



MCB FUNDS  
Investments for Life

# HALF YEARLY REPORT

DECEMBER  
**2023**  
(UNAUDITED)

Funds Under Management of  
MCB Investment Management Limited



# **ALHAMRA CASH MANAGEMENT OPTIMIZER**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Khawaja Khalil Shah 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. Shoaib Mumtaz Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah	Chairman Member Member Member Member
<b>Credit Committee</b>	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
<b>Chief Executive Officer</b>	Mr. Khawaja Khalil Shah	
<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>Central Depository Company of Pakistan Ltd.</b> CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
<b>Bankers</b>	MCB Bank Limited Dubai Islamic Bank Pakistan Limited Faysal Bank Limited	
<b>Auditors</b>	<b>M. Yousuf Adil Saleem &amp; Co.</b> Chartered Accountants Cavish Court, A-35, Block-7 & 8 KCHSU, Shahr-e-Faisal, Karachi-753550.	
<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> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2023

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Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Cash Management Optimizer** (*Fund launched on May 23, 2023*) accounts review for the half-year ended December 31, 2023.

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

The first half of the fiscal year concluded with Pakistan's macros in a considerably better shape compared to the start of the fiscal year. The government secured a much-needed Stand-by Arrangement (SBA) facility of USD 3 billion from the IMF in June 23, of which USD 1.2bn was promptly disbursed. This was followed by additional inflows and timely rollovers from friendly countries, which led to an upgrade in Pakistan's sovereign rating by Fitch from CCC- to CCC due to the improved external outlook.

The new caretaker government, after facing speculative pressure on currency, took decisive steps against smuggling of dollar and abuse of Afghan Transit in September 2023, which spurred a rapid recovery in the exchange rate and reduction of the difference between open market and interbank rates. This led to improvement in remittances and export proceeds and helping the rupee to appreciate to PKR 281.9 against the USD by December end compared to a low of PKR 307.

Country posted a current account deficit (CAD) of USD 0.8 billion in the first half of the fiscal year 2024 (1HFY24) declining by 77% YoY compared to a deficit of USD 3.6 billion in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as 7.5% increase in exports coupled with a 14.7% drop in imports led to a 35.2% contraction in the trade deficit. The country's external position improved with SBP's foreign exchange reserves increasing to USD 8.2 billion as of December 2023 compared to USD 4.4 billion at the end of last fiscal year. This was on account of flows from the IMF, friendly countries and multilateral sources.

Headline inflation represented by CPI averaged 28.8% during first half of the fiscal year compared to 25% in the corresponding period last year. Inflation remained on the higher side as massive currency depreciation in the prior periods led to surge in food and energy prices. The government also hiked electricity base tariff and gas prices to comply with the IMF conditions, which led to further inflationary pressures. The SBP maintained status quo in the monetary policy held on December 12, 2023. The Committee assessed that the real interest rate continues to be positive on a 12-month forward-looking basis and inflation is expected to remain on a downward path.

The country's revised GDP growth recorded at -0.17% in FY23 with Agricultural and Services sector increasing by 2.3% and 0.1%, respectively, while industrial sector witnessed a drop of 3.8%. Historic high interest rates coupled with import restrictions were the major culprits behind the fall in industrial output. GDP grew by 2.13% in the first quarter of the financial year 2023-24 as compared to 0.96% in the same period last year. Agriculture, Industry and Services sectors grew by 5.1%, 2.5% and 0.8% respectively. On the fiscal side, FBR tax collection increased by 30.3% in 1HFY24 to

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2023

PKR 4,468 billion compared to PKR 3,428 billion in the same period last year, outpacing the target by PKR 43 billion.

### **Fund Performance**

During the period under review, the fund generated an annualized return of 20.68% as against its benchmark return of 9.37%, generated an alpha of 11.31%. WAM of the fund was 20 days at December end. The fund was 85.4% invested in Cash as of December end. The Net Assets of the Fund as at December 31, 2023 stood at Rs. 7,173 million. The Net Asset Value (NAV) per unit as at December 31, 2023 was Rs. 110.4267 as compared to opening NAV of Rs. 100.2052 at June 30, 2023 registering an increase of Rs. 10.2215 per unit.

### **Economy & Market – Future Outlook**

Pakistan GDP is expected to rebound to 3.4% in FY24 after a dismal performance last year. The industrial and services sector are 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 to 8.2 million bales in 1HFY24 compared to 4.9 million bales in FY23.

Successful resumption of the 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 10.1 billion 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 3.1 billion (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. The remittances and export proceeds have also recovered, which will help in stabilizing the currency. 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 around PKR 306 at an ending REER of 95.

We expect average FY24 inflation to ease to 24.8% 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 to 19.0% by June 2024. 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 June 2024, however, its pace and timing would be determined by trend in FX reserves.

Risks to recovery also continue to remain high as the cushion in Forex reserves continues to remain low and remain dependent of continued need for rollovers on bilateral loans

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2023

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and support from multilateral institutions. Country desperately needs political stability for focus on steering economy through focus on long term policies. Post elections, winning the support of IMF in the form of another program would be one of biggest challenge for incumbent government requiring tough measures to address long term vulnerabilities. Conflict in Middle East, tensions on Palestinian and potential threat of a wider conflict continue to remain high.

