

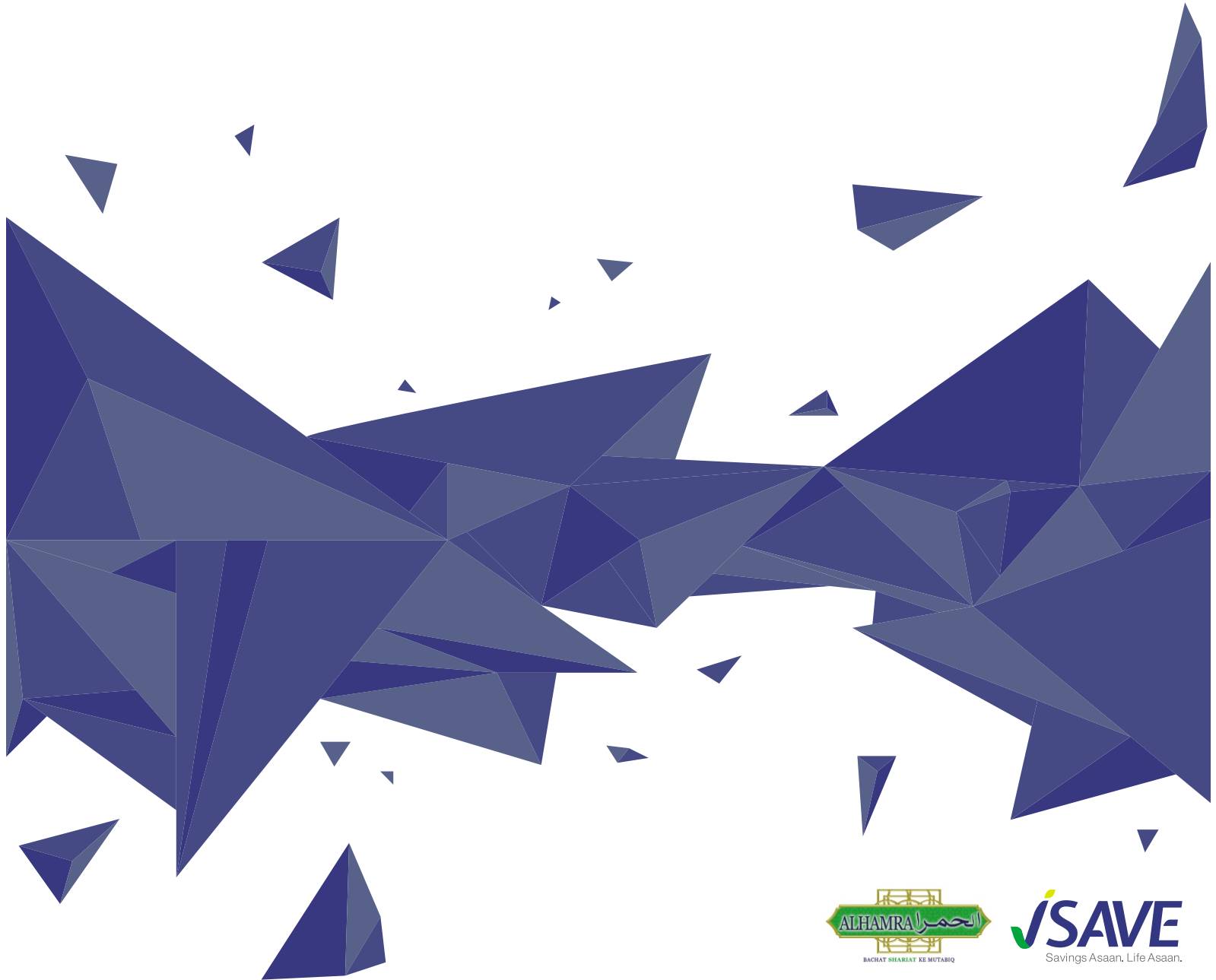


MCB FUNDS
Investments for Life

QUATERLY REPORT

MARCH
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



ALHAMRA ISLAMIC ACTIVE ALLOCATION 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	Digital Custodian Company Limited 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.co	
Bankers	MCB Bank Limited Dubai Islamic Bank Limited	
Auditors	BDO Ibrahim & Co. Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed 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 Smart Portfolio** 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 macroeconomic indicators after Pakistan entered into the new IMF program. Market participants also cheered the successful

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

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 under review, the fund posted a return of 24.25% against 18.24% for the benchmark. The fund was 3.2% invested in Cash, 23.9% in Alhamra Islamic Stock Fund and 72.9% in Alhamra Islamic Income Fund as at March 31, 2024.

