

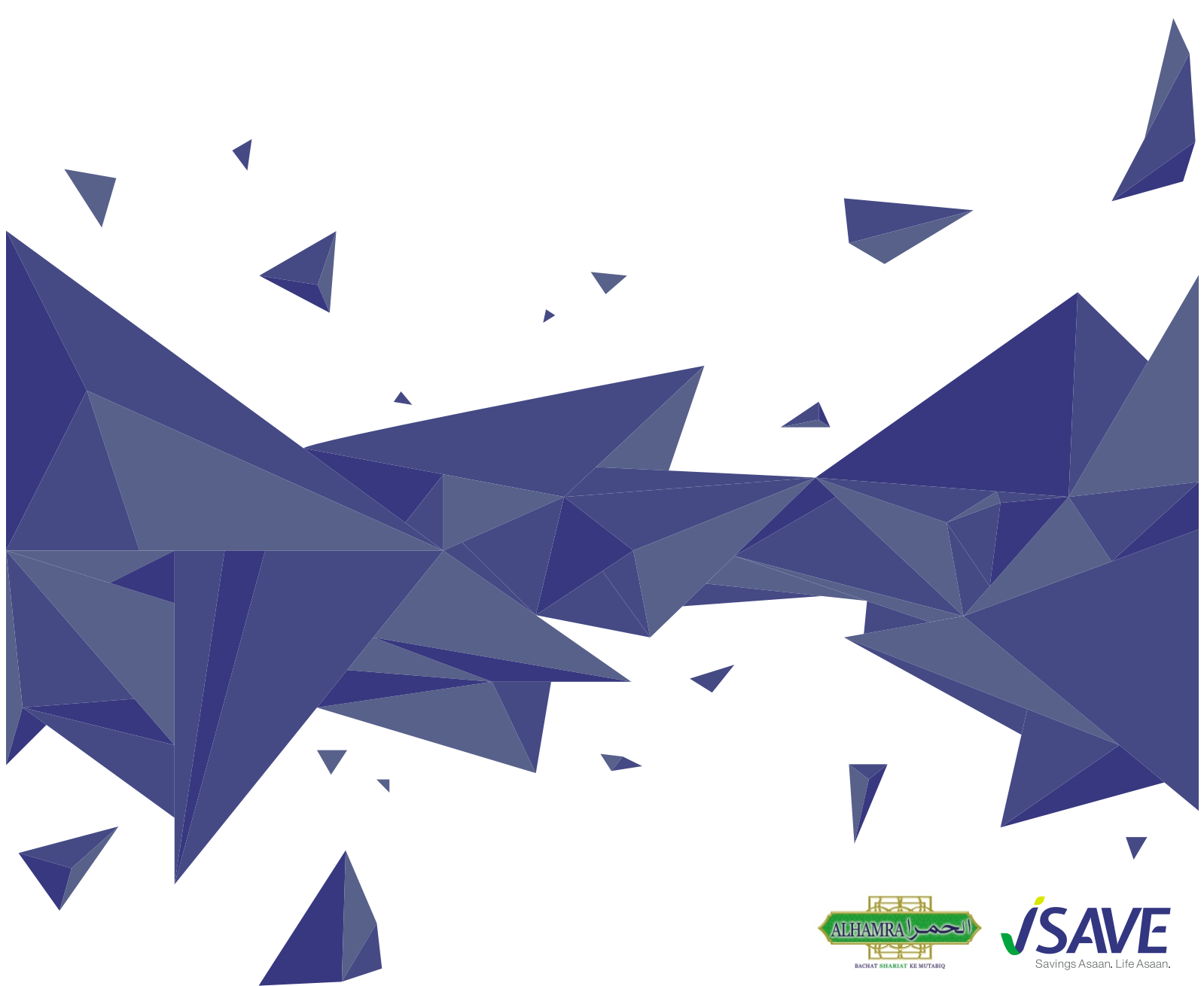


MCB FUNDS
Investments for Life

QUATERLY REPORT

MARCH
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



ALHAMRA ISLAMIC STOCK FUND

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	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
Audit Committee	Syed Savail Meekal Hussain Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Shoaib Mumtaz Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited United Bank Limited Allied Bank Limited Habib Bank Limited National Bank of Pakistan Standard Chartered Bank Limited Silk Bank Limited MCB Islamic Bank Limited	Bank Islami Pakistan Limited Dubai Islamic Bank Limited Askari Bank Limited Bank Al Habib Limited Faysal Bank Limited Soneri Bank Limited Al-Baraka Bank Pakistan Limited The Bank of Khyber
Auditors	A. F. Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Stock Fund** accounts review for the nine months ended March 31, 2024.

Economy and Money Market Review

Macroeconomic indicators have been on an improving path since 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, and managed to receive timely rollovers from friendly countries. It also showed unwavering commitment to remain compliant with the IMF targets and as a result government was able to successfully reach staff level agreement with IMF in the first and second reviews. After formation of new cabinet, the government has also publicly announced its intention to seek a new IMF program of at least USD 6.0 billion after the current program expires.

The 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. This led to the reduction of the difference between open market and interbank rates, which consequently improved remittances and export proceeds. The government has been running a subdued current account balance, which along with increased clarity on the external front has led the local currency to depict strength. The USD PKR close the period at 277.9 appreciating by 2.9% since the start of the year.

Country posted a current account deficit (CAD) of USD 1.0 billion in the first eight months of the fiscal year 2024 (8MFY24) declining by 74% YoY compared to a deficit of USD 3.8 billion in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as 10.2% increase in exports coupled with an 8.8% drop in imports led to a 27.6% contraction in the trade deficit. The country's external position improved with SBP's foreign exchange reserves increasing to USD 8.0 billion as of March 2024 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 27.1% during first nine months of the fiscal year compared to 27.3% 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 March 18, 2024. The Committee assessed that the level of inflation remains high and its outlook is susceptible to risks amidst elevated inflation expectations which warranted a cautious approach in the near term.

The country's GDP grew by 1.0% in the second quarter of the financial year 2023-24 as compared to 2.2% in the same period last year. Agriculture grew by 5.0%, Services remained flattish at 0.01% while industrial sector witnessed a decline of -0.84%. Historic high interest rates coupled with political uncertainty were the major culprits behind the fall in industrial output. On the fiscal side, FBR tax collection increased by 30.1% in 9MFY24 to PKR 6,709 billion, outpacing the target by a modest PKR 1bn.