From the capital market perspective particularly equities, the market is trading at cheap valuations. Market cap to GDP ratio has declined to 9.5%, a discount of 51% from its historical average of 19.3%. Similarly, Earning Yield minus Risk Free Rate is close to 8.7%, compared to the historical average of 3.0% 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 4.2x, while offering a dividend yield of 10.6%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. Investors with a mid to long term view can benefit from Bond and Income Funds where higher duration will create opportunities for capital gains in the wake of Interest rate outlook. We would continue to monitor the data points and capitalize on opportunities to add government bonds in Income Funds at attractive rates to benefit from the expected monetary easing in the near term.

### **Mutual Fund Industry Review**

The Net Assets of the open-end mutual funds industry increased by about 34.1% during 1HFY24 to PKR 2,097bn. Total money market funds grew by about 15.8% since June 2023. Within the money market sphere, conventional funds showed a growth of 16.6% to PKR 551 billion while Islamic funds increased by 15.0% to PKR 493 billion. In addition, the total fixed Income funds increased by about 80.7% since Jun 2023 to PKR 667 billion while Equity and related funds increased by 33.0% to PKR 223 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 49.8%, followed by Income funds with 31.8% and Equity and Equity related funds having a share of 10.6% as at the end of December 2023.

### **Mutual Fund Industry Outlook**

Both Bonds and Equities are likely to do well in the next year on the back of cut in interest rates. During the year, significant interest of investors is already visible in Income Funds while equity fund are likely to see inflows post elections and new IMF agreement. High interest rates during the period would encourage sustained flows in the money market funds as they are ideal for investors with a short-term horizon and low risk profile. 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.

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

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**Acknowledgement**

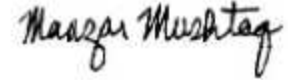
The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



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**Khawaja Khalil Shah**  
Chief Executive Officer  
February 02, 2024



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**Manzar Mushtaq**  
Director  
February 02, 2024



میوچل فنڈ صنعت کا نقطہ نظر

بانڈز اور ایکویٹیز، دونوں کا اگلے سال اچھی کارکردگی کا مظاہرہ کرنے کا امکان ہے کیونکہ سود کی شرحوں میں کمی ہوئی ہے۔ دوران سال انکم فنڈز میں سرمایہ کاروں کی قابل ذکر دلچسپی دیکھی گئی، جبکہ ایکویٹی فنڈز میں انتخابات اور نئے آئی ایم ایف معاہدے کے بعد آمدات متوقع ہیں۔ دوران مدت سود کی بلند شرحوں کی بدولت منی مارکیٹ فنڈز میں پائیدار آمد و رفت کی حوصلہ افزائی ہوگی کیونکہ یہ مختصر المیعاد سرمایہ کاروں کے لیے موزوں ترین ہیں جو خطرے کی کم سطح پر رہنا چاہتے 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۔

اظہار تشکر

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایچینج 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۔

منجانب ڈائریکٹرز

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

02 فروری 2024ء

Manzoor Mushtaq

منظر مشتاق

ڈائریکٹر

02 فروری 2024ء

ہوگی۔ مشرق وسطیٰ میں تنازعہ، فلسطین میں جنگ، اور وسیع تر تصادم کا خطرہ بدستور بلند ہے۔

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 9.5 فیصد ہو گیا ہے جو اس کے قدیم اوسط 19.3 فیصد سے 51 فیصد کمی ہے۔ اسی طرح Earning Yield مائنس محفوظ شرح 8.7 فیصد کے قریب ہے، جس کا 3.0 فیصد کے تاریخی اوسط سے موازنہ کرنے پر پتہ چلتا ہے کہ مارکیٹ میں بھرپور رعایت پر تجارت ہو رہی ہے۔ خارجی اکاؤنٹ کے مسائل حل کرنے سے مارکیٹ کی استعداد کار آمد 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 4.2x کے PER پر تجارت ہو رہی ہے جبکہ ڈیویڈنڈ آمدنی 10.6 فیصد ہے۔

حاملین قرض کے لیے ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ وسط سے طویل مدتی نقطہ نظر کے حامل سرمایہ کار بانڈ اور انکم فنڈ سے فائدہ اٹھا سکتے ہیں جہاں زیادہ مدّت سود کی شرح کے نقطہ نظر کے تناظر میں سرمایہ حاصل کرنے کے مواقع موجود ہیں۔ 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 مدّت 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 ششماہی کے دوران تقریباً 34.1 فیصد بڑھ کر 2,097 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 16.6 فیصد بڑھ کر 551 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 15.0 فیصد بڑھ کر 493 بلین روپے ہو گئے۔ مزید برآں، فیکسڈ انکم کے مجموعی فنڈز جون 2023ء سے اب تک تقریباً 80.7 فیصد بڑھ کر 667 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 33.0 فیصد بڑھ کر 223 بلین روپے ہو گئے۔

شعبہ جاتی شراکت کے اعتبار سے دسمبر 2023ء کے اختتام پر منی مارکیٹ فنڈ تقریباً 49.8 فیصد کے ساتھ سب سے آگے تھے، جبکہ انکم فنڈ 31.8 فیصد کے ساتھ دوسرے نمبر پر، اور ایکویٹی اور متعلقہ فنڈ 10.6 فیصد کے ساتھ تیسرے نمبر پر تھے۔

