

MONEY MATTERS



MCB-ARIF HABIB
Savings and Investments Limited

Fund Manager's Report

JULY 2017



DEAR INVESTORS,

Assalam-o-Alaikum and greetings from your preferred Fund Manager!

Thank you for taking out your time to review our Fund Manager's report for the month of July 2017. We extend our earnest gratitude to our investors for their continuous confidence and faith in us. It is your trust which drives and motivates us to provide you with increasingly innovative products and services.

To review the Fiscal Year 2017, we will discuss the performance of the different asset classes with you in this report.

The fiscal year ended on June 2017 has remained volatile due to major economic and political developments in the country. Pakistan's inclusion in MSCI as well as the political dynamics concerning the JIT verdicts for Panama Case have caused a considerable amount of variations in the market behaviour. While the index lost 8.0% during the month of June'17, it managed to post a gain of 23.2% over the year.

Speaking of our funds, the Pakistan Stock Market Fund (PSM) posted a return of 29.5% which is 6.3% above the benchmark while Alhamra Islamic Stock Fund posted a return of 30.0%, compared to the benchmark return of 18.8%, outpacing the benchmark by a healthy 11.2%. Both of these have also beaten the PSX 100 index well and offered investors better returns than the market.

The low interest rate environment due to stable USD PKR parity and low inflationary pressure kept interest rates in the lower range returns for money markets. Hence, fixed income returns remained in the range of 6-8%.

We are also pleased to announce that according to MUFAP (Mutual Funds Association of Pakistan), the Al Hamra Islamic Income Fund is the best performing Islamic Income Fund in Pakistan over a 365 day period ended July 31, 2017.

These returns are a testament to our teams capabilities and our dedication to serve you.

Team MCB-AH has also been striving hard all year to enhance your customer experience through new services and branches. iSAVE, a completely online investment portal has been introduced to make your investment transactions seamless and much more convenient. New branches have been launched in Lahore, Peshawar and Gujrat to extend a wider horizon of accessibility to our valued customers. We have also launched a 24/7 helpline to assist you with all your investment related concerns and queries.

We hope that with these changes and additions we can continue to serve you better and our mutual trust grows stronger. For investment related queries and feel free to contact us at our 24/7 helpline 0800-622-24 or email us at info@mcbah.com to speak to our helpful support team that is always ready to help you.



Muhammad Saqib Saleem

Chief Executive Officer



MACRO-ENVIRONMENT REVIEW AND OUTLOOK

The first month of fiscal year 2018 began with benign inflation of 2.9% primarily driven by lower than anticipated food inflation. For full year FY18 we expect average inflation to remain well anchored between 4.25%-4.5%.

SBP in its recent monetary policy statement kept discount rate stable citing low inflationary pressures, growing demand and in their view, manageable balance of payment.

Large scale manufacturing sector has recorded growth of 5.48% for 11MFY17 with major contribution coming from automobiles, construction and consumer goods. Next year, we remain optimistic on LSM growth as work on various CPEC projects gets underway and capacity expansion of local industries come online.

Current Account remains a sour point to an otherwise rosy outlook of Pakistan's growth outlook. We have growing reservations on increasing CA deficit and depleting Foreign exchange reserves. Growing imports, falling exports, and slowing remittances are all points of concern, added to which, the political instability of the election year may hinder government's ability to raise financing for both multilateral and bilateral sources to contain deficit. FY18 will be a tough year for PKR, we foresee rising pressure on PKR/USD parity.

EQUITY MARKET REVIEW AND OUTLOOK

The new fiscal year started with heightened political uncertainty having a tumultuous effect on the stock market which remained choppy throughout the month. The outcome of Panama case provided an unexpected twist to Pakistan's story, resulting in Prime minister's disqualification. The benchmark index lost -6% by the mid of the month before recouping its losses to finish the month at 46,010 pts (down -1% MoM).

