



MCB FUNDS  
Investments for Life

# QUARTERLY REPORT

SEPTEMBER  
**2023**  
(UNAUDITED)

Funds Under Management of  
**MCB INVESTMENT MANAGEMENT LIMITED**  
(Formerly: MCB-Arif Habib Savings and Investments Limited)



# **ALHAMRA ISLAMIC MONEY MARKET FUND**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB Investment Management Limited</b> (Formerly: MCB-Arif Habib Savings and Investments Limited) Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Syed Savail Meekal Hussain Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
<b>Human Resource &amp; Remuneration Committee</b>	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Manzar Mushtaq Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
<b>Credit Committee</b>	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Muhammad Saqib Saleem	Member Member Member Member
<b>Chief Executive Officer</b>	Mr. Muhammad Saqib Saleem	
<b>Chief Operating Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Digital Custodian Company Limited</b> 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.co	
<b>Bankers</b>	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 Habib Bank Limited Bank Al Habib Limited Bank Al Falah Limited The Bank of Punjab
<b>Auditors</b>	<b>BDO Ibrahim &amp; Co.</b> Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed Road, Karachi	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	
<b>Transfer Agent</b>	<b>MCB Investment Management Limited</b> (Formerly: MCB-Arif Habib Savings and Investments Limited) Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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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, 2023.

### **Economy and Money Market Review**

The new fiscal year started on a positive note as the government secured a much needed Stand-by Arrangement (SBA) facility of USD 3bn from the IMF, of which USD 1.2bn was promptly disbursed. This was followed by additional inflows of USD 3bn from Saudi Arabia and UAE and timely rollover from China. These led to an upgrade in Pakistan's sovereign rating by Fitch from CCC- to CCC due to the improved external outlook.

Macroeconomic concerns resurfaced in Aug-23 when there was change of political guard as the new interim government came into power. An immediate effort of new finance team to clear pending import payments turned by the speculators to give a notion of weakening external account putting significant pressure on the currency. The rupee weakened to PKR 307 against the greenback in interbank while the open market rate hovered around PKR 330. The interim setup albeit with some delay took decisive steps against smuggling of dollar and abuse of Afghan Transit which led a sharp recovery in exchange rate and elimination of the difference between open market and interbank rates. A sustained action and elimination of smuggling of goods and currency bodes well for the economy.

The country posted a current account deficit (CAD) of USD 0.9bn in the first two months of the fiscal year 2024 (2MFY24) declining by 54% YoY compared to a deficit of USD 2.0bn in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as 8.3% decrease in exports coupled with a 26.0% drop in imports led to a 39.5% contraction in the trade deficit. The country's external position improved with SBP's foreign exchange reserves increasing to USD 7.6bn as of Sep-23 end compared to USD 4.5bn at the end of last fiscal year. This was on account of flows from IMF and friendly countries.

Headline inflation represented by CPI averaged 29.0% during 1QFY24 compared to 25.1% in the corresponding period last year. Inflation remained on the higher side as currency depreciation led to higher food and energy prices. The government increased electricity base tariff to comply with IMF conditions which led to further inflationary pressure. SBP mainlined status quo in monetary policy held in Sep-23 as it noted that inflation is projected to remain on the downwards trajectory and real interest rates continue to remain in positive territory on a forward-looking basis.

The country's GDP growth recorded at 0.29% in FY23 with Agricultural and Services sector increasing by 1.6% and 0.9%, respectively, while industrial sector witnessed a drop of 2.9%. Historic high interest rates coupled with import restrictions were the major culprits behind the fall in industrial output. On the fiscal side, FBR tax collection increased by 24.1% in 1QFY24 to PKR 2,041bn compared to PKR 1,644bn in the same period last year, outpacing the target by PKR 63bn.

The Secondary markets yields initially increased in the period preceding Sep-23 monetary policy as there was a general market consensus that interest rates will be increased by 100-200bps in the MPS. The 3 month yields increased from 22.7% to a high of 23.8% while 3 Year Bond yields rose from 19.5% to a peak of 21.2%. After SBP maintained status quo in the MPS and dollar started reversing, the yields also receded. The 3-month T-Bill Yield declined to 22.5% while 3 Year PIB decreased to 19.1% as of Sep 23.



## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2023

### Fund Performance

During the period under review, the fund posted a return of 20.30% compared to the benchmark return of 8.34%. In addition, the fund's exposure in Cash stood at 81.4%.

The Net Assets of the Fund as at September 30, 2023 stood at Rs. 27,571 million as compared to Rs. 25,505 million as at June 30, 2023 registering an increase of 8.1%. The Net Asset Value (NAV) per unit as at September 30, 2023 was Rs. 99.5100 as compared to Rs. 99.5100 at June 30, 2023 as well.

*\*Converted into Islamic money market fund from 21<sup>st</sup> Aug 2020, hence this reflects performance from this date.*

### Economy & Market – Future Outlook

Pakistan GDP is expected to rebound to 4.1% in FY24 after a dismal performance last year. The industrial and services sector is expected to show growth as import restriction has been removed which will help to normalize trade activities. Agriculture growth is likely to remain on the higher side due to base effect as the heavy floods last year affected agriculture output. The arrivals of crops have been encouraging with cotton arrival increasing by 72% YoY to 5.0mn bales in the quarter.

The successful resumption of IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. We expect SBP reserves to increase to USD 10.5bn on the back of flows from friendly countries, IMF and multilateral agencies. However, our external position still remains precarious as we are unlikely to issue international Eurobond or Sukuk owing to the challenging global conditions. The proceeds from FDI and RDA are also likely to remain muted owing to the current economic challenges. Thus we would have to ensure a sustainable current account this year to stave off external concerns. We expect a CAD of USD 3.1bn (0.9% of GDP) in FY24 as policy of consolidation is likely to continue under the IMF umbrella.