The Net Assets of the Fund as at March 31, 2024 stood at Rs. 130 million as compared to Rs. 115 million as at December 31, 2023 registering an increase of 13.04%.

The Net Asset Value (NAV) per unit as at March 31, 2024 was Rs. 124.5520 as compared to opening NAV of Rs. 110.3383 per unit as at June 30, 2023 an increase of Rs. 14.2737 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 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.

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

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.

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.

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

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 سبقت 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، سیکیورٹیز 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

Manzoor 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 ہو 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 برآں، فیکسڈ 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 صورتحال 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۔

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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 گریڈی کے گزشتہ قرض کی ادائیگی تھی جس کی بدولت نقد کی آمدورفت میں بہتری آئے گی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 24.25 فیصد منافع پوسٹ کیا، بالمتقابل مقررہ معیار 18.24 فیصد منافع کے۔ 31 مارچ 2024ء کو فنڈ کی سرمایہ کاری 3.2 نقد میں، 23.9 فیصد الحمراء اسلامک اسٹاک فنڈ میں، اور 72.9 فیصد الحمراء اسلامک انکم فنڈ میں تھی۔

31 مارچ 2024ء کو فنڈ کے net اثاثہ جات 130 ملین روپے تھے، جو 30 جون 2023ء کی سطح 115 ملین روپے کے مقابلے میں 13.04 فیصد اضافہ ہے۔

31 مارچ 2024ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 124.5520 روپے تھی، جو 30 جون 2023ء کو ابتدائی این اے وی فی یونٹ 110.3383 روپے کے مقابلے میں 14.2737 روپے فی یونٹ اضافہ ہے۔

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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

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عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسمارٹ پورٹ فولیو اکاؤنٹس نو ماہ مختتمہ 31 مارچ 2024ء (آغاز کردہ 11 جون 2021ء) کا جائزہ پیش خدمت ہے۔

معیشت اور بازار زر 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 اگریمینٹ (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 صورت حال 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 ملک 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 کثیرالجہتی ذرائع سے آمدات کی بدولت بڑھ کر مارچ 2024ء تک 8.0 بلین ڈالر ہو گئے جس کی بدولت ملک کی خارجی صورت حال 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)-----	
		Alhamra Smart Portfolio	Alhamra Smart Portfolio
ASSETS			
Balances with banks	4.	4,160	6,789
Investments	5.	126,258	108,347
Mark-up receivable		49	85
Total assets		130,467	115,221
LIABILITIES			
Payable to MCB Investment Management Limited Investments Limited - Management Company		6	18
Payable to Digital Custodian Company Limited - Trustee		24	24
Payable to the Securities and Exchange Commission of Pakistan (SECP)	7	10	24
Accrued expenses and other liabilities	8	467	436
Total liabilities		507	502
NET ASSETS		129,960	114,719
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		129,960	114,719
NUMBER OF UNITS IN ISSUE		1,043,423	1,039,702
NET ASSET VALUE PER UNIT		124.5520	110.3383

The annexed notes 1 to 16 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, 2024		Quarter Ended March 31, 2023	
		Alhamra Smart Portfolio	Alhamra Smart Portfolio	Alhamra Smart Portfolio	Alhamra Smart Portfolio
INCOME					
	Note				
Gain on sale of investments - net		3,056	1,326	623	80
Net unrealised appreciation on re-measurement of investments classified as 'at fair value through profit or loss'	5.1	24,013	6,862	4,709	2,967
Mark-up on balances with bank		517	629	153	201
Total income		27,585	8,817	5,484	3,248
EXPENSES					
Remuneration of the Management Company		52	63	16	20
Sindh sales tax on remuneration of the Management Company		7	8	2	2
Remuneration of the Trustee		188	188	62	62
Sindh sales tax on remuneration of the Trustee		24	24	8	8
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		87	19	87	6
Allocated expenses	6.3	29	94	0	29
Auditors' remuneration		504	390	172	127
Printing charges		67	27	17	13
Settlement and bank charges		4	2	0	2
Listing fee		-	21	-	8
Legal and professional charges		177	157	83	76
Total expenses		1,139	992	447	352
Net income for the period before taxation		26,446	7,825	5,037	2,896
Taxation	10.	-	-	-	-
Net income for the period		26,446	7,825	5,037	2,896
<i>Allocation of net income for the period:</i>					
Net income for the period		26,446	7,825		
Income already paid on units redeemed		(1,082)	(957)		
		25,364	6,868		
<i>Accounting income available for distribution:</i>					
- Relating to capital gains		25,364	6,868		
- Excluding capital gains		-	-		
		25,364	6,868		
Earnings per unit	11.				