آئی ایم ایف پروگرام کی کامیاب بحالی اہم ترین پیش رفت ہے کیونکہ اس سے پاکستان کو باہمی اور کثیرالچہتی ذرائع سے رقم کے حصول میں مدد ملے گی۔ دوست ممالک، آئی ایم ایف اور کثیرالچہتی ایجنسیوں سے آمدات کی بنیاد پر اسٹیٹ بینک آف پاکستان کے ذخائر متوقع طور پر بڑھ کر 10.1 بلین ڈالر ہو جائیں گے۔ تاہم ہماری خارجی صورتحال تاحال بے یقینی کا شکار ہے کیونکہ مشکل عالمی حالات کے باعث ہم متوقع طور پر بین الاقوامی یورو بانڈ اور سٹاک جاری نہیں کر سکیں گے۔ غیر ملکی براہ راست سرمایہ کاری (ایف ڈی آئی) اور آر ڈی اے 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 حصول استحکام کی پالیسی ممکنہ طور پر ایم ایف کی چھتری تلے جاری رہے گی۔

ڈالر کی غیر قانونی درآمد اور ذخیرہ اندوزی کی روک تھام کے حکومتی اقدامات کی بدولت روپے کی قدر اپنی حالیہ پستی سے بحال ہوئی ہے۔ ترسیلات زر اور برآمداتی آمدنیاں بھی بحال ہوئی ہیں جس کی بدولت روپے کی قدر کو پائیدار بنانے میں مدد ملے گی۔ مزید برآں، خارجی منظر نامے کے لیے باہمی اور کثیرالچہتی ذرائع سے آمدات اور ذخائر میں اضافہ اہمیت کے حامل ہیں۔ ڈالر روپیہ مالی سال کے اختتام پر تقریباً 306 ہوگا اور اختتامی 95 REER ہوگی۔

مالی سال 2024ء کی اوسط مہنگائی متوقع طور پر مالی سال 2023ء کی سطح 29.0 فیصد سے کم ہو کر 24.8 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 کیونکہ ہیڈ لائن عدد ماہ جون 2024ء تک تیزی سے گر کر 19.0 فیصد ہو جائے 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۔ ماہ جون 2024ء تک مجموعی طور پر تقریباً 4.0 فیصد مجموعی کمی متوقع ہے، تاہم اس کی رفتار اور اس کے وقت کا انحصار زرمبادلہ کے ذخائر کے رجحان پر ہوگا۔

وصولی کو لاحق خطرات بھی بدستور بلند رہیں کیونکہ غیر ملکی زرمبادلہ (فاریکس) کے ذخائر میں موجود cushion بدستور کم اور دو جہتی قرضوں اور کثیرالچہتی اداروں سے معاونت پر منحصر ہے۔ ملک میں سیاسی استحکام کی اشد ضرورت ہے تاکہ طویل المیعاد پالیسیوں پر توجہ مرکوز کر کے معیشت کو ترقی کی راہ پر گامزن کیا جاسکے۔ انتخابات کے بعد آئی ایم ایف سے ایک اور پروگرام کی صورت میں معاونت کا حصول برسر اقتدار حکومت کے لیے سب سے بڑا چیلنج ہوگا کیونکہ طویل المیعاد خطرات پر توجہ دینے کے لیے سخت اقدامات کی ضرورت

## ڈائریکٹرز رپورٹ

نظر ثانی شدہ مجموعی ملکی پیداوار (جی ڈی پی) کی ترقی مالی سال 2024ء میں 0.17 فیصد ریکارڈ ہوئی۔ اس ضمن میں زراعت اور خدمات کے شعبوں میں پالترتیب 2.3 فیصد اور 0.1 فیصد ترقی ہوئی جبکہ صنعت کے شعبے میں 3.8 فیصد گراؤٹ ہوئی۔ سود کی اب تک کی بلند ترین شرحوں کے ساتھ ساتھ درآمداتی پابندیاں صنعتی پیداوار میں کمی کے سب سے بڑے عوامل تھے۔ مالی سال 2023-24ء کی پہلی سہ ماہی میں جی ڈی پی میں 2.13 فیصد اضافہ ہوا، بالمقابل گزشتہ سال مماثل مدت میں 0.96 فیصد کے۔ زراعت، صنعت اور خدمات کے شعبوں میں پالترتیب 5.1 فیصد، 2.5 فیصد اور 0.8 فیصد ترقی ہوئی۔ مالیاتی جہت میں دیکھا جائے تو ایف بی آر ٹیکس وصولی مالی سال 2024ء کی پہلی سہ ماہی میں 30.3 فیصد بڑھ کر 4,468 بلین روپے ہو گئی، بالمقابل گزشتہ سال مماثل مدت میں 3,428 بلین روپے کے، چنانچہ ہدف سے 43 بلین روپے زیادہ ٹیکس وصولی ہوئی۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 20.68 فیصد تھا، جو مقررہ معیار 9.37 فیصد کے مقابلے میں 11.31 فیصد بہتر کارکردگی ہے۔