Equity Market Review

The stock market witnessed exuberance in the first nine months of fiscal year 2024, as the benchmark KSE-100 increased by 61.6%, or 25,552 points, to close at all time high Of 67,005 points. The bullish momentum was on account of improvements in

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

macroeconomic indicators after Pakistan entered into the new IMF program. Market participants also cheered the successful completion of all IMF reviews under SBA. Moreover, the successful conclusion of elections in February 2024 brought long due clarity amongst investors. In addition, reaffirmation by the incumbent government to continue structural reforms, along with the intention to enter a longer IMF program, further uplifted sentiment. Lastly, the strength of the local currency post-crackdown on currency smuggling and hoarding, strong corporate profitability, and market expectations of monetary easing towards the end of the second half of the fiscal year, all contributed to the sustainable rally.

During 9MFY24, Foreign investors, Insurance, and Corporates were net buyers with an inflow of USD 75 million, USD 121 million and USD 31 million, respectively. While major selling was witnessed from Banks and Mutual Funds with outflow of USD 113 million and USD 55 million, respectively. During 9MFY24, average trading volumes for KSE-All Index saw an increase of 121.8% to 452 million shares compared to about 204 million shares in the same period last year. Similarly, the average trading value during the period saw a rise of 81% over the last 9M to near USD 51 million.

Banking, Fertilizer, and E&P sector were the major contributors to the index gain adding 8,799/3,504/3,350 points, respectively. Banking sector witnessed broad based rally as entry into the IMF program diminished the probability of local debt restructuring besides strong profitability. Fertilizer sector performed due to better than expected dividends while E&P rallied due to the news of clearance of gas circular debt, which would improve the sector cash flows.

FUND PERFORMANCE

During the period, ALHISF delivered a return of 61.93% as compared to benchmark return of 58.82%. Overall equity exposure of the fund stood at 97.4% at the end of the period. The fund changed its investment strategy several times during the quarter to cope with various sector and company level fundamental developments. During the period, the fund had exposures majorly in Cement, Commercial Banks and Oil & Gas Exploration Companies.

The Net Assets of the Fund as at March 31, 2024 stood at Rs. 3,185 million as compared to Rs. 2,479 million as at June 30, 2023 registering an increase of 28.48%.

The Net Asset Value (NAV) per unit as at March 31, 2024 was Rs. 14.59 as compared to opening NAV of Rs. 9.01 per unit as at June 30, 2023 registering an increase of Rs. 5.58 per unit.

Economy & Market – Future Outlook

Pakistan GDP is expected to rebound to 2.7% in FY24 after a dismal performance last year where the GDP contracted by 0.17%. The outlook for agricultural output is optimistic, with an expected increase of 6.1%. This growth is attributed to rebound in production compared to the previous year, which was marred by heavy floods affecting crops like rice and cotton. Particularly encouraging is the notable increase in cotton arrivals, rising by 71% year-on-year to reach 8.4 million bales in the fiscal year 2024. However Industrial and services sector growth is likely to remain lackluster and will clock at 1.1% and 1.8% respectively due to overall economic slowdown amid all time high interest rates.

We expect government to enter a new long-term IMF program worth atleast USD 6 billion, after the current program expires. Successful continuation of the IMF program will

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

be a key positive as it will allow us to tap funding from bilateral and multilateral sources. 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 1.4 billion (0.4% of GDP) in FY24 and USD 3.2bn (0.8% of GDP) in FY25 as policy of consolidation is likely to continue under the IMF umbrella.

The USD/PKR is expected to remain stable as the government is focusing on improving current account deficit on the back of recovery in export and remittances. Entry into the new IMF program will also increase visibility on the external funding. We expect USD/PKR to close the fiscal year around PKR 300.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in March 2024 clocked of 20.7% which was the lowest since May 2022. The core inflation also registered a significant slowdown, clocking at 15.7% which is a low of 18 months. The inflation reading is expected to decline to 18-19% by June 2024 and 13-14% by December 2024. This will allow Monetary Policy Committee to cut interest by 2% till June 2024 and around 5-6% by December 2024.

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 9.4%, a discount of 51% from its historical average of 19.1%. Similarly, Earning Yield minus Risk Free Rate is close to 9.0%, 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 4.3x, while offering a dividend yield of 11.9%.

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 have added government bonds in Income Funds 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 48.3% during 9MFY24 to PKR 2,319 billion. Total money market funds grew by about 30.0% since June 2023. Within the money market sphere, conventional funds showed a growth of 17.4% to PKR 556 billion while Islamic funds increased by 43.9% to PKR 618 billion. In addition, the total fixed Income funds increased by about 93.2% since June 2023 to PKR 714 billion while Equity and related funds increased by 35.3% to PKR 227 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 50.6%, followed by Income funds with 30.8% and Equity and Equity related funds having a share of 9.8% as at the end of March 2024.

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024**

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 is likely to see inflows post new IMF agreement. Relatively 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.

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,



Khawaja Khalil Shah
Chief Executive Officer
April 22, 2024



Manzar Mushtaq
Director
April 22, 2024

ڈائریکٹرز رپورٹ

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 ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کا اُن کے مسلسل تعاون اور حمایت کے لیے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز مینجمنٹ ٹیم کو اُن کی محنت کے لیے خراج تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز

Mansoor Mushtaq

منظر مشتاق

ڈائریکٹر

کراچی، 22 اپریل 2024ء

خواجہ خلیل شاہ

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

کراچی، 22 اپریل 2024ء

ڈائریکٹرز رپورٹ

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 9.4 فیصد ہے جو اس کے قدیم اوسط 19.1 فیصد سے 51 فیصد کمی ہے۔ اسی طرح Earning Yield سے محفوظ شرح کم کرنے پر تقریباً 9.0 فیصد کے قریب بنتا ہے، اور اس کے تاریخی اوسط 2.7 فیصد 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 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 4.3x PER پر تجارت ہو رہی ہے جبکہ ڈیویڈنڈ کی سطح 11.9 فیصد پر ہے۔

حاملین قرض کے لیے ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ درمیانی اور طویل مدت کے سرمایہ کار بانڈ اور انکم فنڈز سے مستفیدہ سکتے ہیں جہاں زیادہ مدت میں سود کی شرح کے مستقبل کے امکانات کی بنیاد پر سرمائے میں اضافے کے مواقع پیدا ہوں گے۔ ہم نے حکومتی بانڈز کو انکم فنڈز میں شامل کر دیا ہے تاکہ قریبی 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 کے پہلے نو ماہ کے دوران تقریباً 48.3 فیصد بڑھ کر 2,319 بلین روپے ہو گئے۔ منی مارکیٹ کے مجموعی فنڈز میں جون 2023ء سے اب تک تقریباً 30.0 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز تقریباً 17.4 فیصد بڑھ کر 556 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 43.9 فیصد بڑھ کر 618 بلین روپے ہو گئے۔ مزید براں، فکسڈ انکم کے مجموعی فنڈز جون 2023ء سے اب تک تقریباً 93.2 فیصد بڑھ کر 714 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 35.3 فیصد بڑھ کر 227 بلین روپے ہو گئے۔