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



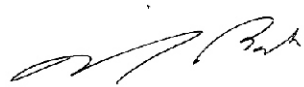
Director

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

	<u>Nine Months ended March 31, 2024</u>		<u>Quarter ended March 31, 2023</u>	
	<u>Alhamra Smart Portfolio</u>	<u>Alhamra Smart Portfolio</u>	<u>Alhamra Smart Portfolio</u>	<u>Alhamra Smart Portfolio</u>
Net income for the period	26,446	7,825	5,037	2,896
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>26,446</u>	<u>7,825</u>	<u>5,037</u>	<u>2,896</u>

The annexed notes 1 to 16 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**

Alhmara Smart Portfolio						
	Capital Value	Undistributed (loss) / income	Total	Capital Value	Undistributed (loss) / income	Total
Net assets at the beginning of the period	104,077	10,642	114,719	145,277	132	145,409
Issue of 85,109 units (2023: 60,455 units)						
- Capital value (at net assets value per unit at the beginning of the period)	8,532	-	8,532	6,055	-	6,055
- Element of income	1	-	1	335	-	335
	8,533	-	8,533	6,390	-	6,390
Redemption of 81,388 units (2023: 370,788 units)						
- Capital value (at net assets value per unit at the beginning of the period)	(8,159)	-	(8,159)	(37,138)	-	(37,138)
- Amount paid out of element of income relating to 'Net income for the period after taxation'	(5)	(1,082)	(1,086)	60	(957)	(897)
Final Dividend paid during the Period at the rate of 1.4341 per unit	(10,493)	-	(10,493)			
	(18,656)	(1,082)	(19,738)	(37,078)	(957)	(38,035)
Total comprehensive income for the period	-	26,446	26,446	-	7,825	7,825
Net assets at end of the maturity/period	93,954	36,006	129,960	114,589	7,000	121,589
Undistributed (loss) / income brought forward comprising of:						
- Realised		10,093			3,131	
- Unrealised		549			(2,999)	
		<u>10,642</u>			<u>132</u>	
Accounting income available for distribution:						
- Relating to capital gains		25,364			6,868	
- Excluding capital gains		-			-	
		<u>25,364</u>			<u>6,868</u>	
Distribution during the period		-			-	
Undistributed income carried forward		<u>36,006</u>			<u>7,000</u>	
Undistributed income / (loss) carried forward comprising of:						
- Realised		11,994			138	
- Unrealised		24,013			6,862	
		<u>36,006</u>			<u>7,000</u>	
		-- (Rupees) --			-- (Rupees) --	
Net assets value per unit at beginning of the period	<u>110.3383</u>			<u>100.1599</u>		
Net assets value per unit at end of the period	<u>124.5520</u>			<u>106.5227</u>		

The annexed notes 1 to 16 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 FLOWS STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	Nine Months ended March 31, 2024	
	Alhamra Smart Portfolio	Alhamra Smart Portfolio
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	26,446	7,825
Adjustments for non cash and other items:		
Profit on balances with bank	(517)	(629)
Gain on redemption of investments - net	(3,056)	(1,326)
Net unrealised (gain) / loss on re-measurement of investments classified as ' at fair value through profit or loss'	(24,013)	(6,862)
	(27,585)	(8,817)
Decrease in assets		
Investments	9,157	31,367
Advance and other receivables	-	(7)
	9,157	31,360
Increase / (Decrease) in liabilities		
Payable to MCB Investment Management Limited and Investments - Management Company	(12)	(3)
Payable to Digital Custodian Company Limited - Trustee	(0)	-
Payable to the Securities and Exchange Commission of Pakistan (SECP)	(14)	(15)
Accrued expenses and other liabilities	31	11
	5	(7)
Profit received on balances with bank	553	631
Net cash generated from operating activities	8,576	30,992
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	8,533	6,390
Amount paid on redemption of units	(19,738)	(38,035)
Net cash (used in) / generated from financing activities	(11,205)	(31,645)
Net (decrease) / increase in cash and cash equivalents during the period	(2,629)	(653)
Cash and cash equivalents at the beginning of the period	6,789	7,532
Cash and cash equivalents at the end of the period	4,160	6,879