Foreigners continued to offload their positions in Pakistan, liquidating USD 37.9 million worth of equities while on the local side Insurance companies (USD 39.3 million) and Banks (USD 21 million) remained the major buyers. Average volumes decreased by -31% to 175 million shares while value traded decreased by -24% to PKR 9.6 billion.

Oil and Gas Exploration companies rallied by 13% due to surge in oil prices by -11% during the month. Alongside, a major announcement in the form of re-pricing of Sui field from 2001 pricing policy to 2012 pricing policy triggered a rally in Pakistan Petroleum Limited ("PPL"). On the other hand, Cements and Autos remained the major underperformers losing 7.8% and 7.5% respectively. Cement sector continued its lackluster performance mainly on the basis of disappointing dispatches(-19% YoY) in the month of June and concerns over future pricing discipline on upcoming capacity expansions of -5 Mn tons in the next 6-7 months in the Southern region. After posting an astounding return of 98% during the FY17, Autos witnessed sharp correction along with dampened sentiments due to anticipated pressure on USD-PKR parity as external account continued to deteriorate.

Going forward, we expect market to remain volatile albeit continuing its positive trajectory in the medium term as the pressure on external account mounts. After a certain currency adjustment, we expect active foreign investors to take interest in the local bourse as our market remains relatively cheap compared to its peers (25% discount to emerging market group). Alongside, Pakistan continues to remain highlighted in the international arena owing to smooth execution of CPEC projects and continued growth. Thus, we advise local investors to remain long and build exposure on any weakness.

MONEY MARKET REVIEW AND OUTLOOK

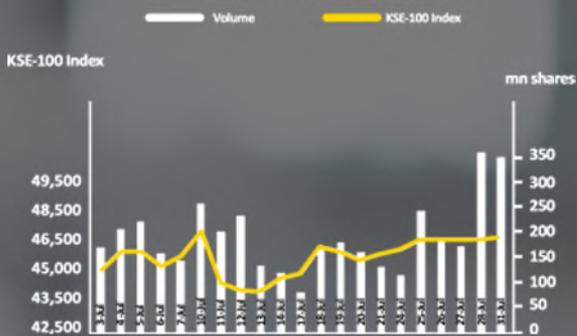
During the month of July 2017, yield curve of bonds moved in the upward trajectory owing to uncertainties on the political front along with increasing concerns on the external front. Huge liquidity emerged after the T-bill and PIB maturity of PKR -1.3 trillion. However due to a precarious external account, most of the activity was limited to T-bills with maturity lesser than 90 days. In the latest PIB auction, participation was limited at PKR 75 billion against a target of PKR 100 billion, out of which 3 years PIB received majority bids amounting to PKR 35 billion, whereas 5 years PIB and 10 years PIB received PKR 15 billion and 24 billion respectively. SBP accepted bids worth PKR 23.3 billion in 3 years, while it accepted PKR 10.1 and 22.1 billion in 5 year and 10 year bonds. The cutoff yields were traced at 6.4091%, 6.8961% and 7.9360% for tenor 3, 5 and 10 years respectively. In the MTB auction, the cut off was maintained for 3, 6 months and 1 year at 5.9910, 6.0109% and 6.0386% respectively. The target for the auction was set at PKR 650 billion, whereas huge participation of PKR 1.1 trillion was witnessed out of which a total of around PKR 1.091 trillion was accepted, thus utilizing a huge liquidity in the market.

On back of strong real GDP growth and low inflation, monetary policy committee kept the policy rate at 5.75%. Going forward, worsening external account will pose the biggest challenge to the economy, while the management of external flows will remain contingent on the government's capacity to fetch inflows from various sources. We believe interest rates have bottomed out and will move in the upward direction, albeit under a managed range.