شعبہ جاتی شراکت کے اعتبار سے مارچ 2024ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 50.6 فیصد کے ساتھ سب سے آگے تھے، جبکہ انکم فنڈز 30.8 فیصد اور ایکویٹی اور متعلقہ فنڈز 9.8 فیصد رہے

میوچل فنڈ صنعت کا نقطہ نظر

سود کی شرحوں میں کمی کی بنیاد پر بانڈ فنڈز اور ایکویٹیز، دونوں کی کارکردگی اگلے سال اچھی ہونے کا امکان ہے۔ دوران سال انکم فنڈز میں سرمایہ کاروں کی قابل ذکر دلچسپی صاف ظاہر تھی جبکہ ایکویٹی فنڈز میں آئی ایم ایف کے نئے معاہدے کے بعد بہتری متوقع ہے۔ دوران مدت نسبتاً زیادہ شروع سود سے منی مارکیٹ فنڈز میں پائیدار آمدات 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

معیشت اور مارکیٹ - مستقبل کے امکانات

پاکستان کی مجموعی ملکی پیداوار (جی ڈی پی) گزشتہ سال مایوس کن کارکردگی (0.17 فیصد کمی) کے بعد مالی سال 2024ء میں متوقع طور پر بحال ہو کر 2.7 فیصد ہو جائے گی۔ زرعی پیداوار کا مستقبل امید افزا ہے اور اس میں 6.1 فیصد کی ترقی متوقع ہے کیونکہ پیداوار گزشتہ سال کے مقابلے میں بحال ہوئی ہے جب شدید سیلابوں نے چاول اور کپاس جیسی فصلوں کو بھاری نقصان پہنچایا تھا۔ خاص طور پر حوصلہ بخش بات کپاس کی پیداوار میں قابل ذکر اضافہ ہے جو 71 فیصد سال در سال (YoY) بڑھ کر مالی سال 2024ء میں 8.4 ملین گانٹھیں ہو گئی۔ تاہم صنعت اور خدمات کے شعبوں کی ترقی کی ترقی کی ترقی کا امکان ہے جو بالترتیب 1.1 فیصد اور 1.8 فیصد ہوگی، اور اس کے عوامل مجموعی طور پر معاشی سست رفتاری اور سود کی شرحوں کی بلند ترین سطحیں ہیں۔

ہمیں امید ہے کہ حکومت آئی ایم ایف کے موجودہ پروگرام کی میعاد ختم ہونے کے بعد کم از کم 6 بلین ڈالر مالیت ایک نئے طویل المیعاد پروگرام میں داخل ہو جائے گی۔ آئی ایم ایف پروگرام کو کامیابی کے ساتھ جاری رکھنا بے حد اہمیت کا حامل ہوگا کیونکہ اس سے دو جہتی اور کثیر الجہتی ذرائع سے رقم حاصل کرنے میں مدد ملے گی۔ تاہم ہماری خارجی حالت تاحال غیر یقینی کا شکار ہے کیونکہ عالمی سطح پر مشکل حالات کے باعث ہم شاید بین الاقوامی یورو بانڈ اور سنکک کا اجراء نہیں کر سکیں گے۔ علاوہ ازیں، غیر ملکی براہ راست سرمایہ کاری (ایف ڈی آئی) اور RDA سے حاصل ہونے والی آمدنی موجودہ معاشی مسائل کے باعث متوقع طور پر رُک رہے گی۔ چنانچہ ہمیں اس سال ایک پائیدار قابل بقاء کرنٹ اکاؤنٹ یقینی بنانا ہوگا تاکہ خارجی مسائل حل ہو سکیں۔ مالی سال 2024ء میں کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) متوقع طور پر 1.4 بلین ڈالر (جی ڈی پی کا 0.4 فیصد ہوگا)، جبکہ مالی سال 2025ء میں 3.2 بلین ڈالر (جی ڈی پی کا 0.8 فیصد) ہوگا، کیونکہ آئی ایم ایف کی چھتری تلے استحکام کی پالیسی جاری رہنے کا امکان ہے۔

ڈالر اور روپے کا تناسب مستحکم رہنے کا امکان ہے کیونکہ حکومت برآمدات اور ترسیلات میں بحالی کی بنیاد پر کرنٹ اکاؤنٹ خسارہ کم کرنے کی طرف توجہ دے رہی ہے۔ نئے آئی ایم ایف پروگرام میں داخل ہونے سے بھی خارجی محاذ پر حصولِ رقم کی صورت حال واضح ہوگی۔ ہمیں توقع ہے کہ مالی سال کے اختتام پر ڈالر اور روپے کا تناسب تقریباً 300 ہوگا۔

مہنگائی کی سطح base کے اثر اور نسبتاً مستحکم روپے کے باعث نیچے آنا شروع ہو گئی ہے۔ مارچ 2024ء میں ہیڈ لائن مہنگائی 20.7 فیصد تک پہنچ گئی تھی جو مئی 2022ء سے اب تک کم ترین عدد ہے۔ بنیادی مہنگائی بھی قابل ذکر حد تک کم ہو کر 15.7 فیصد ہو گئی جو گزشتہ 18 ماہ کی کم ترین سطح ہے۔ جون 2024ء تک مہنگائی مزید کم ہو کر 18 تا 19 فیصد اور دسمبر 2024ء تک 13 تا 14 فیصد ہو جانے کا امکان ہے۔ اس کی بدولت مانیٹری پالیسی کمیٹی جون 2024ء تک سود کو کم کر کے 2 فیصد اور دسمبر 2024ء تک تقریباً 5 تا 6 فیصد کر سکے گی۔

ڈائریکٹرز رپورٹ

پالترتیب 113 ملین ڈالر اور 55 ملین ڈالر تھی۔ KSE-All انڈیکس کے اوسط تجارتی حجم 121.8 فیصد بڑھ کر 452 ملین حصص ہو گئے جو گزشتہ سال مماثل مدت میں تقریباً 204 ملین حصص تھے۔ اسی طرح، دوران مدت اوسط تجارتی قدر گزشتہ نو ماہ کے دوران 81 فیصد بڑھ کر تقریباً 51 ملین ہو گئے۔

بینکاری، کھاد اور توانائی اور بجلی (ای اینڈ پی) کے شعبوں نے انڈیکس میں سب سے بڑا کردار ادا کیا اور پالترتیب 3/8799 ، 504 / 3,350 پوائنٹس کا اضافہ کیا۔ بینکاری کے شعبے میں وسیع پیمانے پر ترقی ہوئی کیونکہ آئی ایم ایف کے پروگرام کے حصول کے بعد اچھے منافع کی صلاحیت کے ساتھ ساتھ مقامی قرضوں کی تشکیل نو کا امکان کم ہو گیا۔ کھاد کے شعبے نے متوقع سے بہتر ڈیویڈنڈز کی بنیاد پر اچھی کارکردگی کا مظاہرہ کیا جبکہ ای اینڈ پی کی اچھی کارکردگی کی وجہ سے گیس کے گردش قرض کی ادائیگی تھی جس کی بدولت نقد کی آمدورفت میں بہتری آئے گی۔