The annexed notes 1 to 16 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 (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al-Hamra Islamic Active Allocation Fund (the Fund) was established under a Trust Deed dated, November 25, 2016, executed between MCB Arif Habib Savings and Investments Limited (Now: MCB Investment Management Limited) as Management Company and Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 02, 2016 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008). The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 13, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 In April 2023, MCB Bank Limited acquired the entire shareholding of Arif Habib Corporation Limited (AHCL) in MCB Arif Habib Savings and Investments Limited after which the shareholding of MCB Bank Limited has increased from 51.33% to 81.42% in the Company and AHCL no longer holds any shares in the Company. Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 7, 2023 resolved via special resolution that the name of the Company be changed from MCB Arif Habib Savings and Investments Limited to MCB Investments Management Limited. Thereafter, the Company applied to SECP, for approval of change of name, which was granted on August 15, 2023 and as such, the change of name became effective from that date.
- 1.4 The Fund commenced its operations from December 29, 2016. The Fund is an open-end Shariah Compliant Fund of Funds that shall invest in other Shariah compliant Collective Investment Schemes as specified in the Investment Policy contained in the offering document and SECP circular No. 7 of 2009, as may be amended or substituted from time to time. The units of the Fund are redeemable subject to a contingent load.
- 1.5 The duration of the Fund is perpetual however, Allocation Plans launched may have a set time frame. The Fund commenced its operations from December 29, 2016 and on that date, had offered one type of Allocation Plan (Plan-I) which matured on December 28, 2020. On June 16, 2017, the Fund launched Allocation Plan-II which matured on June 16, 2021. The Management Company has settled the unit holders of Plan-I and Plan-II. On June 10, 2021, the Fund launched Alhamra Smart Portfolio. The Fund is allowed to invest in Shariah Compliant Collective Investment Schemes or in cash and / or near cash instruments as allowed under circular no. 7 of 2009 dated March 06, 2009 issued by the SECP.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 06, 2023 (2022: 'AM1' dated October 6, 2022) to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as 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 VIIIA of the repealed Companies Ordinance, 1984; and
- The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, 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 the requirements of the Trust Deed have been followed.

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2023. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2024 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2023, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2023.

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

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.

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

These condensed interim financial statements are presented in Pakistani Rupee, which is the functional and presentation currency of the Fund.

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.

3.2 The preparation of these 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 recognized prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2023.

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

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.

		(Un-audited) March 31, 2024	(Audited) June 30, 2023
4. BALANCES WITH BANKS	Note	Alhamra Smart Portfolio	
In current accounts	4.1	799	1,382
In saving accounts	4.2	3,361	5,407
		4,160	6,789

4.1 This account is maintained with MCB Bank Limited, a related party.

4.2 These carry mark-up at rates ranging to 18.5 % per annum (June 2023: 12.25 % to 19% per annum).

		(Un-audited) March 31, 2024	(Audited) June 30, 2023
5. INVESTMENTS	Note	Alhamra Smart Portfolio	
Investments at fair value through profit or loss Financial assets 'at fair value through profit or loss' - net			
- Units of open-end mutual funds	5.1	126,258	108,347

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

5.1 Units of open-end mutual funds

Name of the fund	Number of units			Balances as at March 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 01, 2023	Purchased during the period	Redemption during the period	As at March 31, 2024	Carrying value	Unrealised (loss) / gain		
Alhamra Smart Portfolio - related parties								
Alhamra Islamic Stock Fund	2,905,771	-	767,174	2,138,597	19,290	11,912	24.01%	24.71%
Alhamra Islamic Income Fund	798,631	84,743	82,746	800,628	82,955	12,101	73.14%	75.29%
Total as at March 31, 2024 (Un-audited)					102,245	126,258		24,013
Total as at June 30, 2023 (Audited)					107,798	108,347		549

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

	March 31, 2024 (Un audited)	June 30, 2023 (Audited)
	Alhamra Smart	Alhamra Smart
	-----Rupees in '000-----	
6. PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED- MANAGEMENT COMPANY		
Management remuneration payable	6.1 5	8
Sindh sales tax payable on management remuneration	6.2 1	1
Payable against allocated expenses	6.3 -	9
	<u>6</u>	<u>18</u>

- 6.1** The Management Company charged management fee at the rate of up to 10% on accrued bank mark-up calculated on daily basis.. The remuneration is paid to the Management Company on a monthly basis in arrears.
- 6.2** Sindh sales tax on remuneration of the management company has been charged at the rate of 13%.
- 6.3** The Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, 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.