The rupee has recovered from its recent low due to the administrative measures by the government to curb dollar smuggling and hoarding. However, the sustainability of this recovery will depend on recovery in export and remittances flow. In addition, the flows from bilateral and multilateral sources and reserve building will be vital for external outlook. We expect USD/PKR to close the fiscal year on 311.7 on an ending REER of 95.

We expect Average FY24 inflation to ease to 24.1% compared to 29.0% in FY23 as the base effect will come into play. Inflation readings have peaked and inflation is expected to follow a downward trajectory with headline number falling sharply in 2HFY24. This coupled with the buildup of forex reserves during the period will allow the monetary easing cycle to start in the second half of the year. We expect a cumulative easing of around 4.0% till Jun-24, however, its pace and timing would be determined by trend in FX reserves.

From the capital market perspective particularly equities, the market is trading at cheap valuations. Market cap to GDP ratio has declined to 7.6%, a discount of 61% from its historical average of 19.5%. Similarly, Earning Yield minus Risk Free Rate is close to 5.6%, compared to the historical average of 2.7% signifying a deep discount at which the market is trading. The resolution of challenges on external account will help to unlock market potential. We believe a micro view of sectors and stocks will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. The market is currently trading at PER of 4.6x, while offering a dividend yield of 12.2%.

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

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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opportunities to add government 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 funds industry increased by about 14.7% during 1QFY24 to PKR 1,793bn. Total money market funds grew by about 15.8% since Jun-23. Within the money market sphere, conventional funds showed a growth of 17.0% to PKR 553bn while Islamic funds increased by 14.4% to PKR 491bn. In addition, the total fixed Income funds increased by about 23.0% since Jun-23 to PKR 454bn while Equity and related funds increased by 1.7% to PKR 170bn.

In terms of the segment share, Money Market funds were the leader with a share of around 58.2%, followed by Income funds with 25.3% and Equity and Equity related funds having a share of 8.5% as at the end of Sep-23.

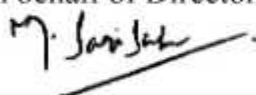
### **Mutual Fund Industry Outlook**

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, external concerns have eased post agreement with IMF 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 18, 2023



**Manzar Mushtaq**  
Director  
October 18, 2023

## ڈائریکٹرز رپورٹ

اظہار تشکر

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

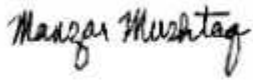
من جانب ڈائریکٹرز،



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

18 اکتوبر 2023ء



منظر مشتاق

ڈائریکٹر



## ڈائریکٹرز رپورٹ

تجارت ہو رہی ہے جبکہ ڈیویڈنڈ کی سطح 12.2 فیصد پر ہے۔

حامدین قرض کے لیے ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ ہم ڈیٹا پوائنٹس کی نگرانی اور پُرکشش شرحوں پر انکم 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 2024ء کی پہلی سہ ماہی کے دوران تقریباً 14.7 فیصد بڑھ کر 1,793 بلین روپے ہو گئے۔ منی مارکیٹ کے مجموعی فنڈز میں جون 2023ء سے اب تک تقریباً 15.8 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز تقریباً 17.0 فیصد بڑھ کر 553 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 14.4 فیصد بڑھ کر 491 بلین روپے ہو گئے۔ مزید برآں، فیکسڈ انکم کے مجموعی فنڈز جون 2023ء سے اب تک تقریباً 23.0 فیصد بڑھ کر 454 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 1.7 فیصد بڑھ کر 170 بلین روپے ہو گئے۔ شعبہ جاتی شراکت کے اعتبار سے ستمبر 2023ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 58.2 فیصد کے ساتھ سب سے آگے تھے، جبکہ دوسرے نمبر پر انکم فنڈز 25.3 فیصد کے ساتھ تھے، اور تیسرے نمبر پر ایکویٹی اور متعلقہ فنڈز 8.5 فیصد کے ساتھ تھے۔

### میوچل فنڈ صنعت کی مستقبل کا منظر

سود کی موجودہ شرحوں سے منی مارکیٹ فنڈز میں زیادہ آمدورفت 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 آئی ایم ایف معاہدے کے بعد خارجی خدشات کم ہو گئے ہیں اور طویل المیعاد سرمایہ کاران بے حد پُرسککش سطوروں پر ایکویٹی میں مزید پیسہ لگا سکتے ہیں۔ 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 کرنے کے لیے تیار ہیں۔

## ڈائریکٹرز رپورٹ

زراعت کے شعبے کی ترقی متوقع طور پر base کے اثر کی بدولت بلند سطح پر ہوگی کیونکہ گزشتہ سال سیلابوں کے باعث بڑے پیمانے پر زرعی پیداوار متاثر ہوئی تھی۔ فصلوں کی پیداوار حوصلہ افزا رہی، مثلاً کپاس دوران سہ ماہی 72 فیصد YoY (سال در سال) بڑھ کر 5.0 ملین گانٹھیں ہو گئی۔

آئی ایم ایف پروگرام کی کامیابی بحالی اہم ترین پیش رفت ہے کیونکہ اس سے پاکستان کو باہمی اور کثیرالجہتی ذرائع سے رقم کے حصول میں مدد ملے گی۔ دوستانہ ممالک، آئی ایم ایف اور کثیرالجہتی ایجنسیوں سے آمدات کی بدولت اسٹیٹ بینک آف پاکستان کے ذخائر متوقع طور پر بڑھ کر 10.5 بلین ڈالر ہو جائیں گے۔ تاہم ہماری خارجی صورتحال تاحال بے یقینی کا شکار ہے کیونکہ ہم مشکل عالمی حالات کے باعث بین الاقوامی یورو بانڈ اور سٹاک کا اجراء ممکن نظر نہیں آ رہا۔ غیر ملکی براہ راست سرمایہ کاری (ایف ڈی آئی) اور RDA سے ہونے والی آمدنی بھی موجودہ معاشی مسائل کے باعث ممکنہ طور پر تعطل کا شکار رہیں گی۔ چنانچہ ہمیں سال رواں میں ایک قابل بقاء کرنٹ اکاؤنٹ یقینی بنانا ہوگا تاکہ خارجی مسائل کا خطرہ ٹل سکے۔ مالی سال 2024ء میں کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) متوقع طور پر 3.1 بلین ڈالر (جی ڈی پی کا 0.9 فیصد) ہوگا کیونکہ آئی ایم ایف کی چھتری تلے استحکام کے حصول کی پالیسی ممکنہ طور پر جاری رہے گی۔