فنڈ کی کارکردگی

دوران مدت ALHISF نے 61.93 فیصد منافع دیا، جبکہ مقررہ معیار 58.82 فیصد منافع تھا۔ اختتام مدت پر ایکویٹی میں مجموعی سرمایہ کاری 97.4 فیصد تھی۔ دوران سہ ماہی فنڈ نے اپنی سرمایہ کاری کے لائحہ عمل میں متعدد بار ترمیم کی تاکہ مختلف شعبہ جاتی اور ادارہ جاتی تبدیلیوں کے ساتھ ہم آہنگ ہو جاسکے۔ دوران مدت فنڈ کی زیادہ تر سرمایہ کاری سیمنٹ، کمرشل بینکوں اور تیل اور گیس کی دریافت کی کمپنیوں میں تھی۔

31 مارچ 2024ء کو فنڈ کے net اثاثہ جات 3,185 ملین روپے تھے، جو 30 جون 2023ء کی سطح 2,479 ملین روپے کے مقابلے میں 28.48 فیصد اضافہ ہے۔

31 مارچ 2024ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 14.59 روپے تھی، جو 30 جون 2023ء کو ابتدائی این اے وی فی یونٹ 9.01 روپے کے مقابلے میں 5.58 روپے فی یونٹ اضافہ ہے۔

ڈائریکٹرز رپورٹ

ہیڈ لائن مہنگائی، جس کی ترجمانی CPI یعنی صارفی قیمت کے انڈیکس سے ہوتی ہے، کا اوسط زیر جائزہ مالی سال کے پہلے نو ماہ کے دوران 27.1 فیصد تھا جبکہ گزشتہ سال مماثل مدت میں 27.3 فیصد تھا۔ مہنگائی بلند تر سطح پر رہی کیونکہ گزشتہ مدتوں میں روپے کی قدر میں خطیر کمی کے باعث اشیائے خورد و نوش اور توانائی کی قیمتوں میں اضافہ ہوا۔ علاوہ ازیں، حکومت نے آئی ایم ایف کی شرائط کی تعمیل میں بجلی اور گیس کی قیمتوں میں اضافہ کیا جس کے باعث مہنگائی کے دباؤ میں بھی مزید اضافہ ہوا۔ ایس بی پی نے مانیٹری پالیسی منعقدہ 18 مارچ 2024ء میں موجودہ صورتحال برقرار رکھی۔ کمیٹی نے جائزہ لیا کہ مہنگائی کی سطح بدستور بلند ہے اور مستقبل میں اس کو خطرات لاحق ہو سکتے ہیں جس کے باعث نئی مدت میں محتاط لائحہ عمل اختیار کرنا ہوگا۔

مجموعی ملکی پیداوار (GDP) میں مالی سال 2023-24ء کی دوسری سہ ماہی میں 1.0 فیصد ترقی ہوئی جو گزشتہ سال مماثل مدت میں 2.2 فیصد تھی۔ زراعت میں 5.0 فیصد ترقی ہوئی، خدمات کے شعبے میں معمولی 0.01 فیصد اضافہ ہوا، جبکہ صنعت میں 0.84 فیصد کمی ہوئی۔ سود کی اب تک کی بلند ترین شرحوں کے ساتھ ساتھ سیاسی غیر یقینی صورتحال صنعتی ماحصل میں تنزلی کے سب سے بڑے عوامل تھے۔ مالیاتی جہت میں ایف بی آر ٹیکس حصولی مالی سال 2024ء کے پہلے نو ماہ میں 30.1 فیصد بڑھ کر 6,709 بلین روپے ہو گئی، جو ہدف سے 1 بلین روپے زیادہ ہے۔

ایکوئیٹ مارکیٹ کا جائزہ

اسٹاک مارکیٹ میں مالی سال 2024ء کے پہلے نو ماہ میں جوش و خروش دیکھا گیا کیونکہ مقررہ معیار KSE-100 میں 61.6 فیصد یعنی 25,552 پوائنٹس اضافہ ہوا اور اب تک کی بلند ترین سطح 67,005 پوائنٹس تک پہنچ گیا۔ تیزی کا یہ رجحان پاکستان کے آئی ایم ایف کے نئے پروگرام میں داخل ہونے کے بعد مجموعی معاشی اشاروں میں بہتری کے باعث ممکن ہوا۔ مارکیٹ کے فریقوں نے بھی ایس بی اے کے تحت آئی ایم ایف کے تمام جائزوں کی کامیاب تکمیل کا خیر مقدم کیا۔ مزید برآں، فروری 2024ء میں انتخابات کی کامیاب تکمیل کی بدولت سرمایہ کاروں کے سامنے صورتحال واضح ہوئی جس کی بہت عرصے سے ضرورت تھی۔ علاوہ ازیں، موجودہ حکومت کا بنیادی ساخت میں اصلاحات لانے کا عزم اور طویل تر آئی ایم ایف پروگرام میں داخل ہونے کا ارادہ مزید حوصلہ افزائی کا باعث بنا ہے۔ آخری بات یہ کہ روپے کی غیر قانونی آمدورفت (اسمگلنگ) اور ذخیرہ اندوزی کے خلاف کارروائی کے بعد روپے کو حاصل ہونے والی تقویت، کارپوریٹ سطح پر اچھے منافع کی صلاحیت، اور مارکیٹ میں مالی سال کے نصف آخر کے اختتام تک مالیاتی تسہیل کی توقعات، سب نے پائیدار ترقی میں کردار ادا کیا۔

مالی سال 2024ء کے پہلے نو ماہ کے دوران مجموعی خریدار غیر ملکی سرمایہ کار، بیمہ اور کارپوریٹ شعبے تھے جنہوں نے بالترتیب 75 ملین ڈالر، 121 ملین ڈالر اور 113 ملین ڈالر کی خریداری کی۔ دوسری طرف سب سے زیادہ فروخت بینکوں اور میوچل فنڈز نے کی جو

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمراء اسلامک اسٹاک مارکیٹ فنڈ کے اکاؤنٹس نو ماہ مختتمہ 31 مارچ 2024ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