دسمبر کے اختتام پر فنڈ کی بالوزن اوسط میچورٹی 20 دن تھی۔ اختتام مدت پر فنڈ کی سرمایہ کاری نقد میں 85.4 فیصد تھی۔ 31 دسمبر 2023ء کو ذیلی فنڈ کے net اثاثہ جات 7,173 ملین روپے تھے، جبکہ net اثاثہ جاتی قدر (این اے وی) فی یونٹ 110.4267 روپے تھی، جو 30 جون 2023ء کو ابتدائی این اے وی 100.2052 روپے فی یونٹ کے مقابلے میں 10.2215 روپے فی یونٹ اضافہ ہے۔

### معیشت اور مارکیٹ - مستقبل کا منظر نامہ

پاکستان کی مجموعی ملکی پیداوار (جی ڈی پی) میں گزشتہ سال مایوس ٹن کارکردگی کے بعد مالی سال 2024ء میں 3.4 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۔ 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 کی فصل مالی سال 2024ء کی پہلی سہ ماہی میں بڑھ کر 8.2 ملین گانٹھیں ہو گئی، بالمقابل مالی سال 2023ء میں 4.9 ملین گانٹھوں کے۔

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمر ایشیائی منجمنٹ آپٹیمائزر (آغاز کردہ 23 مئی 2023ء) کے اکاؤنٹس برائے ششماہی منجمنہ 31 دسمبر 2023ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

مالی سال کی پہلی ششماہی کے اختتام پر پاکستان کے مجموعی معاشی عوامل کی صورتحال آغاز سال کے مقابلے میں کافی بہتر تھی۔ حکومت نے جون 2023ء میں آئی ایم ایف سے 3 بلین ڈالر کا اسٹینڈ بائی اریمنجمنٹ (ایس بی اے) حاصل کر لیا جس میں سے 1.2 بلین ڈالر فوری طور پر جاری کر دیئے گئے۔ اس پیش رفت کے بعد دوست ممالک سے اضافی آمدات اور بروقت rollovers عمل میں آئے جس کے نتیجے میں خارجی سطح پر بہتر امکانات کی بدولت Fitch کی جاری کردہ پاکستان کی خود مختار درجہ بندی -CCC سے CCC کر دی گئی۔

نئی نگران حکومت نے روپے پر قیاس آرائی کے دباؤ کا سامنا کرنے کے بعد ستمبر 2023ء میں ڈالر کی اسمگلنگ اور افغان ٹرانزٹ کے غلط استعمال کے خلاف فیصلہ کن اقدام اٹھائے جن کی بدولت زرمبادلہ کی شرح میں تیزی سے بہتری آئی اور اوپن مارکیٹ اور انٹرنیشنل شرح کے فرق میں کمی ہوئی۔ اس کے نتیجے میں ترسیلات زرا اور برآمدات سے ہونے والی آمدنی میں بہتری آئی اور دسمبر کے اختتام پر روپے کی قدر ڈالر کے مقابلے میں 307 سے کم ہو کر 281.9 ہو گئی۔

مالی سال 2024ء کی پہلی ششماہی میں ملکہ کا کرنٹ اکاؤنٹ کا خسارہ (سے اے ڈی) 0.8 بلین ڈالر تھا، جو گزشتہ سال کی مماثل مدت میں 3.6 بلین ڈالر کے مقابلے میں 77 فیصد سال در سال (YoY) کمی ہے۔ سی اے ڈی میں کمی میں اہم ترین کردار تجارتی خسارے میں کمی کا تھا کیونکہ برآمدات میں 7.5 فیصد اضافے اور درآمدات میں 14.7 فیصد کمی کے نتیجے میں تجارتی خسارہ 35.2 فیصد سسکو گیا۔ ایس بی پی کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے اختتام پر 4.4 بلین ڈالر سے بڑھ کر دسمبر 2023ء تک 8.2 بلین ڈالر ہو گئے، جس کے نتیجے میں ملکہ کی خارجی صورتحال بہتر ہو گئی۔ یہ آئی ایم ایف، دوست ممالک اور کثیرالجہتی ذرائع سے آمدات کی بدولت ممکن ہوا۔

ہیڈ لائن مہنگائی، جس کی ترجمانی صارفی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط مالی سال 2024ء کی پہلی ششماہی کے دوران 28.8 فیصد تھا، جبکہ گزشتہ سال مماثل مدت میں 25 فیصد تھا۔ مہنگائی بلند سطح پر رہی کیونکہ گزشتہ مدتوں میں روپے کی قدر میں خطیر کمی کے نتیجے میں اشیائے خورد و نوش اور توانائی کی قیمتوں میں اضافہ ہوا۔ حکومت نے آئی ایم ایف کی شرائط پوری کرنے کے لیے بجلی کی بنیادی قیمت اور گیس کی قیمتوں میں اضافہ کیا جس کے نتیجے میں مہنگائی کا دباؤ مزید بڑھا۔ ایس بی پی نے 12 دسمبر 2023ء کو منعقدہ مانیٹری پالیسی میں جمود کو بنیادی طور پر برقرار رکھا۔ کمیٹی نے اندازہ لگایا کہ سود کی حقیقی شرح اگلے 12 ماہ کے امکانات کی بنیاد پر مثبت رہے گی اور مہنگائی میں کمی کا رجحان برقرار رہے گا۔

# TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED

**Head Office:**

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shakra-e-Faisal  
Karachi - 74400, Pakistan,  
Tel: (92-21) 111-111-500  
Fax: (92-21) 34326021 - 23  
URL: www.cdcpakistan.com  
Email: info@cdcpak.com



