کے نرخ میں اضافہ اور پٹرول کی بڑھتی ہوئی قیمتیں CPI میں اضافے کے اہم ترین اسباب تھے۔ مہنگائی کا دباؤ وسیع پیمانے پر تھا جس کا اظہار core مہنگائی سے ہوتا ہے۔ جسمیں 15.7 فیصد ہوا جو گزشتہ سہ ماہی کے اختتام پر 12.3 فیصد تھا۔ اسٹیٹ بینک آف پاکستان نے پالیسی شرح میں جولائی 2022ء کی مانیٹری پالیسی میں مزید 125 بیسیس پوائنٹس (bps) کا اضافہ کیا جبکہ اکتوبر 2022ء میں منعقدہ تازہ ترین MPS میں سود کی شرحوں کو برقرار رکھا۔ مالیاتی جہت میں فیڈرل بورڈ آف ریونیو کی ٹیکس وصولی میں مالی سال 2023ء کی پہلی سہ ماہی میں 17.1 فیصد اضافہ ہوا اور 1,635 بلین روپے ٹیکس جمع ہوا، جبکہ گزشتہ سال مماثل سہ ماہی میں 1,396 بلین روپے تھے۔ اس طرح ہدف سے 25 بلین روپے زیادہ ٹیکس وصول ہوا۔

ثانوی مارکیٹوں کی پیداوار میں دوران سہ ماہی اضافہ ہوا جس کے اسباب مالیاتی سختی اور بعد از سیلاب مہنگائی کے دباؤ کی نئی لہر ہیں۔ دوران سہ ماہی 3، 6 اور 12 ماہانہ ٹریڈری بلنز (ٹی-بلنز) کے منافع جات میں بالترتیب 50، 52 اور 44 بی پی ایس، جبکہ 3 اور 5 سالہ بانڈز کے منافع جات میں بالترتیب 38 اور 19 بی پی ایس کا اضافہ ہوا۔

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2022**

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
		Alhamra Smart Portfolio	Alhamra Smart Portfolio
Note ----- (Rupees in '000) -----			
ASSETS			
Balances with banks	4	7,486	7,532
Investments	5	106,523	138,320
Profit receivable		71	69
Total assets		114,080	145,921
LIABILITIES			
Payable to the Management Company		19	21
Payable to the Trustee		23	24
Payable to the Securities and Exchange Commission of Pakistan		7	34
Accrued expenses and other liabilities	6	561	433
Total liabilities		611	512
NET ASSETS		113,469	145,409
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		113,469	145,409
Contingencies and Commitments	7		
--- (Number of units) ---			
NUMBER OF UNITS IN ISSUE		1,109,052	1,451,767
----- (Rupees) -----			
NET ASSET VALUE PER UNIT		102.3120	100.1599

The annexed notes 1 to 14 form an integral part of these financial statements.

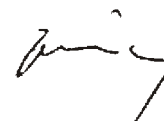
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	September 30, 2022	September 30, 2021
	Alhamra Smart Portfolio	Alhamra Smart Portfolio
Note	----- (Rupees in '000) -----	
INCOME		
Gain / (loss) on sale of investments - net	1,014	109
Net unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss	2,291	(990)
Profit on bank balances	214	129
Dividend income	-	-
Other income	-	-
Total income / (loss)	3,519	(751)
EXPENSES		
Remuneration of the Management Company	21	13
Sindh sales tax on remuneration of the Management Company	3	2
Remuneration of the Trustee	63	63
Sindh sales tax on remuneration of the Trustee	8	8
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	7	9
Allocated expenses	36	45
Auditors' remuneration	118	111
Printing charges	20	25
Settlement and bank charges	0.07	5
Listing Fee	6.86	-
Legal and professional charges	67	8
Provision for Sindh Workers' Welfare Fund	-	-
Total expenses	350	289
Net income / (loss) for the period before taxation	3,169	(1,040)
Taxation	8	-
Net income / (loss) for the period	3,169	(1,040)
Allocation of net income for the period		
Net income for the year after taxation	3,169	-
Income already paid on units redeemed	(844)	-
Accounting income available for distribution	2,325	-
- Relating to capital gains	2,325	-
- Excluding capital gains	-	-
	2,325	-

The annexed notes 1 to 14 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 OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	Alhamra Smart Portfolio	Alhamra Smart Portfolio
	----- (Rupees in '000) -----	
Net income / (loss) for the period after taxation	3,169	(1,040)
Other comprehensive income for the period	-	-
Total comprehensive income / (loss) for the period	<u>3,169</u>	<u>(1,040)</u>

The annexed notes 1 to 14 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, 2022