ڈالر کی اسمگلنگ اور ذخیرہ اندوزی کی روک تھام کے حکومتی اقدامات کی بدولت روپے کی قدر اپنی حالیہ پستی سے بحال ہوئی ہے۔ تاہم اس بحالی کی قابلیت بقاء کا انحصار برآمدات اور ترسیلات کے بہاؤ کی بحالی پر ہے۔ مزید برآں، خارجی منظر نامے کے لیے باہمی اور کثیرالجہتی ذرائع سے آمدات اور ذخائر میں اضافہ اہمیت کے حامل ہیں۔ ڈالر روپیہ مالی سال کے اختتام پر 311.7 ہوگا اور اختتامی REER 95 ہوگی۔

مالی سال 2024ء کی اوسط مہنگائی متوقع طور پر مالی سال 2023ء کی سطح 29.0 فیصد سے کم ہو کر 24.1 فیصد ہو جائے گی کیونکہ base کا اثر اپنا کردار ادا کرے گا۔ مہنگائی کی سطحیں عروج پر پہنچ گئی ہیں اور اس میں بتدریج کمی متوقع ہے، اور ہیڈ لائن عدد مالی سال 2024ء کی دوسری سہ ماہی میں تیزی سے گرے گا۔ اس کے ساتھ ساتھ دوران مدت زرمبادلہ کے ذخائر میں اضافے کی بدولت سال کے نصف آخر میں مالیاتی تسہیل کی گردش شروع ہو سکتی ہے۔ جون 2024ء تک مجموعی طور پر تقریباً 4.0 فیصد مجموعی متوقع ہے، تاہم اس کی رفتار اور اس کے وقت کا انحصار زرمبادلہ کے ذخائر کے رجحان پر ہوگا۔

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے نقطہ نظر سے مارکیٹ میں سستی valuations پر کاروبار ہو رہا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 7.6 فیصد ہو گیا ہے جو اس کے قدیم اوسط 19.7 فیصد سے 61 فیصد کمی ہے۔ اسی طرح Earning Yield مائنس محفوظ شرح تقریباً 5.6 فیصد کے قریب ہے، اور جو کہ 2.7 فیصد کی تاریخی اوسط سے موازنہ کرنے پر پتہ چلتا ہے کہ مارکیٹ میں بھرپور حمایت پر تجارت ہو رہی ہے۔ خارجی اکاؤنٹ کے مسائل حل کرنے سے مارکیٹ کی استعداد کارآمد بنانے میں مدد ملے گی۔ 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 بھرپور کمی پر تجارت کرتی ہیں۔ موجودہ طور پر مارکیٹ میں 4.6x PER پر



## ڈائریکٹرز رپورٹ

میں جو جمود کو بنیادی طور پر برقرار رکھا کیونکہ افراد ذریعہ شرح نیچے کی طرف رہنے کا امکان ہے اور سود کی حقیقی شرحیں ترقی پسندانہ بنیاد پر بدستور مثبت زمرے میں برقرار ہیں۔

مجموعی ملکی پیداوار (GDP) میں مالی سال 2023ء میں 0.29 فیصد ترقی ہوئی۔ اس ضمن میں زراعت اور خدمات کے شعبوں میں بالترتیب 1.6 فیصد اور 0.9 فیصد اضافہ ہوا جبکہ صنعتی شعبے میں 2.9 فیصد گراوٹ ہوئی۔ سود کی اب تک کی بلند ترین شرحوں کے ساتھ ساتھ درآمداتی پابندیاں صنعتی پیداوار میں کمی کے سب سے بڑے عوامل تھے۔ مالیاتی جہت میں دیکھا جائے تو ایف بی آر ٹیکس وصولی مالی سال 2024ء کی پہلی سہ ماہی میں 24.1 فیصد بڑھ کر 2,041 بلین روپے ہو گئی، بالمقابل گزشتہ سال مماثل مدت میں 1,644 بلین روپے کے، چنانچہ ہدف سے 63 بلین روپے زیادہ ٹیکس وصولی ہوئی۔

ثانوی مارکیٹوں کی پیداوار میں ستمبر 2023ء کی ماہیٹری پالیسی سے قبل مدت میں ابتدائی طور پر اضافہ ہوا کیونکہ مارکیٹ میں اس بات پر اتفاق تھا کہ MPS میں سود کی شرحوں میں 100 سے 200 بی پی ایس اضافہ ہوگا۔ تین ماہانہ منافع جات 22.7 فیصد سے بڑھ کر 23.8 فیصد ہو گئے جبکہ تین سالہ بانڈز کے منافع جات 19.5 فیصد سے بڑھ کر 21.2 فیصد ہو گئے۔ ایس بی پی کی جانب سے MPS میں جمود کو برقرار رکھنے اور ڈالر کی قدر میں کمی کے بعد منافع جات میں بھی کمی ہونا شروع ہو گئی۔ تین ماہانہ ٹی بی ایل کے منافع جات ستمبر 2023ء کے اختتام پر کم ہو کر 22.5 فیصد ہو گئے جبکہ تین سالہ پی آئی بی کم ہو کر 19.1 فیصد ہو گئے۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 20.30 فیصد منافع پوسٹ کیا، بالمقابل اس کے بیچ مارک منافع 8.34 فیصد کے۔ مزید برآں، فنڈ کی نقد میں سرمایہ کاری 81.4 فیصد تھی۔