## TRUSTEE REPORT TO THE UNIT HOLDERS

### ALHAMRA CASH MANAGEMENT OPTIMIZER

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

We Central Depository Company of Pakistan Limited, being the Trustee of Alhamra Cash Management Optimizer (the Fund) are of the opinion that MCB Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 23, 2024



# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



Yousuf Adil  
Chartered Accountants

Cavish Court, A-35, Block 7 & 8  
KCHSU, Shahrah-e-Faisal  
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## INDEPENDENT AUDITOR'S REVIEW REPORT

### To the Unit Holders of Alhamra Cash Management Optimizer

#### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Alhamra Cash Management Optimizer** (the "Fund") as at December 31, 2023, and the related condensed interim income statement, the condensed interim statement of other comprehensive income, the condensed interim statement of movement in unit holders' fund, and the condensed interim statement of cash flows and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The Board of MCB Investment Management Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

#### Scope of Review

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

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2023 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

#### Other Matter

The figures of the condensed interim income statement and the condensed interim statement of other comprehensive income for the quarters ended December 31, 2023 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2023.

The engagement partner on the engagement resulting in this independent auditor's review report is **Hena Sadiq**.

  
Chartered Accountants

Place: Karachi

Date: February 21, 2024

UDIN: RR202310057yNFVtqk15

Independent Management Services  
Securities Finance Pakistan Limited

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT DECEMBER 31, 2023**

	(Un-audited) December 31, 2023	(Audited) June 30, 2023
Note	----- (Rupees in '000) -----	
<b>ASSETS</b>		
Bank balances	5 6,141,507	3,938,329
Investments	6 -	340,000
Profit receivable	97,573	56,725
Advance against IPO subscription of debt security	7 925,000	-
Advances, deposits, prepayments and other receivables	24,443	10,043
<b>Total assets</b>	<b>7,188,523</b>	<b>4,345,097</b>
<b>LIABILITIES</b>		
Payable to MCB Investment Management Limited - Management Company	8 8,065	3,282
Payable to Central Depository Company of Pakistan Limited - Trustee	294	180
Payable to the Securities and Exchange Commission of Pakistan	355	63
Accrued expenses and other liabilities	10 6,778	3,722
<b>Total liabilities</b>	<b>15,492</b>	<b>7,247</b>
<b>NET ASSETS</b>	<b>7,173,031</b>	<b>4,337,850</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<b>7,173,031</b>	<b>4,337,850</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		
	----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>	<b>64,957,421</b>	<b>43,289,672</b>
	----- Rupees -----	
<b>NET ASSETS VALUE PER UNIT</b>	<b>110.4267</b>	<b>100.2052</b>

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

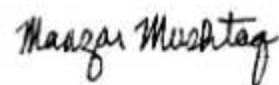
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director



**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	Note	Half year ended December 31, 2023 ----- (Rupees in '000) -----	Quarter ended December 31, 2023
<b>INCOME</b>			
Income from government securities		28,607	28,607
Income from term finance certificates		15,485	15,485
Income from musharika certificates and other placements		61,007	36,004
Profit on deposits with banks		526,992	259,985
Capital gain on sale of investments - net		3,275	3,275
<b>Total income</b>		<b>635,366</b>	<b>343,356</b>
<b>EXPENSES</b>			
Remuneration of MCB Investment Management Limited - Management Company	8.1	16,565	9,160
Sindh Sales Tax on remuneration of Management Company	8.2	2,153	1,190
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,657	891
Sindh Sales Tax on remuneration of the Trustee		215	115
Annual fees of Securities and Exchange Commission of Pakistan		2,260	1,215
Allocated expenses	8.3	1,151	1,022
Marketing and selling expense	8.4	9,759	5,296
Settlement and bank charges		139	91
Security and transaction cost		7	4
Auditors' remuneration		278	165
Legal, professional and other charges		94	15
Shariah advisory fee		288	137
Fees and subscription		86	43
Printing charges		50	25
<b>Total operating expenses</b>		<b>34,702</b>	<b>19,369</b>
<b>Net income for the period before taxation</b>		<b>600,664</b>	<b>323,987</b>
Taxation	12	-	-
<b>Net income for the period after taxation</b>		<b>600,664</b>	<b>323,987</b>
<b>Allocation of net income for the period</b>			
Net income for the period after taxation		600,664	
Income already paid on units redeemed		(308,946)	
		<b>291,718</b>	
<b>Accounting income available for distribution</b>			
Relating to capital gains		1,193	
Excluding capital gains		290,525	
		<b>291,718</b>	
<b>Earnings per unit</b>	13		

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

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	Half year ended December 31, 2023 ----- (Rupees in '000) -----	Quarter ended December 31, 2023 ----- (Rupees in '000) -----
<b>Net income for the period after taxation</b>	600,664	-
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>600,664</b>	<b>-</b>