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

In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) on annual basis at the rate of 0.02% of average Net Assets of Collective investment Scheme calculated on daily basis. Effective from July 1, 2023, the SECP vide SRO No. 592(I)/2023 dated May 17, 2023, revised the rate of annual fee to from 0.02% to 0.095% of net assets. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

	(Un-audited) March 31, 2024	(Audited) June 30, 2023
	Alhamra Smart Portfolio	
	Note ----- (Rupees in '000) -----	
8 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	346	356
Payable to legal advisor	25	39
Printing Charges Payable	96	41
	<u>467</u>	<u>436</u>

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

9 CONTINGENCIES AND COMMITMENTS

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

10. TAXATION

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

11. EARNINGS / (LOSSES) 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.

12 EXPENSE RATIO

The annualized total expense ratio (TER) of the Fund based on the current period results is 1.24% (March 31, 2023: 1.07%) which includes 0.13% (March 31, 2023: 0.07%) representing Government Levy, Sindh Worker's Welfare Fund and SECP Fee.

13 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, MCB Islamic Bank Limited (being 100% subsidiary of the Holding Company), the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration of the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration of the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

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

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

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

For the nine months ended March 31, 2024 (Un-audited)							
As at July 01, 2023	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at March 31, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at March 31, 2024
(Number of units)			(Rupees in '000)				

13.1 Unit Holders' Fund

Alhamra Smart Portfolio

Group / associated companies	865,359	74,051	-	939,410	95,482	7,423	117,005
MCB Investment Management Limited							

For the nine months ended March 31, 2023 (Un-audited)							
As at July 01, 2022	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at March 31, 2023	As at July 01, 2022	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at March 31, 2023
(Number of units)			(Rupees in '000)				

Alhamra Smart Portfolio

Group / associated companies	1,207,021	-	341,662	865,359	120,895	-	35,000
MCB Investment Management Limited							

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

	(Un-audited)	
	March 31, 2024	March 31, 2023
Alhamra Smart Portfolio		
----- (Rupees in '000) -----		
13.2 Transactions during the period:		
MCB Investment Management Limited - Management Company		
Remuneration of the Management Company	52	63
Sindh sales tax on remuneration of the Management Company	7	8
Allocated expense	29	94
Digital Custodian Company Limited - Trustee		
Remuneration of the Trustee	188	188
Sindh sales tax on remuneration of Trustee	24	24
MCB Bank Limited - Parent of the Management Company		
Bank charges	2	-
Alhamra Islamic Stock Fund		
Purchase of Nil (2023: 374,761) units	-	3,327
Redemption of 767,174 (2023: 976,092) units	9,360	9,042
Alhamra Islamic Income Fund		
Purchase of 84,743 (2023: 134,557) units	9,360	14,419
Redemption of 82,746 (2023: 379,954) units	9,157	40,070

	(Un-audited)	(Audited)
	March 31, 2024	June 30, 2023
Alhamra Smart Portfolio		
----- (Rupees in '000) -----		
13.3 Balances outstanding at period end:		
MCB Investment Management Limited - Management Company		
Management remuneration payable	5	8
Sindh sales tax payable on management company remuneration	1	1
Payable against allocated expenses	-	9
Digital Custodian Company Limited - Trustee		
Trustee remuneration payable	21	21
Sindh sales tax payable on trustee remuneration	3	3
MCB Bank Limited - Parent of the Management Company		
Balances with bank - current account	799	1,382
Alhamra Islamic Stock Fund - Fund under common management		
Outstanding 2,138,597 and (2023: 2,905,771) units (investments made by the Fund)	31,202	26,210
Alhamra Islamic Income Fund - Fund under common management		
Outstanding 800,628 and (2023: 798,631) units (investments made by the Fund)	95,056	82,137

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

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or Financial assets which are tradeable in an open market are revalued at market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

14.1 Fair value hierarchy

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

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

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

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

15 GENERAL

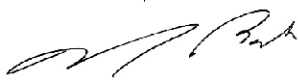
15.1. Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.

15.2. 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 were no material reclassifications to report.

16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized 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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