Discount Rate vs. CPI Inflation



KSE During July 2017



SHARI'AH

COMPLIANT

SCHEMES

General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant (Islamic) Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	AA-(f) by PACRA (12-Jul-17)
Risk Profile	Low
Launch Date	20-Jun-2011
Fund Manager	Syed Mohammad Usama Iqbal
Trustee	Central Depository Company of Pakistan Limited
Auditor	A.F.Ferguson & Co. Chartered Accountants
Management Fee	10% of Gross Earnings subject to minimum fee of 0.25% of average daily Net Assets
Front / Back end Load*	Class "A" Units: Individual ----- 1.5% Corporate ----- Nil Class "B" Units ----- 0% Bachat Units ----- Nil
Back end Load*	Class "A" Units ----- 0% Class "B" Units: 1.5% on redemption in the first (1st) year from the date of investment 1.0% on redemption in the second (2nd) year from the date of investment 0.0% on redemption after completion of two (2) years from the date of investment Bachat Units: 3% if redeemed before completion of two years from the date of initial investment. 0% if redemption after completion of two years from the date of initial investment Growth & Bachat Units ----- PKR 500 Income Units ----- PKR 100,000
Min. Subscription	
Listing	Pakistan Stock Exchange
Benchmark	Six (6) months average deposits rates of three (3) A rated Scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)
Leverage	Nil
*Subject to government levies	

Investment Objective

To generate risk adjusted returns by investing in short, medium and long-term Shariah Compliant Fixed Income instruments.

Manager's Comment

During the month the fund generated an annualized return of 2.88% as against its benchmark return of 2.39%. The fund decreased its exposure in certificate of Modaraba to 4.4% while increased its exposure in Musharaka to 7.5% from 6.0%. Exposure in cash also decreased from 46.0% to 34.7%.

Fund Facts / Technical Information

NAV per Unit (PKR)	101.3230
Net Assets (PKR M)	2,167
Weighted average time to maturity (Years)	2.3
Sharpe Ratio	0.14
Correlation	9.4%
Standard Deviation	0.05
Total expense ratio with government levy**	0.10%
Total expense ratio without government levy	0.08%

**This includes 0.02% representing government levy, Sindh workers' welfare fund and SECP Fee.

Top Sukuk Holding (% of Total Assets)

Dubai Islamic Bank Pakistan Limited - PPTFC	6.91%
Meezan Bank Limited (22-Sep-16)	4.61%
Ghani Gases Limited (2-Feb-17)	4.28%
Engro Fertilizer Limited (9-Jul-14)	3.79%

Others

Provision against Sindh Workers' Welfare Fund's liability

ALHIIF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 2.04 million, if the same were not made the NAV per unit of ALHIIF would be higher by Rs. 0.0954 and YTD return would be higher by 0.09%. For details investors are advised to read Note 7.2 of the latest Financial Statements for the nine months ended March 31, 2017 of ALHIIF.

Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager - Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

MCBAH Shariah Supervisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

Asset Allocation (%age of Total Assets)

Particulars	Jul-17	Jun-17
Cash	34.7%	46.0%
GoP Ijara Sukuks	24.2%	27.4%
Sukuk	19.6%	14.9%
Certificate of Musharakah	7.5%	6.0%
Certificate of Modaraba	4.4%	5.0%
Others including receivables	0.7%	0.7%
Shariah Compliant Bank Deposits	8.9%	0.0%

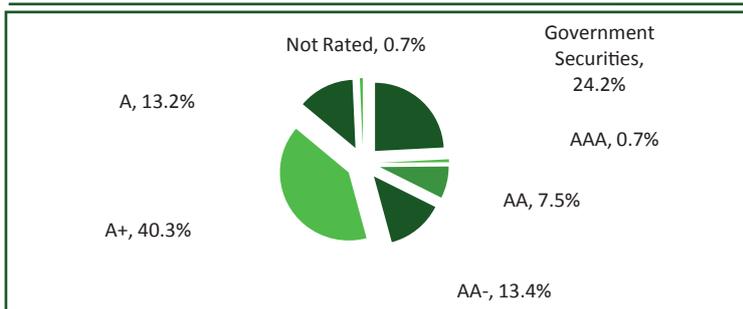
Performance Information (%)