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

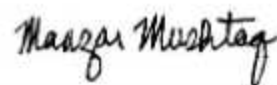
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Half year ended December 31, 2023		
	Capital Value	Undistributed income	Total
	----- (Rupees in '000) -----		
Net assets at beginning of the period	4,328,909	8,941	4,337,850
Issue of 204,037,132 units :			
- Capital value (at net asset value per unit at the beginning of the period)	20,445,582	-	20,445,582
- Element of income	904,576	-	904,576
	21,350,158	-	21,350,158
Redemption 182,369,384 units :			
- Capital value (at net asset value per unit at the beginning of the period)	(18,274,361)	-	(18,274,361)
- Element of loss	(523,451)	(308,946)	(832,397)
	(18,797,812)	(308,946)	(19,106,758)
Total comprehensive income for the period	-	600,664	600,664
Final distribution for the period ended June 30, 2023 at the rate of Rs. 0.2052 per unit	-	(8,883)	(8,883)
	-	591,781	591,781
<b>Net assets as at the end of the period</b>	<b>6,881,255</b>	<b>291,776</b>	<b>7,173,031</b>
Undistributed income brought forward			
- Realised		8,941	
- Unrealised		-	
		8,941	
Accounting income available for distribution			
- Relating to capital gains		1,193	
- Excluding capital gains		290,525	
		291,718	
Distributions during the period		(8,883)	
<b>Undistributed income carried forward</b>		<b>291,776</b>	
Undistributed income carried forward			
- Realised		291,776	
- Unrealised		-	
		291,776	
		(Rupees)	
Net assets value per unit as at beginning of the period		100.2052	
Net assets value per unit as at end of the period		110.4267	

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

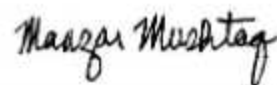
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Half year ended December 31, 2023
	Note - (Rupees in '000) -
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net income for the period before taxation	600,664
<b>Adjustments for:</b>	
<b>Increase in assets</b>	
Investment	(925,000)
Profit receivable	(40,848)
Advances, deposits, prepayments and other receivables	(14,400)
	(980,248)
<b>Increase in liabilities</b>	
Payable to MCB Investment Management Limited	4,783
Payable to the Trustee	114
Payable to the Securities and Exchange Commission of Pakistan	292
Accrued expenses and other liabilities	3,056
	8,245
<b>Net cash used in operating activities</b>	<b>(371,339)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Amount received against issuance of units	21,350,158
Amount paid against redemption of units	(19,106,758)
Distributions made during the period	(8,883)
<b>Net cash generated from financing activities</b>	<b>2,234,517</b>
<b>Net increase in cash and cash equivalents during the period</b>	<b>1,863,178</b>
Cash and cash equivalents at the beginning of the period	4,278,329
<b>Cash and cash equivalents at the end of the period</b>	<b>6,141,507</b>

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

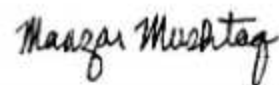
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Cash Management Optimizer (the Fund only) has been established through the Trust Deed (the Deed) dated 16th day of March, 2023 under the Sindh Act, 2020 entered into and between MCB Investment Management Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee and is authorised under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the "Rules") and Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations"). The Securities and Exchange Commission of Pakistan (SECP) has authorised the offer of Units of Alhamra Cash Management Optimizer (ALH CMOP) and has registered ALH CMOP as a notified entity under the NBFC Regulations, vide letter No SCD/AMCW/LALHCMOP/2023/MF-NE-107 dated April 04, 2023. SECP has approved this Offering Document under the Regulations vides its Letter No. SCD/ALHCMOP/2023-301 dated April 28, 2023.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 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 07, 2023 resolved via special resolution that the name of the Company be changed from MCB Arif Habib Savings and Investments Limited to MCB Investment 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.
- 1.4 The Fund has been duly registered through the Trust Deed under Section 16 of the Sindh Act, on March 16, 2023.
- 1.5 Alhamra Cash Management Optimizer is an Open-ended Shariah Compliant Money Market Scheme which primarily invests in Shariah Compliant Investments. The Fund shall be subject to such exposure limits as are specified in the Rules, the Regulations and directives and circulars issued by SECP from time to time.
- 1.6 The Objective of the Fund is to provide a competitive rate of return by investing primarily in liquid Shariah Compliant money market securities
- 1.7 The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of AM1 dated October 06, 2023 to the Management Company and the stability rating of AA+(f) to the Fund dated December 15, 2023.
- 1.8 Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

This condensed interim financial information 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 Accounting Standard (IAS) 34, 'Interim Financial Reporting', 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 VIII A of the repealed Companies Ordinance, 1984; and
- the 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.

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the 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 the requirements of the Trust Deed have been followed.

The disclosures made in this condensed interim financial information are limited, based on the requirements of the IAS 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

This condensed interim financial information is presented in Pakistan Rupees which is the Fund's functional and presentation currency and rounded to the nearest thousand rupees, unless otherwise specified.

### 3. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The accounting policies and methods of computation adopted in preparation of this condensed interim financial information are same as those applied in preparation of financial statements of the Fund as at and for the year ended June 30, 2023.

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

### 4. FINANCIAL RISK MANAGEMENT

The Fund's risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the year ended June 30, 2023.

		(Un-audited) December 31, 2023	(Audited) June 30, 2023
	Note	------(Rupees in '000)-----	
<b>5. BANK BALANCES</b>			
In savings accounts	5.1	6,112,777	3,921,785
In current accounts	5.2	28,730	16,544
		<b>6,141,507</b>	<b>3,938,329</b>

5.1 These carry profit at rates ranging between 18.50% to 21.25% per annum (June 2023: 19.00% to 20.25% per annum).

5.2 These include balances of Rs. 28.722 million (June 30,2023: Rs. 16.544 million) maintained with MCB Bank Limited (a related party).