	Alhamra Smart Portfolio			Alhamra Smart Portfolio		
	September 30, 2022			September 30, 2021		
	Capital Value	Undistri-buted (loss) / income	Total	Capital Value	Undistri- buted income / (loss)	Total
	(Rupees in '000)					
Net Assets at the beginning of the period	145,277	132	145,409	123,200	(141)	123,059
Issuance of 1,006.9705 units of Alhamra Smart Portfolio						
- Capital value (at net assets value per unit at the beginning of the period)	100	-	100	99,489	-	99,489
- Element of income	2	-	2	507	-	507
	103	-	103	99,996	-	99,996
Redemption of 343,722.02 units of Alhamra Smart Portfolio						
- Capital value (at net assets value per unit at the beginning of the period)	(34,427)	-	(34,427)	(40,404)	-	(40,404)
Element of Loss	60	(844)	(784)	-	(32)	(32)
	(34,367)	(844)	(35,211)	(40,404)	(32)	(40,436)
Total comprehensive income / (loss) for the period	-	3,169	3,169	-	(1,040)	(1,040)
Distribution during the period	-	-	-	-	-	-
Net income / (loss) for the period less distribution	-	3,169	3,169	-	(1,040)	(1,040)
Net assets at end of the maturity/period	111,012	2,457	113,469	182,792	(1,213)	181,579
Payable to unit holders on maturity	-	-	-	-	-	-
Net assets at end of the period	111,012	2,457	113,469	182,792	(1,213)	181,579
Undistributed (loss) / income brought forward comprising of:						
- Realised		3,130			-	
- Unrealised		(2,999)			-	
		132			-	
Accounting income available for distribution:						
- Relating to capital gains	2,325				-	
- Excluding capital gains	-				-	
Allocation of net income for the period:		2,325			(1,040)	
Undistributed loss carried forward		2,457			(1,040)	
Undistributed loss / (income) carried forward comprising of:						
- Realised		166			(50)	
- Unrealised		2,291			(990)	
		2,457			(1,040)	
		-- (Rupees) --			-- (Rupees) --	
Net assets value per unit at beginning of the period	100.1599			99.8771		
Net assets value per unit at end of the period	102.3120			99.5673		

The annexed notes 1 to 14 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 CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	September 30, 2022	September 30, 2021
	Alhamra Smart Portfolio	Alhamra Smart Portfolio
----- (Rupees in '000) -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period	3,169	(1,040)
Adjustments for non cash and other items:		
Net unrealised loss / (income) on re-measurement of investments at fair value through profit or loss	(2,291) (2,291)	(109) (109)
Decrease / (increase) in assets		
Investments	34,087	(51,749)
Profit receivable	(2)	(9)
	34,085	(51,758)
(Decrease) / increase in liabilities		
Payable to the Management Company	(2)	47
Payable to the Trustee	(1)	7
Payable to the Securities and Exchange Commission of Pakistan	(27)	8
Accrued expenses and other liabilities	128	237
	99	299
Net cash generated from operating activities	35,062	(52,608)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	103	99,996
Amount paid on redemption of units	(35,211)	(40,436)
Dividend paid	-	-
Net cash used in financing activities	(35,108)	59,560
Net (decrease) / increase in cash and cash equivalents during the period	(46)	6,952
Cash and cash equivalents at the beginning of the period	7,532	2,031
Cash and cash equivalents at the end of the period	7,486	8,983

The annexed notes 1 to 14 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, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al-Hamra Islamic Active Allocation Fund (the Fund) was established under a Trust Deed dated, November 25, 2016, executed between MCB-Arif Habib Savings and Investments Limited as Management Company and Digital Custodian Company 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 Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is 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) which matured on December 28, 2020. On June 16, 2017, the Fund launched Allocation Plan-II which matured on June 16, 2021. The Management Company has settled the unit holders of Plan-I and Plan-II. On June 10, 2021, the Fund launched Alhamra Smart Portfolio. 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 06, 2009 issued by the SECP.
- 1.5 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 06, 2022 to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of Digital Custodian Company Limited as Trustee of the Fund.
- 1.7 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 13, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

- 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 VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed

Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IAS 34, 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 2022. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2022 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2022, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the three months ended 30 September 2021.

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

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

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

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

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2022.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Note	(Un-Audited)	(Audited)
		September 30, 2022	June 30, 2022
4 BALANCES WITH BANKS		(Rupees in '000)	
In current accounts	4.1	1,571	1,516
In saving accounts	4.2	5,914	6,016
		<u>7,486</u>	<u>7,532</u>

4.1 Current accounts are maintained with MCB Bank Limited, a related party.

4.2 These carry profit at the rates ranging between 13.75% to 14.5% (2022: 6.60% to 13.75%) per annum.

	Note	(Un-Audited)	(Audited)
		September 30, 2022	June 30, 2022
5 INVESTMENTS		(Rupees in '000)	
At fair value through profit or loss			
- Units of open-end mutual funds	5.1	106,523	138,320
		<u>106,523</u>	<u>138,320</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