مجموعی معاشی اشارے سال کے آغاز سے بہتری کی جانب گامزن رہے۔ حکومت نے جون 2023ء میں آئی ایم ایف کا بے حد مطلوب 3 بلین ڈالر کا اسٹینڈ بائے اگریمنٹ (ایس بی اے) حاصل کر لیا اور دوست ممالک سے بروقت rollovers بھی حاصل کر لیے۔ علاوہ ازیں، آئی ایم ایف کے اہداف کی تعمیل جاری رکھنے کے غیر متزلزل عزم کے نتیجے میں حکومت آئی ایم ایف کے ساتھ پہلے اور دوسرے جائزوں میں اسٹاف لیول معاہدے تک پہنچنے میں بھی کامیاب ہو گئی۔ مزید برآں، حکومت نے نئی کابینہ کی تشکیل کے بعد حکومت نے اعلان کر دیا ہے کہ آئی ایم ایف کے موجودہ پروگرام کی میعاد ختم ہونے کے بعد کم از کم 6.0 بلین ڈالر کا نیا پروگرام حاصل کرنے کا ارادہ ہے۔

نگراں حکومت نے روپے پر قیاسی دباؤ کا سامنا کرنے کے بعد ستمبر 2023ء میں ڈالر کی اسمگلنگ اور افغان ٹرانزٹ کے غیر قانونی استعمال کے خلاف فیصلہ کن اقدام اٹھائے جس کی بدولت زرمبادلہ کی شرح تیزی سے بحال ہوئی۔ اس کے نتیجے میں اوپن مارکیٹ اور انٹر بینک شرحوں کے درمیان فرق میں کمی ہوئی جس کی بدولت ترسیلات زر اور برآمدات میں بہتری آئی۔ حکومت کرنٹ اکاؤنٹ بیلنس کو کم کر رہی ہے، جس نے خارجی محاذ پر واضح صورتحال کے ساتھ ساتھ مقامی کرنسی کی مضبوطی ظاہر ہو رہی ہے۔ اختتام مدت پر ڈالر اور روپے کا فرق 277.9 تھا، جو آغاز سال کے مقابلے میں 2.9 فیصد زیادہ ہے۔

مالی سال 2024ء کے پہلے آٹھ ماہ میں ٹلک کا کرنٹ اکاؤنٹ کا خسارہ (سی اے ڈی) 1.0 بلین ڈالر تھا، جو گزشتہ سال مماثل مدت میں 3.8 بلین ڈالر کے مقابلے میں 74 فیصد YoY (سال در سال) کمی ہے۔ CAD میں کمی کی سب سے بڑی وجہ کاروباری خسارے میں کمی ہے۔ برآمدات میں 10.2 فیصد اضافہ اور درآمدات میں 8.8 فیصد کمی کی بدولت کاروباری خسارے میں 27.6 فیصد کمی ہوئی۔ اسٹیٹ بینک آف پاکستان (ایس بی پی) کے زرمبادلہ کے ذخائر، جو گزشتہ مالی سال کے اختتام پر 4.4 بلین ڈالر تھے، آئی ایم ایف، دوست ممالک اور کثیر الجہتی ذرائع سے آمدات کی بدولت بڑھ کر مارچ 2024ء تک 8.0 بلین ڈالر ہو گئے جس کی بدولت ٹلک کی خارجی صورتحال میں بہتری آئی۔

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2024

		(Un-Audited) March 31, 2024	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	
ASSETS			
Balance with banks	5	56,650	120,136
Investments	6	3,151,594	2,398,010
Receivable against sale of investments		11,210	21,150
Dividend and markup receivables		14,479	737
Advances, deposits and other receivables		3,376	3,664
Total assets		3,237,308	2,543,697
LIABILITIES			
Payable to the Management Company		13,683	13,369
Payable to the Central Depository Company of Pakistan Limited - Trustee		396	324
Payable to the Securities and Exchange Commission of Pakistan		253	517
Payable against purchase of investments		14,150	24,401
Accrued expenses and other liabilities	7	23,371	25,758
Total liabilities		51,854	64,369
NET ASSETS		3,185,455	2,479,328
Unit holders' fund (as per statement attached)		3,185,455	2,479,328
Contingencies and commitments	8		
		----- (Number of units) -----	
Number of Units In Issue		218,317,312	275,081,665
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		14.59	9.01

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

	Nine months ended March 31,		Quarter ended March 31,	
	2024	2023	2024	2023
	Note ----- (Rupees in '000) -----			
INCOME				
Capital gain / (loss) on sale of investments	589,150	9,809	177,688	(4,896)
Dividend income	155,588	112,171	55,186	46,414
Markup on bank deposits	8,598	11,211	4,226	2,387
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss'	792,659	(124,406)	(68,710)	2,526
Total Income	1,545,995	8,785	168,390	46,431
EXPENSES				
Remuneration of the Management Company	62,402	38,695	23,932	13,303
Sindh Sales Tax and Federal Excise Duty on remuneration of the Management Company	8,112	5,030	3,110	1,728
Remuneration of the Central Depository Company of Pakistan Limited - Trustees	3,027	2,665	1,050	892
Sindh Sales tax on remuneration of Trustee	394	358	137	127
Securities and Exchange Commission of Pakistan - annual fee	2,162	385	761	130
Allocated expense	2,672	1,935	777	665
Selling and marketing expenses	13,967	25,151	3,924	8,646
Brokerage Expense	8,281	7,874	1,482	2,934
Settlement and bank charges	890	779	425	211
Fees and subscription	0	21	0	7
Legal and professional charges	194	157	101	76
Shariah advisory fee	398	541	111	178
Donation	3,642	4,210	933	1,815
Auditors' remuneration	819	579	380	161
Printing and related costs	67	27	17	14
Total expenses	107,027	88,406	37,140	30,886
Net Income / (loss) for the period before taxation	1,438,967	(79,622)	131,250	15,545
Taxation	-	-	-	-
Net Income / (loss) for the period after taxation	1,438,967	(79,622)	131,250	15,545
Allocation of net Income for the period:				
Net Income for the period	1,438,967	-		
Income already paid on units redeemed	(305,906)	-		
	1,133,062	-		
Accounting income available for distribution:				
- Relating to capital gains	1,085,293	-		
- Excluding capital gains	47,768	-		
	1,133,062	-		

Earnings Per Unit

10

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024**

	Nine months ended March 31,		Quarter ended March 31,	
	2024	2023	2024	2023
	----- (Rupees in '000) -----			
Net income / (loss) for the period after taxation	1,438,967	(79,622)	131,250	15,545
Other comprehensive income / (loss) for the period	-	-	-	-
Total comprehensive income / (loss) for the period	1,438,967	(79,622)	131,250	15,545

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

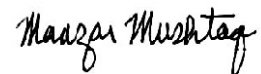
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