Particulars	ALHIIF	Benchmark
Year to Date Return (Annualized)	2.88%	2.39%
Month to Date Return (Annualized)	2.88%	2.39%
180 Days Return (Annualized)	4.89%	2.59%
365 Days Return (Annualized)	6.35%	3.13%
Since inception (CAGR)	7.55%	6.29%
Average Annual Return (Geometric Mean)	4.52%	-

Annualized

Particulars	2013	2014	2015	2016	2017
Benchmark (%)	6.30	6.09	6.29	4.42	3.31
ALHIIF (%)	8.90	8.38	6.55	5.05	6.49

Asset Quality (%age of Total Assets)



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MUFAP's Recommended Format

General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant Islamic Asset Allocation Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	2-May-2006
Fund Manager	Awais Abdul Sattar, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	2% per annum of the average daily Net Assets of the scheme
Front end Load *	Type A Units: Individual 3% Corporate Nil
Back end Load*	Type B Units: Nil Type C Units (Bachat Units) : Nil Type A Units --- NIL Type B Units 3.0% for first year after investment 2.0% for second year after investment 1.0% for third year after investment NIL for redemptions after completion of 3 years from investment Type C-Bachat Units Bachat Units (Two Years): 3% if redeemed before completion of two years from the date of initial investment. 0% if redemption after completion of two years from the date of initial investment. Bachat Units (Three Years): 3% if redeemed before completion of three years from the date of initial investment. 0% if redemption after completion of three years from the date of initial investment.
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	KMI 30 Index and Six (6) months average deposit rates of three (3) A rated scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP on the basis of actual proportion held by the Scheme
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)
Leverage	Nil
	*Subject to government levies

Investment Objective

The objective of the fund is to provide medium to long term capital appreciation through investing in Shariah compliant investments in Pakistan and Internationally.

Manager's Comment

The fund posted a return of -0.17% as against its benchmark return of 0.59% during the month. Exposure in equities was increased to 52.00% as compared to 43.2% in the previous month while allocation in cash decreased to 38.0% from 56.1% over the same period.

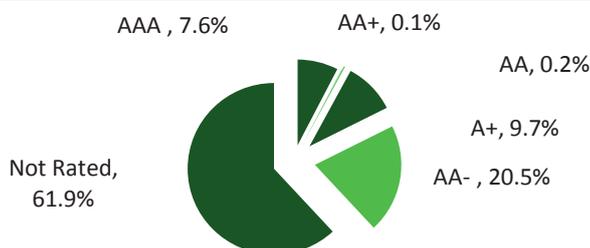
Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Mohammad Aitazaz Farooqui	Research Analyst

MCBAH Shariah Supervisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

Asset Quality - Inclusive of equity portfolio (%age of Total Assets)



Others

Provision against Sindh Workers' Welfare Fund's liability

ALHAA has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 7.47 million, if the same were not made the NAV per unit of ALHAA would be higher by Rs. 0.3534 and YTD return would be higher by 0.48%. For details investors are advised to read Note 6.2 of the latest Financial Statements for the nine months ended March 31, 2017 of ALHAA.

Asset Allocation (%age of Total Assets)

Particulars	Jul-17	Jun-17
Cash	38.0%	56.1%
Stock /Equities	52.0%	43.2%
Sukuk	0.1%	0.1%
Others including receivables	9.9%	0.6%

Performance Information (%)

Particulars	ALHAA	Benchmark
Year to Date Return	-0.17%	0.59%
Month to Date Return	-0.17%	0.59%
180 Days Return	-1.61%	-5.79%
365 Days Return	20.47%	12.27%
Since inception	304.73%	449.87%

	2013	2014	2015	2016	2017
Benchmark (%)	46.60	28.51	17.47	13.53	18.07
ALHAA (%)	28.40	18.89	35.59	5.09	27.74

Top 10 Holdings (%age of Total Assets)