5.1 Units of open-end mutual funds

Name of the fund	Number of units				Balances as at September 30, 2022			Market value as a percentage of net assets ----- %	Market value as a percentage of total investment ----- %
	As at July 01, 2022	Purchased during the period	Redemption during the period	As at September 30, 2022	Carrying Value	Market Value	Unrealised (loss) / gain		
Alhamra Smart Portfolio - with related party									
Alhamra Islamic Stock Fund	3,869,444	-	958,154	2,911,290	26,493	26,405	(87)	23.27%	24.79%
Alhamra Islamic Income Fund	1,009,242	84,543	334,452	759,333	77,740	80,118	2,378	70.61%	75.21%
Total as at September 30, 2022					104,233	106,523	2,291		
Total as at June 30, 2022					141,319	138,320	(2,999)		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

6	ACCRUED EXPENSES AND OTHER LIABILITIES	(Un-Audited) September 30,	(Audited) June 30, 2022
	Note	(Rupees in '000)	
	Auditors' remuneration	472	354
	Payable to legal advisor	27	34
	Others	61	45
		561	433

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2022 (June 30, 2022).

8 TAXATION

The Fund's income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders in cash. 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.

9 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.

10 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 owning 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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

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

10.1 Unit Holders' Fund

For the quarter ended September 30, 2022 (Un-audited)								
	As at July 01, 2022	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at September 30, 2022	As at July 01, 2022	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at September 30, 2022
	(Number of units)		(Rupees in '000)			(Rupees in '000)		
Alhamra Smart Portfolio								
Group / associated companies								
MCB Arif Habib Savings and Investments Limited	1,207,021		341,662	865,359	120,895		35,000	88,537
					June 30, 2022			
Alhamra Smart Portfolio								
Group / associated companies								
MCB Arif Habib Savings and Investments Limited	1,200,000	7,021	-	1,207,021	119,853	702	-	120,895

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

10.2 Transactions during the period:

	(Un-Audited) For quarter ended September 30, 2022
Alhamra Smart Portfolio	
----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited - Management Company	
Remuneration of the Management Company	21
Sindh sales tax on remuneration of the Management Company	3
Allocated expenses	36
Digital Custodian Company Limited - Trustee	
Remuneration of the Trustee	63
Sindh sales tax on remuneration of the Trustee	8
Alhamra Islamic Stock Fund	
Purchase of NIL units by the Fund	-
Sale of 958,154.47 units by the Fund	8,873
Alhamra Islamic Income Fund	
Purchase of 84,542.889 units by the Fund	8,873
Sale of 334,452.147 units by the Fund	35,101
MCB Bank Limited	
Bank charges	0.07
(Un-Audited) For quarter ended September 30, 2021	
----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited - Management Company	
Remuneration of the Management Company	13
Sindh sales tax on remuneration of the Management Company	2
Allocated expenses	45
Digital Custodian Company Limited - Trustee	
Remuneration of the Trustee	63
Sindh sales tax on remuneration of the Trustee	8
Alhamra Islamic Stock Fund	
Purchase of 1,809,655 units by the Fund	20,628
Sale of 655,292 units by the Fund	7,101
Alhamra Islamic Income Fund	
Purchase of 935,032 units by the Fund	67,344
Sale of 551,565 units and units by the Fund	56,788
MCB Bank Limited	
Bank charges	8

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

10.3 Balances outstanding at year end:

	(Un-Audited) September 30, 2022
	Alhamra Smart Portfolio
	----- (Rupees in '000) -----
MCB-Arif Habib Savings and Investments Limited - Management Company	
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	7
Sindh sales tax payable on Management Company remuneration	1
Payable against allocated expenses	11
Digital Custodian Company Limited - Trustee	
Trustee remuneration payable	21
Sindh sales tax payable on Trustee remuneration	3
MCB Bank Limited - Group / associated company	
Balances with bank - current account	1,571
Alhamra Islamic Stock Fund	
Outstanding 2,911,289.3466 units (investments made by the Fund)	26,405
Alhamra Islamic Income Fund	
Outstanding 759,332.7493 units (investments made by the Fund)	80,118
	(Audited) June 30, 2022
	Alhamra Smart Portfolio
	----- (Rupees in '000) -----
MCB-Arif Habib Savings and Investments Limited - Management Company	
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	7
Sindh sales tax payable on Management Company remuneration	1
Payable against allocated expenses	13
Digital Custodian Company Limited - Trustee	
Trustee remuneration payable	21
Sindh sales tax payable on Trustee remuneration	2
MCB Bank Limited - Group / associated company	
Balances with bank - current account	1,516
Alhamra Islamic Income Fund	
Outstanding 1,009,242 units (investments made by the Fund)	103,108
Alhamra Islamic Stock Fund	
Outstanding 3,869,444 units (investments made by the Fund)	35,212

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

11. TOTAL EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 0.99% and this includes 0.08% representing government levy, SECP fee etc.

12. 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).

13. GENERAL

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

13.2. 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.

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 21, 2022 by the Board of Directors of the Management Company.

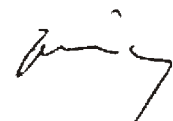
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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