30 ستمبر 2023ء کو فنڈ کے net اثاثہ جات 27,571 ملین روپے تھے، جبکہ 30 جون 2023ء کو 25,505 ملین روپے تھے، یعنی 8.1 فیصد اضافہ ہوا۔ 30 ستمبر 2023ء کو net اثاثہ جاتی قدر (این اے وی) نی یونٹ 99.5100 روپے تھی، جبکہ 30 جون 2023ء کو ابتدائی این اے وی بھی 99.5100 روپے نی یونٹ تھی۔

\* 21 اگست 2020ء سے اسلامک منی مارکیٹ فنڈ میں تبدیل ہوا، چنانچہ یہ کارکردگی تب سے ہے۔

معیشت اور مارکیٹ - مستقبل کا منظر نامہ

پاکستان کی مجموعی ملکی پیداوار (جی ڈی پی) میں گزشتہ سال مایوس کن کارکردگی کے بعد مالی سال 2024ء میں 4.1 فیصد بہتری متوقع ہے۔ صنعت اور خدمات کے شعبے میں ترقی متوقع ہے کیونکہ درآمدات پر عائد پابندی ختم کر دی گئی ہے جس کی بدولت کاروباری سرگرمیاں بحال ہوں گی۔

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسلامک Money مارکیٹ فنڈ کے اکاؤنٹس کا جائزہ برائے سماہی مہتممہ 30 ستمبر 2023ء پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

نیامالی سال مثبت انداز میں شروع ہوا کیونکہ حکومت نے آئی ایم ایف سے بے حد مطلوبہ 3 بلین ڈالر کا اسٹینڈ بائے اگریمنٹ (ایس بی اے) کر لیا، جس میں سے 1.2 بلین ڈالر فوری طور پر جاری کر دیئے گئے۔ اس کے بعد سعودی عرب اور متحدہ عرب امارات سے 3 بلین ڈالر کی مزید آمد، اور چین کی طرف سے بروقت رول اوور کی فراہمی عمل میں آئی۔ اس کے نتیجے میں خارجی منظر نامے میں خوش آئند پیش رفت کی بدولت Fitch کی جاری کردہ پاکستان کی خود مختار درجہ بندی -CCC سے بہتر ہو کر CCC ہو گئی۔

مجموعی معاشی مسائل اگست 2023ء میں دوبارہ اُبھرنے لگے جب سیاسی منظر نامہ تبدیل ہوا اور نگران حکومت آئی۔ درآمدات کے واجبات کی ادائیگی کے لیے نئی مالیاتی ٹیم کی فوری کوشش کو خارجی اکاؤنٹ کی صورتحال میں کمزوری کے طور پر قیاس کیا گیا جس سے روپے پر قابل ذکر دباؤ پڑا۔ انٹرنیٹ میں ڈالر کے مقابلے میں روپے کی قدر میں 307 روپے کی کمی ہوئی جبکہ اوپن مارکیٹ کی شرح تقریباً 330 روپے کے آس پاس رہی۔ نگران حکومت نے، اگرچہ کچھ تاخیر کے ساتھ، ڈالر کی اسمگلنگ اور افغان ٹرانزٹ کے ناجائز استعمال کے حوالے سے فیصلہ گن اقدام کیے جس کے نتیجے میں زرمبادلہ کی شرح تیزی سے بحال ہوئی اور اوپن مارکیٹ اور انٹرنیٹ کی شرحوں میں فرق ختم ہوا۔ باقاعدہ بنیادوں پر کارروائی اور اشیاء اور روپے کی اسمگلنگ کی روک تھام ملک کے حالات میں بہتری کی نوید ہیں۔

ملک کا کرنٹ اکاؤنٹ خسارہ (CAD) مالی سال 2024ء کے پہلے دو ماہ میں 0.9 بلین ڈالر تھا، جبکہ گزشتہ سال مماثل مدت میں 2.0 بلین ڈالر تھا، یعنی 54 فیصد سال در سال (YoY) کمی ہوئی۔ تجارتی خسارے کا کم ہونا CAD کو بہتر بنانے میں اہم کردار ادا کر رہا ہے۔ برآمدات میں 8.3 فیصد کمی اور درآمدات میں 26.0 فیصد کمی کی بدولت کاروباری خسارے میں 39.5 فیصد کمی ہوئی۔

ملک کی خارجی صورتحال میں بہتری آئی کیونکہ اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے اختتام پر 4.5 بلین ڈالر کے مقابلے میں بڑھ کر ستمبر 2023ء کے اختتام تک 7.6 بلین ڈالر ہو چکے تھے۔ اس کی وجہ آئی ایم ایف اور دوستانہ ممالک کی طرف سے مالیاتی آمدات تھی۔

ہیڈ لائن مہنگائی، جس کی ترجمانی CPI یعنی صارفی قیمت کے انڈیکس سے ہوتی ہے، کا اوسط مالی سال 2024ء کی پہلی سہ ماہی کے دوران 29.0 فیصد تھا جبکہ گزشتہ سال مماثل مدت میں 25.1 فیصد تھا۔ اشیائے خورد و نوش کی قیمتوں میں اضافے کے ساتھ ساتھ بجلی، گیس اور پٹرول کی بڑھتی ہوئی قیمتیں CPI میں اضافے کے عوامل رہے۔ حکومت نے آئی ایم ایف کی شرائط پوری کرنے کے لیے بجلی کی بنیادی قیمت میں اضافہ کیا جس کے نتیجے میں مہنگائی کے دباؤ میں مزید اضافہ ہوا۔ ایس بی پی نے ستمبر 2023ء کی ماہی پالیسی