Hub Power Company Limited	Equity	6.8%
Oil and Gas Development Company Limited	Equity	4.5%
Sui Northen Gas Company Limited	Equity	3.7%
Engro Corporation Limited	Equity	3.5%
Lucky Cement Limited	Equity	3.4%
Pakistan Petroleum Limited	Equity	3.1%
Mari Petroleum Company Limited	Equity	2.4%
Pakistan Oilfields Limited	Equity	2.1%
Engro Polymer and Chemicals Limited	Equity	2.0%
D.G. Khan Cement Limited	Equity	2.0%

Fund Facts / Technical Information

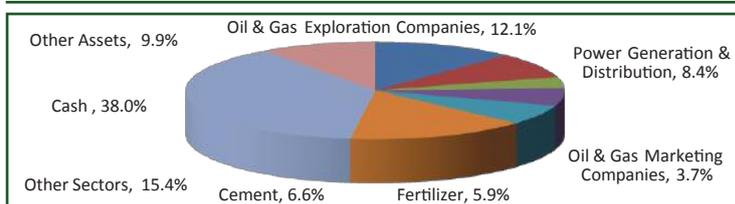
Particulars	ALHAA	KMI-30
NAV per Unit (PKR)	72.8891	
Net Assets (PKR M)	1,541	
Sharpe Ratio	0.05	0.06
Beta	0.66	1.00
Correlation	83.6%	
Max draw up	502.93%	950.40%
Max draw Down	-28.91%	-39.65%
Standard Deviation	0.76	0.95
Total expense ratio with government levy**	0.31%	
Total expense ratio without government levy	0.27%	

*prospective earnings
** This includes 0.04% representing government levy, Sindh workers' welfare fund and SECP Fee

Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	511,928	511,928

Sector Allocation (%age of Total Assets)



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MUFAP's Recommended Format

General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant Equity Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	11-Sept-2004 (Converted into Shariah Compliant Islamic Fund with effect from July 01,2015)
Fund Manager	Awais Abdul Sattar CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	2.0% p.a.
Front end Load*	Type "B" Units: Individual 3% Corporate Nil
Back end Load*	Type "C" Units Bachat Units(Two Years)-----Nil Bachat Units(Three Years)-----Nil Type "B" Units ----- Nil Type "C" Units - Bachat Units(Two Years): 3% if redeemed before completion of two (2) years from the date of initial investment. 0% if redemption after completion of two (2) years from the date of initial investment. Type "C" Units - Bachat Units(Three Years): 3% if redeemed before completion of three (3) years from the date of initial investment. 0% if redemption after completion of three (3) years from the date of initial investment.
Min. Subscription Listing	PKR 500
Benchmark	Pakistan Stock Exchange KMI-30 Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

The objective of the Fund is to provide investors long term capital appreciation from its investment in Shariah Compliant Equity Securities.

Manager's Comment

The Fund's NAV dropped by 1.7% in July 2017 compared to benchmark return of 0.7%. This underperformance was mainly on account of lower than the benchmark weight in select Oil stocks. During the month, we increased allocation towards Oil by 4.9%, mainly on account of healthy earnings growth offered by the sector coupled with resilience of crude oil prices. We also increased exposure in Power Generation sector by 2.6% to increase defensive flavor of the fund. We reduced exposure in Cements by 3.3% on account of expected demand slowdown in monsoon season. The Fund was 71.3% invested in equities on month end, while remaining in cash and others.

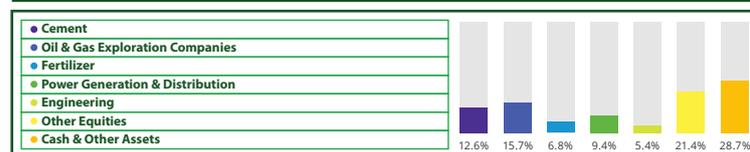
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MCBAH Shariah Supervisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

Sector Allocation (%age of Total Assets)



Others

Provision against Sindh Workers' Welfare Fund's liability

ALHISF has maintained provisions against Sindh Workers' Welfare Funds' liability to the tune of Rs.8.67 million, if the same were not made the NAV per unit of ALHISF would be higher by Rs.0.0336 and YTD return would be higher by 0.27%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2017 of ALHISF.