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	(Un-audited) December 31, 2023	(Audited) June 30, 2023
<b>Note</b>	..... (Rupees in '000)	.....
	6.3	340,000
	-	340,000

**6. INVESTMENTS**

**Financial assets at fair value through profit or loss**

Musharika Certificates

**6.1 Sukuk certificates- Unlisted**

Certificates have a face value of Rs 1,000,000 each unless stated otherwise

Name of investee company	Number of certificates				As at December 31, 2023			Market value as a percentage of total investment
	As at July 1, 2023	Purchased during the period	Matured during the period	Disposed off during the period	As at December 31, 2023	Carrying value	Market value	
<b>Power</b>								
Karachi Electric Limited	-	323	-	323	-	-	-	-
Lucky Electric Power Company Limited	-	1,000	-	1,000	-	-	-	-
<b>As at December 31, 2023</b>	-	-	-	-	-	-	-	-
<b>As at June 30, 2023</b>	-	-	-	-	-	-	-	-

**6.2 Government Securities - Government of Pakistan (GoP) Ijara sukuk**

Issue Date	face value				As at December 31, 2023			Market value as a percentage of total investment
	As at July 1, 2023	Purchased during the period	Matured during the period	Disposed off during the period	As at December 31, 2023	Carrying Value	Market value	
<b>17-Apr-23</b>	-	1,000,000	-	1,000,000	-	-	-	-
<b>As at December 31, 2023</b>	-	-	-	-	-	-	-	-
<b>As at June 30, 2023</b>	-	-	-	-	-	-	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**6.3 Musharika Certificates**

Particulars	Profit rate	Maturity date	face value				As at December 31, 2023		Carrying value as a percentage of total investments
			As at July 1, 2023	Purchased during the period	Sold / Matured during the period	As at December 31, 2023	Face Value	Carrying Value	
UBL Ameen Islamic Banking	20.35%	21-Jul-23	340,000	-	340,000	-	-	-	-
<b>As at December 31, 2023</b>									
As at June 30, 2023							340,000	7.84	100

**6.4 Letter of placement**

Particulars	Profit rate	Maturity date	face value				As at December 31, 2023		Carrying value as a percentage of total investments
			As at July 1, 2023	Purchased during the period	Sold / Matured during the period	As at December 31, 2023	Face Value	Carrying Value	
UBL Ameen Islamic Banking	21.25%	7-Aug-23	-	500,000	500,000	-	-	-	-
UBL Ameen Islamic Banking	21.05%	25-Aug-23	-	500,000	500,000	-	-	-	-
UBL Ameen Islamic Banking	21.15%	10-Nov-23	-	700,000	700,000	-	-	-	-
Faysal Bank Limited	21.15%	16-Aug-23	-	1,000,000	1,000,000	-	-	-	-
Faysal Bank Limited	21.25%	19-Oct-23	-	700,000	700,000	-	-	-	-
Pak Oman Investment Company Limited	21.25%	15-Sep-23	-	1,000,000	1,000,000	-	-	-	-
Pak Oman Investment Company Limited	21.20%	10-Nov-23	-	552,727	552,727	-	-	-	-
Pak Kuwait Investment Company (Pvt.) Limited	21.30%	8-Oct-23	-	551,762	551,762	-	-	-	-
<b>As at December 31, 2023</b>									
As at June 30, 2023									



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**7. ADVANCE AGAINST IPO SUBSCRIPTION OF DEBT SECURITY**

This includes an amount of Rs. 525 million and Rs. 400 million (June 30,2023:Nil) paid as advance against subscription of IPO of Nishat Mills Limited and JDW Sugar Mills Limited respectively.

		(Un-audited) December 31, 2023	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	-----
<b>8. PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>			
Management remuneration payable	8.1	1,993	1,461
Sindh Sales Tax payable on management remuneration	8.2	259	190
Sales load payable		7	596
Shariah Payable		37	50
Payable against allocated expenses	8.3	473	80
Payable against marketing and selling expenses	8.4	5,296	905
		<u>8,065</u>	<u>3,282</u>

**8.1** The Management Company charged management fee at the rate of up to 7.5% 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.

**8.2** Sindh sales tax on remuneration of the Management Company has been charged at the rate of 13% (June 30, 2023: 13%).

**8.3** 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.

**8.4** 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.

**9. 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.

		(Un-audited) December 31, 2023	(Audited) June 30, 2023
		----- (Rupees in '000) -----	-----
<b>10. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Brokerage payable		3	-
Auditors' remuneration		262	301
Withholding tax on capital gain		6,305	3,292
Payable to legal advisor		56	27
Printing charges payable		90	40
Others		62	62
		<u>6,778</u>	<u>3,722</u>

**11. CONTINGENCIES & COMMITMENTS**

There were no contingencies & commitments outstanding as at December 31, 2023 and June 30,2023.

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

### 12. 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 accumulated losses and capital gains, whether realized or unrealized, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, 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, therefore, no provision for taxation has been made in this condensed interim financial information 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.