	Nine months ended March 31,					
	2024			2023		
	(Rupees in '000)					
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	
Net assets at beginning of the period	3,132,247	(652,919)	2,479,328	3,063,112	(632,769)	2,430,343
Issue of 146,234,464 units (2023: 190,296,848 units):						
- Capital value (at net asset value per unit at the beginning of the period)	1,317,573	-	1,317,573	1,731,703	-	1,731,703
- Element of loss	525,682	-	525,682	(19,984)	-	(19,984)
Total proceeds on issuance of units	1,843,255	-	1,843,255	1,711,719	-	1,711,719
Redemption of 202,998,816 units (2023: 153,435,106 units):						
- Capital value (at net asset value per unit at the beginning of the period)	1,829,019	-	1,829,019	1,382,450	-	1,382,450
- Refund / adjustment on units as element of income	441,170	305,906	747,075	(1,700)	-	(1,700)
Total payments on redemption of units	2,270,189	305,906	2,576,095	1,380,751	-	1,380,751
Total comprehensive income / (loss) for the period	-	1,438,967	1,438,967	-	(79,622)	(79,622)
Net assets at end of the period	2,705,313	480,143	3,185,455	3,394,080	(712,391)	2,681,689
Undistributed income brought forward						
- Realised		(556,655)			-	
- Unrealised		(96,264)			(632,769)	
		(652,919)			(632,769)	
Accounting income available for distribution:						
- Relating to capital gains		1,085,293			-	
- Excluding capital gains		47,768			-	
		1,133,062			-	
Net loss for the period					(79,622)	
Undistributed loss carried forward		480,143			(712,391)	
Undistributed income carried forward						
- Realised		(312,516)			(587,985)	
- Unrealised		792,659			(124,406)	
		480,143			(712,391)	
Net assets value per unit at beginning of the period	9.01			9.10		
Net assets value per unit at end of the period	14.59			8.82		

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

	Nine months ended March 31,	
	2024	2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period before taxation	1,438,967	(79,622)
Adjustments for:		
Markup on balances with banks	(8,598)	(11,211)
Dividend income	(155,588)	(112,171)
Gain on sale of investments - net	(589,150)	(9,809)
Unrealised (appreciation) / diminution in value of investments classified as 'at fair value through profit or loss' - net	(792,659)	124,406
	(107,028)	(88,407)
Decrease / (Increase) in assets		
Investments	628,225	(339,526)
Advances, deposits and prepayments	288	545
Receivable against sale of investments	9,940	39,316
	638,452	(299,665)
(Decrease) / Increase in liabilities		
Payable to the Management Company	314	403
Payable to the Central Depository Company of Pakistan Limited - Trustee	72	28
Payable to Securities and Exchange Commission of Pakistan	(264)	(253)
Payable against purchase of investments	(10,251)	(14,916)
Accrued expenses and other liabilities	(2,387)	624
	(12,515)	(14,115)
Dividend and markup received	150,445	106,264
Net cash generated from / (used in) operating activities	669,354	(295,922)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	1,843,255	1,711,719
Payments on redemption of units	(2,576,095)	(1,380,751)
Net cash (used in) / generated from financing activities	(732,840)	330,968
Net (decrease) in cash and cash equivalents during the period	(63,486)	35,046
Cash and cash equivalents at beginning of the period	120,136	141,898
Cash and cash equivalents at end of the period	56,650	176,944

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

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 NINE MONTHS ENDED MARCH 31, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

Alhamra Islamic Stock Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited (now : MCB Investment Management Limited), as "Management Company" and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on October 26, 2004 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 28, 2002 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). Formation of the Fund as a closed-end fund was authorized by SECP on 13 May 2004, however with effect from 11 November 2010 the Fund was converted into open-end fund. 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 12, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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 Management Company and AHCL no longer holds any shares in the Management Company. Consequently, members of the Management Company in an Extra Ordinary General Meeting (EOGM) held on July 7, 2023 resolved via special resolution that the name of the Management Company be changed from MCB Arif Habib Savings and Investments Limited to MCB Investment Management Limited. Thereafter, the Management 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.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.

The Fund is categorised as "Shariah Compliant Islamic Equity Scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in listed equity securities. It also invests in cash instruments and treasury bills not exceeding 90 days maturity. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund.

The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Company is situated at 2nd Floor, Adamjee House, 1.1 Chundrigar Road, Karachi, Pakistan.

The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 06, 2023 to the Management Company.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

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. The accounting and reporting standards applicable in Pakistan 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 (the Act);
- Provisions of and directives issued under the Companies Act 2017 along with part VIIIA of the repealed Companies ordinance, 1984 ; and
- The NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed.

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

2.2. 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 March 31, 2024.

2.3. 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.

2.4. 'This condensed interim financial information is presented in Pakistani 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

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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

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.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are considered either not to be relevant or do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

4. FINANCIAL RISK MANAGEMENT

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.

		(Un-Audited)	(Audited)
		March 31,	June 30,
		2024	2023
	Note	----- (Rupees in '000) -----	
5. BALANCE WITH BANKS			
- in saving accounts	5.1	43,025	23,170
- in current accounts	5.2	13,624	96,966
		56,650	120,136

5.1 These carry markup at rates ranging between 18.5% to 21.30% (30 Jun 2023: 11.43% to 20.25%) per annum and include bank balance of Rs. 7.793 (30 June 2023: Rs. 82.548) million maintained with MCB Islamic Bank Limited (a related party). Above balances are held with the Islamic banks / Islamic windows operations of the conventional banks.

5.2 These include Rs. 9.683 (30 June 2023: Rs. 10.852) million held with MCB Bank Limited (a related party).

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

Note	(Un-Audited) March 31, 2024	(Audited) June 30, 2023
6.1	3,151,594	2,398,010
	<u>3,151,594</u>	<u>2,398,010</u>

6. INVESTMENTS

'At fair value through profit or loss'
Listed equity securities

6.1 Listed equity securities - 'At fair value through profit or loss'

Shares of listed companies - fully paid ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	Number of shares					Balance as at March 31, 2024			Market value		
	As at July 01, 2023	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at March 31, 2024	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments	As a paid up capital
Automobile Assembler											
Pak Suzuki Motors Company Limited	-	120,000	-	-	-	-	-	-	-	-	-
Automobile Parts & Accessories											
Thal Limited**	19,000	-	-	-	-	-	-	-	-	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