Asset Allocation (%age of Total Assets)

Particulars	Jul-17	Jun-17
Stock / Equities	71.3%	74.2%
Cash	15.7%	25.2%
Others including receivables	13.0%	0.6%

Performance Information (%)

Particulars	ALHISF	Benchmark
Year to Date Return	-1.71%	0.72%
Month to Date Return	-1.71%	0.72%
180 Days Return	-4.53%	-7.20%
365 Days Return	20.16%	12.93%
Since inception	32.08%	36.11%

	2013	2014	2015	2016	2017
Benchmark (%)	52.20	41.16	16.01	15.53	18.80
ALHISF(%)	32.30	31.38	19.20	3.90	29.97

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	8.1%
Lucky Cement Limited	6.4%
Oil and Gas Development Company Limited	5.5%
Engro Corporation Limited	5.4%
Pakistan Petroleum Limited	3.5%
Mari Petroleum Company Limited	3.5%
Pakistan Oilfields Limited	3.2%
D.G. Khan Cement Company Limited	2.8%
Pak Elektron Limited	2.7%
Sui Northern Gas Company Limited	2.4%

Fund Facts / Technical Information

Particulars	ALHISF	KMI-30
NAV per Unit (PKR)	12.04	
Net Assets (PKR M)	3,104	
Price to Earning (x)*	10.64	10.80
Dividend Yield (%)	4.54	4.40
No. of Holdings	51	30
Weighted Avg. Market Cap. (PKR Bn)	109.94	178.5
Sharpe Ratio	0.03	0.04
Beta	0.76	0.00
Correlation	90.4%	
Max draw up	656.54%	785.16%
Max draw down	-60.06%	-18.89%
Standard Deviation	1.08	1.29
Total expense ratio with government levy**	0.29%	
Total expense ratio without government levy	0.29%	

*prospective earnings

**This includes 0.00% representing government levy, Sindh Workers' Welfare fund and SECP fee

Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	944,143	944,143

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MUFAP's Recommended Format



General Information

Plan Type	An Open End Scheme	
Category	Shariah Compliant Islamic Asset Allocation Plan	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch	Date 29-Dec-16	
Fund Manager	Syed Abid Ali	
Trustee	MCB Financial Services Limited	
Auditor	A.F. Ferguson & Co. Chartered Accountants	
Management Fee	1% p.a. on average annual net assets on a portion not invested in mutual funds of MCB Arif Habib Savings and Investments Limited.	
Front end Load*	Individuals	3%
	Corporate	Nil
Back end Load*	Nil	
Contingent Load*	3%	
Min. Subscription	PKR 500	
Listing	Pakistan Stock Exchange	
Benchmark	KMI-30 Index and six (6) months average deposit rates of three (3) "A" rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks on the basis of actual proportion held by the scheme	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon-Thurs (9:00 AM to 4:30 PM)	
Leverage	Nil	

*Subject to government levies

Others

Provision against Sindh Workers' Welfare Fund's liability

ALHIAAP-I has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 0.12 million, if the same were not made the NAV per unit of ALHIAAP-1 would be higher by Rs. 0.0076 and YTD return would be higher by 0.01%. For details investors are advised to read Note 5.1 of the latest Financial Statements for the nine months ended March 31, 2017 of ALHIAAP-I.

Asset Allocation (%age of Total Assets)

Particulars	Jul-17	Jun-17
Cash	5.6%	6.5%
Alhamra Islamic Stock Fund	64.1%	54.3%
Alhamra Islamic Income Fund	30.0%	38.8%
GoP Ijara Sukuk	0.0%	0.0%
Others including receivables	0.3%	0.4%

Fund Facts / Technical Information

NAV per Unit (PKR)	99.5688
Net Assets (PKR M)	1,570
Total expense ratio with government levy*	0.03%
Total expense ratio without government levy	0.02%

*This includes 0.01% representing government levy, Sindh Workers' Welfare fund and SECP fee

Investment Objective

Alhamra Islamic Active Allocation Plan-I is a Shari'ah Compliant Islamic Asset Allocation Plan with an objective to earn a potentially high return through active asset allocation among Shari'ah Compliant Islamic Scheme based on the Fund Manager's outlook of the asset classes.