**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
Note	----- (Rupees in '000) -----	
<b>ASSETS</b>		
Balance with banks	4 22,506,155	19,015,578
Investments	5 4,623,590	6,140,000
Markup receivable on investments and bank balance	512,963	407,789
Advances, deposits and prepayments	3,784	2,895
<b>Total assets</b>	<b>27,646,492</b>	<b>25,566,262</b>
<b>LIABILITIES</b>		
Payable to the Management Company	6 28,469	27,092
Payable to Digital Custodian Company - Trustee	1,288	1,420
Payable to the Securities and Exchange Commission of Pakistan	1,487	5,022
Dividend Payable	31,588	19,635
Accrued expenses and other liabilities	8 12,432	8,331
<b>Total liabilities</b>	<b>75,264</b>	<b>61,500</b>
<b>NET ASSETS</b>	<b>27,571,228</b>	<b>25,504,762</b>
<b>Unit holders' fund (as per statement attached)</b>	<b>27,571,228</b>	<b>25,504,762</b>
<b>Contingencies and commitments</b>	9	
	<b>(Number of units)</b>	
<b>Number of units in issue</b>	<b>277,069,921</b>	<b>256,303,511</b>
	<b>(Rupees)</b>	
<b>NET ASSET VALUE PER UNIT</b>	<b>99.51</b>	<b>99.51</b>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

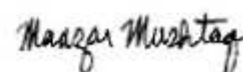
For MCB Investment Management Limited  
(Formerly: MCB-Arif Habib Savings and Investments Limited)  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter ended September 30,	
	2023	2022
Note	(Rupees in '000)	
<b>INCOME</b>		
Urg / Loss Investments In Gopis	7,108	-
Amortization / Discount On Govt Sec Gop Ijara Sukuk	(448)	
Markup on investments	452,406	83,182
Markup on bank deposit	839,457	718,567
<b>Total income</b>	<b>1,298,523</b>	<b>801,749</b>
<b>EXPENSES</b>		
Remuneration of Management Company	39,174	19,326
Sindh Sales Tax on remuneration of the Management Company	5,093	2,512
Allocated expenses	930	2,484
Selling and marketing expenses	12,559	3,431
Remuneration of Digital Custodian Company	4,020	3,473
Sindh Sales Tax on remuneration of trustee	523	451
Annual fee of Securities and Exchange Commission of Pakistan	4,640	1,070
Auditors' remuneration	180	164
Legal and professional charges	79	67
Settlement and bank charges	1,074	394
Shahriah fee	151	184
Fees and subscriptions	2	54
Printing and related costs	26	31
<b>Total expenses</b>	<b>68,451</b>	<b>33,641</b>
<b>Net income from Operating activities</b>	<b>1,230,072</b>	<b>768,108</b>
<b>Net income for the period before taxation</b>	<b>1,230,072</b>	<b>768,108</b>
Taxation	-	-
<b>Net income for the period</b>	<b>1,230,072</b>	<b>768,108</b>
<b>Allocation of net income for the period:</b>		
Net income for the period	1,230,072	768,108
Income already paid on units redeemed	-	-
	<b>1,230,072</b>	<b>768,108</b>
<b>Accounting income available for distribution</b>		
- Relating to capital gains	-	-
- Excluding capital gains	<b>1,230,072</b>	<b>768,108</b>
	<b>1,230,072</b>	<b>768,108</b>

Earnings per unit

11

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

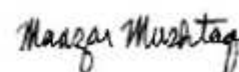
For MCB Investment Management Limited  
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(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

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	Quarter ended September 30,	
	2023	2022
	----- (Rupees in '000) -----	
Net income for the period after taxation	1,230,072	768,108
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<b>1,230,072</b>	<b>768,108</b>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

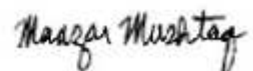
For MCB Investment Management Limited  
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(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

Note	Quarter Ended September 30,					
	2023			2022		
	(Rupees in '000)					
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	25,500,070	4,692	25,504,762	11,889,529	4,692	11,894,221
Issue of 290,938,351 units (2022: 214,750,066 units)						
- Capital value (at net asset value per unit at the beginning of the period)	28,951,275	-	28,951,275	21,369,779	-	21,369,779
- Element of income	-	-	-	-	-	-
Total proceeds on issuance of units	28,951,275	-	28,951,275	21,369,779	-	21,369,779
Redemption of units 270,171,941 units (2022: 111,427,527 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(26,884,810)	-	(26,884,810)	(11,088,153)	-	(11,088,153)
- Amount paid out of element of income	-	-	-	-	-	-
- Relating to 'Net income for the period after taxation'	-	-	-	-	-	-
Total payments on redemption of units	(26,884,810)	-	(26,884,810)	(11,088,153)	-	(11,088,153)
Total comprehensive income for the period	-	1,230,072	1,230,072	-	768,108	768,108
Distribution made during the period	-	(1,230,072)	(1,230,072)	-	(768,108)	(768,108)
Net loss for the period less distribution	-	-	-	-	-	-
<b>Net assets at end of the period</b>	<b>27,566,536</b>	<b>4,692</b>	<b>27,571,228</b>	<b>22,171,155</b>	<b>4,692</b>	<b>22,175,847</b>
Undistributed income brought forward						
- Realized income at the beginning of the year		4,692			4,692	
- Unrealized income at the beginning of the year		-			-	
		4,692			4,692	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		1,230,072			768,108	
		1,230,072			768,108	
Cash distribution during the period		(1,230,072)			(768,108)	
Undistributed income carried forward		4,692			4,692	
Undistributed income carried forward						
- Realised		4,692			4,692	
- Unrealised		-			-	
		4,692			4,692	
		(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			99.5100		

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

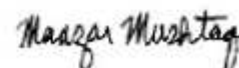
For MCB Investment Management Limited  
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(Management Company)