Name of the Investee Company	Number of shares						Balance as at March 31, 2024			Market value		
	As at July 01, 2023	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at March 31, 2024	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments	As a paid up capital	%
Cement												
Cherat Cement Company Limited	462,264	148,525	-	610,789	-	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited***	1,500,000	715,000	-	2,215,000	-	-	-	-	-	-	-	-
Fauji Cement Company Limited	17,250,000	1,512,500	-	8,432,500	10,330,000	182,221	59,140	5,72	5,78	5,78	0,42	0,42
Gharibalw Cement Ltd	600,000	-	-	600,000	-	-	-	-	-	-	-	-
Kohat Cement Company Limited	250,000	-	-	250,000	-	-	-	-	-	-	-	-
Lucky Cement Limited	320,000	313,872	-	163,372	470,500	286,147	73,776	11,30	11,42	11,42	0,15	0,15
Maple Leaf Cement Factory Limited	5,300,000	3,966,000	-	3,396,000	5,870,000	183,957	24,898	6,56	6,63	6,63	0,55	0,55
Pioneer Cement Limited	150,000	370,000	-	150,000	370,000	45,339	1,924	1,48	1,50	1,50	0,16	0,16
					17,040,500	638,525	798,263	159,738				
Chemicals												
Archroma Pakistan Limited	-	37,500	-	-	37,500	16,680	(1,197)	0,49	0,49	0,49	0,07	0,07
Dynea Pakistan Limited**	88,600	-	-	-	88,600	11,164	4,341	0,49	0,49	0,49	0,47	0,47
Lucky Core Industries Limited	-	45,325	-	-	45,325	30,630	8,235	1,22	1,23	1,23	0,05	0,05
Sitara Chemical Industries	-	50,000	-	-	50,000	12,253	1,141	0,42	0,42	0,42	0,23	0,23
					221,425	70,727	83,247	12,520				
Commercial Banks												
Faysal Bank Limited	3,000,000	1,963,566	-	386,247	4,577,319	108,680	47,178	4,89	4,95	4,95	0,30	0,30
Meezan Bank Limited	1,711,189	830,000	-	807,189	1,734,000	182,003	188,414	11,63	11,75	11,75	0,10	0,10
					6,311,319	290,683	526,275	235,592				
Engineering												
Aisha Steel Mills Limited	2,000,000	-	-	2,000,000	-	-	-	-	-	-	-	-
International Steels Limited***	-	870,444	-	430,142	440,302	20,919	28,893	0,91	0,92	0,92	0,10	0,10
Mughal Iron & Steel Industries Limited	1,300,000	1,133,795	-	609,266	1,824,529	102,145	12,928	3,61	3,65	3,65	0,60	0,60
					2,264,831	123,064	143,966	20,902				
Fertilizer												
Engro Fertilizer Limited	900,000	-	-	900,000	-	-	-	-	-	-	-	-
Engro Corporation Limited	515,000	-	-	515,000	-	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	2,566,000	2,784,000	-	5,350,000	-	-	-	-	-	-	-	-
					-	-	-	-				
Food & Personal Care Products												
National Foods Limited**	380,000	2,500	-	71,500	311,000	30,684	20,050	1,59	1,61	1,61	0,13	0,13
AT-TAHUR LIMITED	1,000,012	-	-	1,000,012	-	-	-	-	-	-	-	-
The Organic Meat Company Limited	1,500,375	-	-	1,500,375	-	-	-	-	-	-	-	-
					311,000	30,684	20,050					
Glass & Ceramics												
Shabbir Tiles & Ceramics Limited**	1,100,000	2,300,000	-	-	3,400,000	41,289	6,991	1,52	1,53	1,53	1,04	1,04
Tariq Glass Industries	-	130,747	-	-	130,747	11,373	14,063	0,44	0,45	0,45	0,08	0,08
					3,530,747	52,662	62,343	9,681				
Miscellaneous												
Pakistan Aluminium Beverage Cans Limited	-	125,000	-	-	125,000	8,241	654	0,28	0,28	0,28	0,03	0,03
Shifa International Hospitals	309,930	64,600	-	133,500	241,030	29,596	3,671	1,04	1,06	1,06	0,38	0,38
Synthetic Products Limited**	700,000	77,000	-	-	777,000	10,785	2,507	0,34	0,34	0,34	0,34	0,34
					1,143,030	46,115	52,947	6,832				

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

Name of the Investee Company	Number of shares						Balance as at March 31, 2024				Market value		
	As at July 01, 2023	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at March 31, 2024	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments	As a paid up capital		
----- (Rupees in '000) ----- % -----													
OIL & GAS EXPLORATION COMPANIES													
Mari Petroleum Company Limited	97,500	58,500	-	94,400	61,600	100,425	156,279	55,853	4.91	4.96	0.05		
Oil & Gas Development Company Limited	1,800,000	1,354,000	-	1,870,000	1,284,000	134,541	156,199	21,657	4.90	4.96	0.03		
Pakistan Petroleum Limited	1,400,000	2,623,000	-	3,088,000	935,000	79,302	99,250	19,948	3.12	3.15	0.03		
					2,280,600	314,268	411,727	97,459					
Oil And Gas Marketing Companies													
Attock Petroleum Limited	-	55,676	-	55,676	-	-	-	-	-	-	-		
Sui Northern Gas Pipelines Limited***	600,000	-	-	600,000	-	-	-	-	-	-	-		
Paper And Board													
Century Paper & Board Mills Limited	450,000	50,000	-	500,000	-	-	-	-	-	-	-		
Packages Limited	60,000	105,461	-	-	165,461	67,984	92,622	24,637	2.91	2.94	0.19		
					165,461	67,984	92,622	24,637					
Pharmaceuticals													
Agp Limited	-	640,374	-	-	640,374	45,098	47,529	2,431	1.49	1.51	0.23		
Citi Pharma limited	1,207,589	773,911	-	359,000	1,622,500	36,022	37,626	1,604	1.18	1.19	0.71		
Ferozsons Laboratories Limited	100,000	-	-	-	100,000	13,685	21,944	8,259	0.69	0.70	0.23		
Haleon Pakistan Limited	270,000	113,100	-	-	383,100	57,362	74,708	17,346	2.35	2.37	0.33		
Hightoon Laboratories Limited	138,747	20,000	-	91,700	67,047	23,188	34,156	10,968	1.07	1.08	0.13		
					2,813,021	175,355	215,963	40,608					
Power Generation & Distribution													
Hub Power Company Limited	1,520,000	1,675,198	-	675,198	2,520,000	206,570	305,600	99,031	9.59	9.70	0.19		
Nishat Chumian Power Limited	-	1,565,000	-	-	1,565,000	44,443	41,019	(3,424)	1.29	1.30	0.43		
					4,085,000	251,012	346,619	95,607					
Refinery													
Attock Refinery Limited	-	250,388	-	175,388	75,000	18,511	28,859	10,348	0.91	0.92	0.07		
					75,000	18,511	28,859	10,348					

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

		(Un-Audited) March 31, 2024	(Audited) June 30, 2023
Note		----- (Rupees in '000) -----	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Federal Excise Duty and related tax on	7.1		
- Management fee		5,689	5,689
- Sales load		125	125
Auditors' remuneration		615	591
Unclaimed dividends		12,236	12,236
Brokerage payable		65	519
Withholding tax payable		584	179
Charity / donation payable		3,642	5,735
Others		415	684
		23,371	25,758

7.1 Federal Excise Duty and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty, as reported in note 11.2 to the annual financial statements of the Fund for the year ended June 30, 2023. Had the provision for FED not been recorded in the condensed interim financial statements of the Fund, the net assets value of the Fund as at March 31, 2024 would have been higher by Re.0.03 (June 2023 Re.0.02) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2024 and June 30, 2023.

9. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management intends to distribute atleast 90% of income earned by the Fund in cash during the year ending June 30, 2023 to the unit holders therefore, no provision for taxation has been made in these condensed interim financial statements.

10. 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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

11. TOTAL EXPENSE RATIO

The Annualized total expense ratio of the Fund is 4.69% as on March 31, 2024 (March 31, 2023: 4.57%) and this includes 0.51% (March 31, 2023: 0.32%) representing Government Levy, Sindh Workers Welfare Fund (SWWF) and SECP fee.

12. TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

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

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

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

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

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

	For the Nine months ended March 31, 2024							
	As at July 01, 2023	Issued for cash	Redeemed	As at March 31, 2024	As at July 01, 2023	Issued for cash	Redeemed	As at March 31, 2024
	-	10,046,750	10,046,750	-	-	100,000	121,177	-
MCB INVESTMENT MANAGEMENT LIMITED- Management Company								
Group / associated companies								
Adamjee Insurance Company Limited - Amanat Fund	9,109,298	-	2,166,352	6,942,946	82,075	-	27,000	101,298
Adamjee Life Assurance Company Limited - IMF	141,109,001	-	21,256,456	119,852,545	1,271,392	-	273,500	1,748,649
Adamjee Insurance Company Limited - MAZAAF	25,907,727	-	3,465,529	22,442,198	233,429	-	43,000	327,432
D.G. Khan Cement Company Limited - Employees Provident Fund Trust	462,336	-	462,336	-	4,166	-	4,702	-
Hyundai Nishat Motor Private Limited Employees Provident Fund	1,613,687	420,721	450,013	1,584,395	14,539	4,500	5,450	23,116
Nishat Mills Limited	1,121,411	-	-	1,121,411	10,104	-	-	16,361
MCBFSL Trustee Alhamra Smart Portfolio Fund	2,905,771	-	697,312	2,208,460	26,181	-	8,363	32,221
Key management personnel*	1,210,982	4,849,671	4,642,359	1,418,294	10,911	57,381	53,209	20,693
Mandate under discretionary portfolio services*	17,248,544	7,587,570	10,801,691	14,034,423	155,409	83,743	117,143	204,762

* This reflects the position of related party / connected persons status as at March 31, 2024.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	For the Nine months ended March 31, 2023							
	As at July 01, 2022	Issued for cash	Redeemed	As at March 31, 2023	As at July 01, 2022	Issued for cash	Redeemed	As at March 31, 2023
MCB INVESTMENT MANAGEMENT LIMITED- Management Company	1,911,887	2,853,881	4,765,768	-	17,398	25,000	41,174	-
Group / associated companies								
Adamjee Insurance Company Limited - Amanat Fund	17,205,899	3,404,255	11,432,550	9,177,604	156,574	32,000	97,291	80,946
Adamjee Life Assurance Company Limited - IMF	72,848,990	85,506,718	-	158,355,708	662,927	766,545	-	1,396,697
Adamjee Insurance Company Limited - MAZAAF	41,547,236	-	13,935,340	27,611,896	378,080	-	125,000	243,537
D.G. Khan Cement Company Limited - Employees Provident Fund Trust	462,336	-	-	462,336	4,207	-	-	4,078
Hyundai Nishat Motor Private Limited Employees Provident Fund	167,542	1,446,145	-	1,613,687	1,525	13,000	-	14,233
Nishat Mills Limited	1,121,411	-	-	1,121,411	10,205	-	121,000	9,891
Asghari Beg Memorial Trust	368,021	-	368,021	-	3,349	-	3,364	-
MCBFSL Trustee Alhamra Smart Portfolio Fund	3,869,444	374,761	976,093	3,268,112	35,212	3,327	9,042	28,825
Key management personnel*	1,902,151	11,033,808	11,649,379	1,286,579	16,787	101,045	106,839	11,348
Mandate under discretionary portfolio services*	5,210,449	24,507,122	11,027,740	18,689,831	45,891	220,304	99,299	164,844

----- Units ----- (Rupees in '000) -----

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

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

	(Unaudited) March 31, 2024	(Unaudited) March 31, 2023
	----- (Rupees in '000) -----	
MCB Investment Management - Management Company		
Remuneration (including indirect taxes)	70,515	43,726
Allocated expenses	2,672	1,935
Shariah advisory fee	398	541
Selling and marketing expenses	13,967	25,151
Central Depository Company of Pakistan Limited - Trustee		
Remuneration including indirect taxes	3,421	3,023
Settlement charges including indirect taxes	278	100
Group / associated companies		
MCB Bank Limited		
Bank charges	3,642	19
Profit Recieved	3,035	651
D.G Khan Cement Limited		
Purchase of 715,000 (2023: 646,000) shares	39,841	37,783
Sales of 2,215,000 (2023: 1,146,000) shares	154,347	61,622
Dividend income	-	600
Nishat Mills Limited		
Purchase of Units 1,194,354 (2023: 583,020) shares	86,608	35,866
Sales of Units 754,000 (2023: 1,418,020) shares	48,004	89,262
Dividend income	-	1,000
International Steels Limited		
Purchase 870,444 (2023: Nil) shares	41,355	-
Sales of 430,142 (2023: Nil) shares	30,629	-
Dividend Income	3,259	-

12.3 Amount outstanding as at period end / year end

MCB Investment Management Limited - Management Company		
Remuneration payable	8,094	4,102
Sindh Sales Tax payable on remuneration of the Management Company	1,052	533
Sales load payable	223	-
Shariah advisory fee payable	148	50
Payable against allocated expense	242	205
Payable against selling and marketing expenses	3,924	8,479
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	396	324
Security deposit	300	300
Group / associated companies		
MCB Bank Limited		
Bank balance	3,001	10,852
MCB Islamic Bank Limited		
Bank balance	9,683	82,548
D. G. Khan Cement Company Limited		
Nil (June 30, 2023: 1,500,000) shares held	-	76,950
Nishat Mills Limited		
890,354 (June 30, 2023: 450,000) shares held	59,057	25,547
International Steels Limited		
440,302 (June 30, 2023: Nil) shares held	28,893	-

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

13. GENERAL

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

13.2 Certain prior period's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are material re-arrangements / re-classifications to report.

14 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. 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).

15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 22, 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

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