Manager's Comment

During the month, the fund posted a return of -0.45% against its benchmark return of 0.48%. The fund decreased its exposure in cash from 6.5% to 5.6% while increased its exposure in Alhamra Islamic Stock Fund from 54.3% to 64.1%.

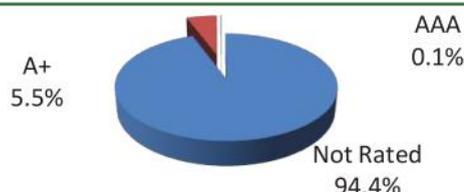
Performance Information (%)

Particulars	ALHIAAP- I	Benchmark
Year to Date Return	-0.45%	0.48%
Month to Date Return	-0.45%	0.48%
180 Days Return	-1.66%	-2.40%
365 Days Return	NA	NA
Since inception	0.36%	-0.87%
		2017
Benchmark (%)		-1.34%
ALHIAAP-I (%)		0.81%

Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

Asset Quality (%age of Total Assets)



DISCLAIMER

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MUFAP's Recommended Format



General Information

Plan Type	An Open End Scheme
Category	Shariah Compliant Islamic Asset Allocation Plan
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	16-June-17
Fund Manager	Syed Abid Ali
Trustee	MCB Financial Services Limited
Auditor	A.F. Ferguson & Co. Chartered Accountants
Management Fee	1% p.a. on average annual net assets on a portion not invested in mutual funds of MCB Arif Habib Savings and Investments Limited
Front end Load*	Individuals 3% Corporate Nil
Back end Load*	Nil
Contingent Load*	3% if redeemed within twelve months from the date of Investment 1% if redeemed after twelve months and before twenty four months from the date of Investment.
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	KMI-30 Index and six (6) months average deposit rates of three (3) "A" rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks on the basis of actual proportion held by the scheme
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Thurs (9:00 AM to 4:30 PM)
Leverage	Nil

*Subject to government levies

Others

Provision against Sindh Workers' Welfare Fund's liability

ALHIAAP-II has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 0.0106 million, if the same were not made the NAV per unit of ALHIAAP-II would be higher by Rs. 0.0062 and YTD return would be higher by 0.01%.

Asset Allocation (%age of Total Assets)

Particulars	Jul-17	Jun-17
Cash	24.9%	14.7%
Alhamra Islamic Stock Fund	39.8%	28.2%
Alhamra Islamic Income Fund	35.3%	56.8%
Others including receivables	0.0%	0.3%

Fund Facts / Technical Information

NAV per Unit (PKR)	100.2144
Net Assets (PKR M)	171.28
Total expense ratio with government levy*	0.07%
Total expense ratio without government levy	0.03%

*This includes 0.04% representing government levy, Sindh Workers' Welfare fund and SECP fee

Performance Information (%)

Particulars	ALHIAAP- II	Benchmark
Year to Date Return	0.21%	0.35%
Month to Date Return	0.21%	0.35%
180 Days Return	0.00%	0.00%
365 Days Return	0.00%	0.00%
Since inception	0.39%	0.45%
		2017
Benchmark (%)		0.10%
ALHIAAP-II (%)		0.19%

Investment Objective

Alhamra Islamic Active Allocation Plan-II is a Shari'ah Compliant Islamic Asset Allocation Plan with an objective to earn a potentially high return through active asset allocation among Shari'ah Compliant Islamic Scheme based on the Fund Manager's outlook of the asset classes.