Chief Executive Officer



Chief Financial Officer



Director



**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter ended September 30,	
	2023	2022
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	1,230,072	768,108
<b>Adjustments for non cash and other items:</b>		
Unrealised diminution in value of investments classified as 'at fair value through profit or loss' - net	-	-
	<b>1,230,072</b>	<b>768,108</b>
<b>Decrease/ (Increase) in assets</b>		
Investments	1,516,410	-
Dividend and profit receivable	(105,174)	(220,040)
Advances, deposit and prepayments	(889)	51
Receivable from Management Company	-	-
	<b>1,410,347</b>	<b>(219,989)</b>
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	1,377	7,413
Remuneration of Digital Custodian Company	(132)	582
Payable to the Securities and Exchange Commission of Pakistan	(3,535)	(1,719)
Dividend payable	11,953	13,929
Accrued expenses and other liabilities	4,101	(42,061)
	<b>13,764</b>	<b>(21,856)</b>
<b>Net cash generated from operating activities</b>	<b>2,654,183</b>	<b>526,263</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units	28,951,275	21,369,779
Payments on redemption of units	(26,884,810)	(11,088,153)
Distribution during the period	(1,230,072)	(768,108)
<b>Net cash generated from / (used in) financing activities</b>	<b>836,394</b>	<b>9,513,518</b>
<b>Net increase in cash and cash equivalents during the period</b>	<b>3,490,577</b>	<b>10,039,781</b>
Cash and cash equivalents at beginning of the period	19,015,578	10,688,556
<b>Cash and cash equivalents at end of the period</b>	<b>22,506,155</b>	<b>20,728,337</b>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

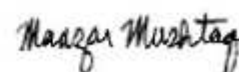
For MCB Investment Management Limited  
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(Management Company)



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, 2023**

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**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** Alhamra Islamic Money Market 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 of the Fund, and Digital Custodian Company Limited is the Trustee. The Trust Deed was executed on July 22, 2015 (modified and restated on July 17, 2020 for changing the name and category of the fund) and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 16, 2015. 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.
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is located at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- In April 2023, MCB Bank Limited acquired the entire shareholding of Arif Habib Corporation Limited (AHCL) in MCB Arif Habib Savings and Investments Limited after which the shareholding of MCB Bank Limited has increased from 51.33% to 81.42% in the Company and AHCL no longer holds any shares in the Company. Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 7, 2023 resolved via special resolution that the name of the Company be changed from MCB Arif Habib Savings and Investments Limited to MCB Investments Management Limited. Thereafter, the Company applied to SECP, for approval of change of name, which was granted on August 15, 2023 and as such, the change of name became effective from that date.
- 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 March 06, 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 August 20, 2020 is applicable NAV of August 21, 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 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 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 October 06, 2023 of the Management Company and stability rating of AA+(f) dated 01 September 2023 to the Fund.



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

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**2. BASIS OF PREPARATION**

**2.1 STATEMENT OF COMPLIANCE**

**2.1.1** This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulation and the 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 2023. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2023 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2023, 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 quarter ended 30 September 2022.

**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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**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, 2023. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.

**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, 2023. 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, 2023.

	<b>Note</b>	<b>(Un-audited) September 30, 2023</b>	<b>(Audited) June 30, 2023</b>
		<b>--- (Rupees in '000) ---</b>	
<b>4. BALANCE WITH BANKS</b>			
Savings accounts	6.1	18,705,806	18,015,228
Current accounts		3,800,349	1,000,350
		<u>22,506,155</u>	<u>19,015,578</u>

**4.1** These carry profit at the rates ranging between 18.5% to 21.25% (June 30, 2023: 12.52% to 20.50% ) per annum. It includes bank balance Rs. 27.73 million (June 30, 2023: 40.40 million ) maintained with MCB Limited (a related party). The savings accounts are held with Islamic Banks / Islamic window of the conventional bank.

	<b>Note</b>	<b>(Un-audited) September 30, 2023</b>	<b>(Audited) June 30, 2023</b>
		<b>--- (Rupees in '000) ---</b>	
<b>5. INVESTMENTS</b>			
<i>At fair value through profit or loss</i>			
- Sukuk Certificates - Unlisted	5.1	450,000	600,000
- Term Deposit Receipts	5.2	2,260,000	2,310,000
- Investment In Others - Placements	5.3	-	2,230,000
- Investment in GOP Ijara	5.4	913,590	-
- Musharika Certificate	5.5	1,000,000	1,000,000
<b>Total Investment</b>		<u>4,623,590</u>	<u>6,140,000</u>



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**5.1 Sukuk Certificates - Unlisted**

Name of investee company	Note	Face value			As at September 30, 2023			Market value as a percentage of total investments	
		As at July 01, 2023	Purchases during the period	Sales / matured during the period	As at September 30, 2023	Carrying value	Market value		Unrealised appreciation/ (distribution)
Mahat Mills-Sukuk	6.1.1	500	-	150	450	450,000	450,000	1.83%	0.73%
<b>Total as at September 30, 2023 (Un-audited)</b>						<b>450,000</b>	<b>450,000</b>		
<b>Total as at 30 June 2023 (Audited)</b>						<b>500,000</b>	<b>500,000</b>		

5.1.1 The terms and conditions of sukuk certificates outstanding as at September 30, 2023 are as follows:

Name of investee company	Rating	Tenure	Markup payments / principal redemptions	Secured / unsecured	Issue date	Maturity date	Rate of return
Mahat Mills Limited-Sukuk	AA	6 Months	On maturity	Unsecured	9-May-23	9-Nov-23	3 months KIBOR + 0.25%

**5.2 Term Deposit Receipts**

Name Of The Investee Company	Rate Of Return Per Annum	Maturity	Rating	As at July 01, 2023	Purchased during the period	Matured / Sold during the period	As at September 30, 2023	As percentage of total investments
Bank Ahsan United Islamic Banking	20.50%	September 14, 2023	AA+	2,310,000	-	2,310,000	-	-
Bank Afshan United Islamic Banking	21.25%	November 3, 2023	AA+	-	2,250,000	-	2,250,000	-
<b>Total as at September 30, 2023 (Un-audited)</b>				<b>2,310,000</b>	<b>2,250,000</b>	<b>2,310,000</b>	<b>2,250,000</b>	
<b>Total as at 30 June 2023 (Audited)</b>				<b>-</b>	<b>34,160,000</b>	<b>31,850,000</b>	<b>3,310,000</b>	