### 13. 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.

### 14. TOTAL EXPENSE RATIO

The total annualised expense ratio of the Fund based on current period results is 1.15% as on December 31, 2023 and this includes 0.16% representing government levy.

### 15. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons of the Fund include MCB-Arif Habib Savings and Investments Limited (being the Management Company) and its related entities, the Central Depository Company of Pakistan Limited (being the Trustee of the Fund), other collective investment schemes and pension schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or trust beneficially owning (directly or indirectly) ten percent or more of the capital of the Management Company or the net assets of the Fund and directors and their close family members, key management personnel and officers of the Management Company.

Transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed respectively.

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the year end are as follows:

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

For the half year ended Decemeber 31, 2023 (Un-audited)

	As at July 1, 2023	Issued for cash	Redeemed	As at December 31, 2023	As at July 1, 2023	Issued for cash	Redeemed	As at December 31, 2023
	Units				(Rupees in '000)			
MCB Investment Management Limited	101,501	643,103	744,604	-	10,171	70,018	80,806	-
Hyundai Nishat Motor Private Limited - Employees Provident Fund	389,349	37,315	426,664	-	39,015	3,980	45,418	-
Adamjee Life Assurance Company Limited	-	387,482	387,482	-	-	40,000	41,934	-
Directors and key management personnel of the Management Company	84,040	2,494,742	2,032,323	546,459	8,421	262,217	215,019	60,344

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

For the half year ended Decemeber 31, 2023 (Un-audited)

As at July 1, 2023	Issued for cash	Redeemed	As at December 31, 2023	As at July 1, 2023	Issued for cash	Redeemed	As at December 31, 2023
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Units

(Rupees in '000)

Mandate under discretionary portfolio services*	2,168,256	807,080	2,300,643	674,693	217,271	83,605	219,631	74,504
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\* This reflects the position of related party / connected persons status as at December 31, 2023.

(Un-Audited)  
December 31,  
2023  
(Rupees in '000)

**15.2 Details of transactions with related parties / connected persons during the period**

**MCB Investments Management Limited - Management Company**

Remuneration including indirect taxes	18,718
Allocated expenses	1,151
Marketing and selling expense	9,759
Shariah Fee	288

**Central Depository Company of Pakistan Limited - Trustee**

Remuneration including indirect taxes	1,872
CDS charges	111

**MCB Bank Limited - Parent of the Management Company**

Bank charges	1
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(Un-audited) (Audited)  
December 31, June 30,  
2023 2023  
----- (Rupees in '000) -----

**15.3 Details of balances with related parties / connected persons as at year end**

**MCB Investment Management Limited - Management Company**

Management remuneration payable	1,993	1,461
Sindh Sales Tax payable on management remuneration	259	190
Sales load payable	7	596
Payable against allocated expenses	473	80
Payable against marketing and selling expenses	5,296	905
Shariah Payable	37	50

**Central Depository Company of Pakistan Limited - Trustee**

Trustee remuneration payable	260	159
Sindh Sales Tax payable on Trustee remuneration	34	21
Security deposit	100	100

**MCB Bank Limited - Parent of the Management Company**

Bank balance	28,722	16,544
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**Advance against IPO subscription of debt security**

Nishat Mills Limited	525,000	-
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## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

### 16. FAIR VALUE OF FINANCIAL INSTRUMENTS

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 date. 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.

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

- Level 1:** quoted prices in active markets for identical assets or liabilities;
- Level 2:** those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3:** those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table show the carrying amount and fair values of financial assets and financial liabilities including the levels in the fair value hierarchy.

	December 31, 2023 (Un-audited)						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----							
<b>Financial assets measured at fair value</b>							
Mushanka Certificate	-	-	-	-	-	-	-
<b>Financial assets not measured at fair value</b>							
Bank balances	-	6,141,507	6,141,507				
Profit receivable	-	97,573	97,573				
Advance against IPO Subscription of Sukuk	-	925,000	925,000				
Advances, deposits and other receivables	-	23,680	23,680				
	-	7,187,760	7,187,760				
<b>Financial liabilities not measured at fair value</b>							
Payable to the Management Company	-	7,806	7,806				
Payable to the Trustee	-	260	260				
Accrued expenses and other liabilities	-	473	473				
	-	8,539	8,539				
----- (Rupees in '000) -----							
June 30, 2023 (Un-audited)							
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----							
<b>Financial assets measured at fair value</b>							
Mushanka Certificate	340,000	-	340,000	-	340,000	-	340,000
	340,000	-	340,000	-	340,000	-	340,000
<b>Financial assets not measured at fair value</b>							
Bank balances	-	3,938,329	3,938,329				
Profit receivable	-	56,725	56,725				
Deposit and other receivables	-	9,194	9,194				
	-	4,004,248	4,004,248				
<b>Financial liabilities not measured at fair value</b>							
Payable to the Management Company	-	3,092	3,092				
Payable to the Trustee	-	159	159				
Accrued expenses and other liabilities	-	430	430				
	-	3,681	3,681				

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

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**17. CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison.

**18. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue on February 02, 2024 by the Board of Directors of the Management Company.

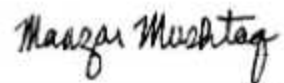
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**MCB INVESTMENT MANAGEMENT LIMITED**

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

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

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