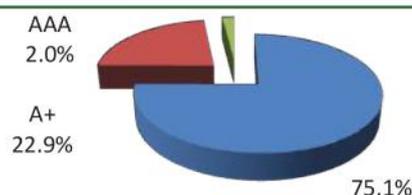
Manager's Comment

During the month, the fund posted a return of 0.21% against its benchmark return of 0.35%. The fund was 24.9% invested in cash and 39.8% in Alhamra Islamic Stock Fund.

Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

Asset Quality (%age of Total Assets)



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MUFAP's Recommended Format



General Information

Fund Type	An Open End Scheme
Category	Islamic Voluntary Pension Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	Not Applicable
Launch Date	15-Nov-07
Fund Manager	Awais Abdul Sattar, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load*	3% / 0%
Min. Subscription	PKR 500
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00 AM to 5:00 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

The investment objective of the fund is to seek steady returns with a moderate risk for investors by investing in a portfolio of equity, short medium term debt and money market instruments.

Manager's Comment

Equity sub-fund generated return of -1.84% during the month. Overall allocation in equity was decreased.

Debt sub-fund generated a return of -1.16% during the month. GOP Ijara Sukuk exposure was decreased.

Money Market sub-fund generated a return of 1.89% during the month. The exposure in cash was increased.

MCBAH Shariah Supervisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	9.1%
Lucky Cement Limited	6.9%
Engro Corporation Limited	6.7%
Mari Petroleum Company Limited	5.2%
Pakistan Petroleum Limited	4.7%
Oil & Gas Development Company Limited	4.4%
Pakistan Oil Fields Limited	4.1%
Pak Electron Limited	3.0%
Cherat Cement Company Limited	2.5%
International Industries Limited	2.5%

Others

Provision against Sindh Workers' Welfare Fund's liability

PIPF-EQ has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 2.20 million, if the same were not made the NAV per unit would be higher by Rs. 2.7849 per unit and YTD return would be higher by 0.48%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the nine months ended March 31, 2017 of PIPF.

PIPF-DT has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.32 million, if the same were not made the NAV per unit would be higher by Rs. 0.3008 per unit and YTD return would be higher by 0.16%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the nine months ended March 31, 2017 of PIPF.

PIPF-MM has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.10 million, if the same were not made the NAV per unit would be higher by Rs. 0.2300 and YTD return would be higher by 0.13%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the nine months ended March 31, 2017 of PIPF.

PIPF -Money Market (%age of Total Assets)

Particulars	Jul-17	Jun-17
Cash	71.9%	51.3%
GoP Ijara Sukuk	9.6%	30.3%
Certificate of Modaraba	17.6%	17.7%
Others including receivables	0.9%	0.7%

PIPF -Debt (%age of Total Assets)

Particulars	Jul-17	Jun-17
Cash	17.6%	9.0%
GoP Ijara Sukuk	57.3%	68.3%
Others including receivables	0.9%	0.6%
TFCs	8.3%	6.0%
Certificate of Modaraba	15.9%	16.1%

PIPF -Equity (%age of Total Assets)

Particulars	Jul-17	Jun-17
Cement	13.0%	19.2%
Oil & Gas Exploration Companies	18.5%	15.4%
Power Generation & Distribution	9.1%	8.6%
Automobile Parts & Accessories	4.5%	5.0%
Fertilizer	6.7%	6.2%
Other equity sectors	30.1%	36.6%
Cash	6.7%	7.9%
Others including receivables	11.4%	1.1%

Performance Information & Net Assets

Particulars	PIPF-EQ*	PIPF-DT**	PIPF-MM**		
Year to Date Return (%)	-1.84	-1.16	1.89		
Month to Date Return (%)	-1.84	-1.16	1.89		
Since inception (%)	472.77	6.98	5.84		
Net Assets (PKR M)	452.40	205.71	73.03		
NAV (Rs. Per unit)	573.92	193.44	174.31		
	2013	2014	2015	2016	2017
PIPF - EQ*	41.80	42.10	39.53	14.84	33.21
PIPF - DT**	6.80	8.22	4.76	4.04	4.46
PIPF - MM**	7.70	6.86	4.80	2.36	3.78

* Total Return

** Annualized return

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