**5.3 Investment In Others - Placements**

Name of the investee Company	Rate of return per annum	Maturity	Rating	As at July 01, 2023	Purchased during the period	Matured / Sold during the period	As at September 30, 2023	As percentage of total investments
Ubl Ameer Islamic Banking	20.50%	July 21, 2023	AA	2,230,000,000	-	2,230,000,000	-	-
Ubi Ameer Islamic Banking	21.250%	August 7, 2023	AA	-	2,400,000	2,400,000	-	-
Pak Kuwait Investment Company (Pvt.) Limited	21.550%	August 7, 2023	AA	-	332,245	332,245	-	-
Pak Kuwait Investment Company (Pvt.) Limited	21.550%	August 7, 2023	AA	-	801,973	801,973	-	-
Pak Kuwait Investment Company (Pvt.) Limited	21.450%	August 10, 2023	AA	-	332,822	332,822	-	-
Pak Kuwait Investment Company (Pvt.) Limited	21.300%	August 10, 2023	AA	-	803,417	803,417	-	-
Pak Oman Investment Company Limited	21.300%	August 11, 2023	AA	-	712,790	712,790	-	-
Pak Brunei Investment Company Limited	21.300%	August 15, 2023	AA	-	804,379	804,379	-	-
Pak Brunei Investment Company Limited	21.150%	August 15, 2023	AA	-	191,813	191,813	-	-
Fayal Bank Limited	21.250%	August 16, 2023	AA	-	2,350,000	2,350,000	-	-
Hbi Islamic Banking	21.250%	August 17, 2023	AA	-	2,350,000	2,350,000	-	-
Fayal Bank Limited	21.150%	August 23, 2023	AA	-	2,325,000	2,325,000	-	-
Ubi Ameer Islamic Banking	21.050%	August 25, 2023	AA	-	2,250,000	2,250,000	-	-
Pak Oman Investment Company Limited	21.250%	September 16, 2023	AA	-	709,841	709,841	-	-
Pak Kuwait Investment Company (Pvt.) Limited	21.250%	September 16, 2023	AA	-	818,335	818,335	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	September 18, 2023	AA	235,019	235,019	-	0.000%
Pak Kuwait Investment Company (Pvt.) Limited	September 18, 2023	AA	235,019	235,019	-	-
Pak Kuwait Investment Company (Pvt.) Limited	September 18, 2023	AA	816,891	816,891	-	-
Pak Kuwait Investment Company (Pvt.) Limited	September 18, 2023	AA	234,590	234,590	-	-
<b>Total as at September 30, 2023</b>			<b>18,488,915</b>	<b>2,248,468,915</b>	-	<b>0.000%</b>

Total as at 30 June 2023 (Audited)

**5.4 Investment In GOP Ijara**

- Government of Pakistan (Govt) Ijara sukuk

Name of Investee company	Issue Date	Face Value			As at September 30, 2023		Market value as a percentage of net assets	Market value as a percentage of total investment			
		As at July 1, 2023	Purchased during the year	Matured / Sold during the year	Disposed off during the year	As at September 30, 2023			Appreciation / (diminution)		
GOP Ijara Sukuk	March 08, 2023	-	900,000	-	-	900,000	906,482	913,590	7,108	3.31%	19.78%
<b>As at September 30, 2023</b>							<b>906,482</b>	<b>913,590</b>	<b>7,108</b>		
As at June 30, 2023							-	-	-		

**5.6 Musharaka Certificate**

Name of the investee Company	Rate of return per annum	Maturity	Rating	As at July 01, 2022		Matured / Sold during the period	As at June 30, 2023	As percentage of net assets	As percentage of total investments
				As at July 01, 2022	Purchased during the period				
First Habblo Modaraba	21.00%	July 17, 2023	AA	1,000,000	-	1,000,000	-	-	-
First Habblo Modaraba	22.00%	August 17, 2023	AA	-	1,000,000	1,000,000	-	-	-
First Habblo Modaraba	22.00%	September 18, 2023	AA	-	1,000,000	1,000,000	-	-	-
First Habblo Modaraba	22.00%	October 18, 2023	AA	-	1,000,000	-	1,000,000	3.63%	21.63%
<b>Total as at September 30, 2023</b>				<b>1,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>1,000,000</b>	<b>3.63%</b>	<b>21.63%</b>
Total as at 30 June 2023 (Audited)				-	10,550,000	9,550,000	1,000,000		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

6	Payable to MCB-Arif Habib Savings and Investments Limited – Management Company	Note	(Un-audited)	(Audited)
			September 30, 2023	June 30, 2023
			(Rupees in '000)	
	Management remuneration payable	6.1	13,181	10,946
	Sindh Sales Tax payable on management remuneration	6.2	1,714	1,423
	Sales load payable		34	-
	Payable against allocated expenses	6.3	930	14,561
	Shariah Fee		51	50
	Marketing & Selling expenses	6.4	12,559	112
			<u>28,469</u>	<u>27,092</u>

6.1 The management company charged management fee at the rate of up to 15% of the gross earnings of the scheme, calculated on a daily basis. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 Sales tax on management remuneration has been charged at the rate of 13%.

6.3 The Management Company has charged allocated expenses to the fund to the extent as it has think expedient on its discretion subject to not being higher than actual expenses.

6.4 The Management Company has charged Selling and Marketing Expenses to the fund to the extent as it has think expedient on its discretion subject to not being higher than actual expenses.

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

In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) on annual basis at the rate of 0.02% of average Net Assets of Collective investment Scheme calculated on daily basis.

Effective as of July 1, 2023, the SECP, through SRO 592 dated May 17, 2023, has revised the annual fee rate from 0.02% to 0.075% and introduced a shift in payment frequency, from annual to monthly basis.

8	ACCRUED EXPENSES AND OTHER LIABILITIES		(Un-audited)	(Audited)
			September 30, 2023	June 30, 2023
			(Rupees in '000)	
	Payble against Federal Excise Duty:			
	- Management fee	8.1	839	839
	- Sales load		3,625	3,625
	Brokerage payable		40	48
	Auditors' remuneration payable		627	447
	Donation Payable		5,147	2,297
	Payble to legal advisors		427	434
	Others		1,727	632
	Payable against redemption/conversion of units		-	9
			<u>12,432</u>	<u>8,331</u>

**8.1 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, 2023. 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, 2023 would have been higher by Re. 0.16 per unit (June 30, 2023: Re. 0.003 per unit).

**9 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at 30 September 2023 and 30 June 2023.



## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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### 10 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income to be earned during current year to the unit holders as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore, no provision for taxation has been made in these condensed interim financial statements during the period. The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

### 11 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 (TER) of the Fund for the period ended September 30, 2023 is 1.11 % which includes 0.16% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

### 14 TRANSACTIONS WITH CONNECTED PERSONS

Related parties / Connected persons of the Fund include the Management Company, other collective investment schemes being 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 undertaking and unit holders holding more than 10% units of the Fund.

Remuneration to the Management Company and Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed of the Fund. Dividend payable / payouts are recorded on the dates declared by the Fund / Management Company. Units issued / redeemed are recorded at the rates applicable on the date of issuance / redemption. All other transactions with connected persons (related parties) are in the normal course of business and are carried out on agreed terms.

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

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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

	For the quarter ended September 30, 2023 (unaudited)				For the quarter ended September 30, 2022 (unaudited)			
	As at July 01, 2023	Issued for cash	Redeemed	As at September 30, 2023	As at July 01, 2022	Issued for cash	Redeemed	As at September 30, 2022
	Units				(Rupees in '000)			
Adamjee Life Assurance Co. Limited	126	1,542,700	-	1,542,826	13	153,514	-	153,527
Security General Insurance Company Ltd	-	3,046,769	3,046,769	-	-	303,184	303,184	-
Adamjee Insurance Company Limited Window Takatul Operation	1,595,028	69,191	-	1,664,219	156,721	6,885	-	165,606
Nishat Paper Products Company Limited Staff Provident Fund Trust	32,226	344	32,570	0	3,207	34	3,241	0
Security General Insurance Company Ltd Wfo-Pft	42,216	1,831	-	44,047	4,201	182	-	4,383
Pakistan Power Limited	-	38,423,371	38,423,371	(0)	-	3,823,510	3,823,510	(0)
Nishat Power Limited	-	404,549	404,549	-	-	40,257	40,257	-
Key management personnel	89,675	189,992	126,825	152,841	8,924	18,906	12,620	15,289
Mandate under discretionary portfolio services	1,467	7	1,473	1	146	1	147	0
Unit holders holding 10% or more units	54,215,027	31,494,388	754,470	84,954,946	5,394,937	3,134,067	75,077	8,453,867
	Units				(Rupees in '000)			
MCB Arif Habib saving and investment Limited	-	755,671	755,671	-	-	75,197	75,197	-
Adamjee life assurance Co. limited	110	3	-	113	11	0	-	11
Hyundai nishat motor private limited employees provident fund	122,682	4,519	-	127,201	12,208	450	-	12,658
Adamjee insurance company limited window takatul operation	-	1,439,395	-	1,439,395	-	143,234	-	143,234
Key management personnel	27,243	364,690	277,126	114,807	2,711	36,290	27,577	11,424
Mandate under discretionary portfolio services	55,482	1,787,735	1,280,370	562,847	5,521	177,898	127,410	56,009
Unit holders holding 10% or more units	79,666,475	37,229,208	5,024,621	111,871,061	7,927,611	3,704,678	500,000	11,132,289

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.

	(Unaudited) September 30, 2023	(Unaudited) September 30, 2022
	(Rupees in '000)	
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>		
Remuneration including indirect taxes	44,267	21,838
Marketing and selling expense	12,559	3,431
Allocated expenses including indirect taxes	930	2,484
Shahiah Fee	151	184
<b>Digital Custodian Company - Trustee</b>		
Remuneration including indirect taxes	4,543	3,924
<b>MCB Bank Limited - Holding Company of the Management Company</b>		
Bank charges	1	3

14.2 Amount outstanding as at period end / year end

	(Unaudited) September 30, 2023	(Audited) June 30, 2023
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>		
Management remuneration payable	13,181	10,946
Sindh Sales Tax payable on management remuneration	1,714	1,423
Payable against allocated expenses	930	-
Payable against selling and marketing expenses	12,559	14,561
Sales load payable	34	112
Shahiah fee payable	51	50
<b>Digital Custodian Company - Trustee</b>		
Remuneration including indirect taxes	1,288	1,255
Sindh Sales Tax payable on trustee remuneration	167	163
<b>MCB Bank Limited - Parent of the Management Company</b>		
Bank balances	27,731	40,399

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

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**15 GENERAL**

- 15.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.
- 15.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation.

**16 FAIR VALUE MEASUREMENTS**

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e., period end. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

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.

The following table shows financial instruments recognized at fair value based on:

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

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

**17 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on October 18, 2023 by the Board of Directors of the Management Company.

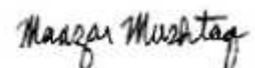
For MCB Investment Management Limited  
(Formerly: MCB-Arif Habib Savings and Investments Limited)  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director



**MCB INVESTMENT MANAGEMENT LIMITED**

(Formerly: MCB Arif Habib Savings and Investments Limited)

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

**UAN:** (+92-21) 111 468 378 (111 INVEST)

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