

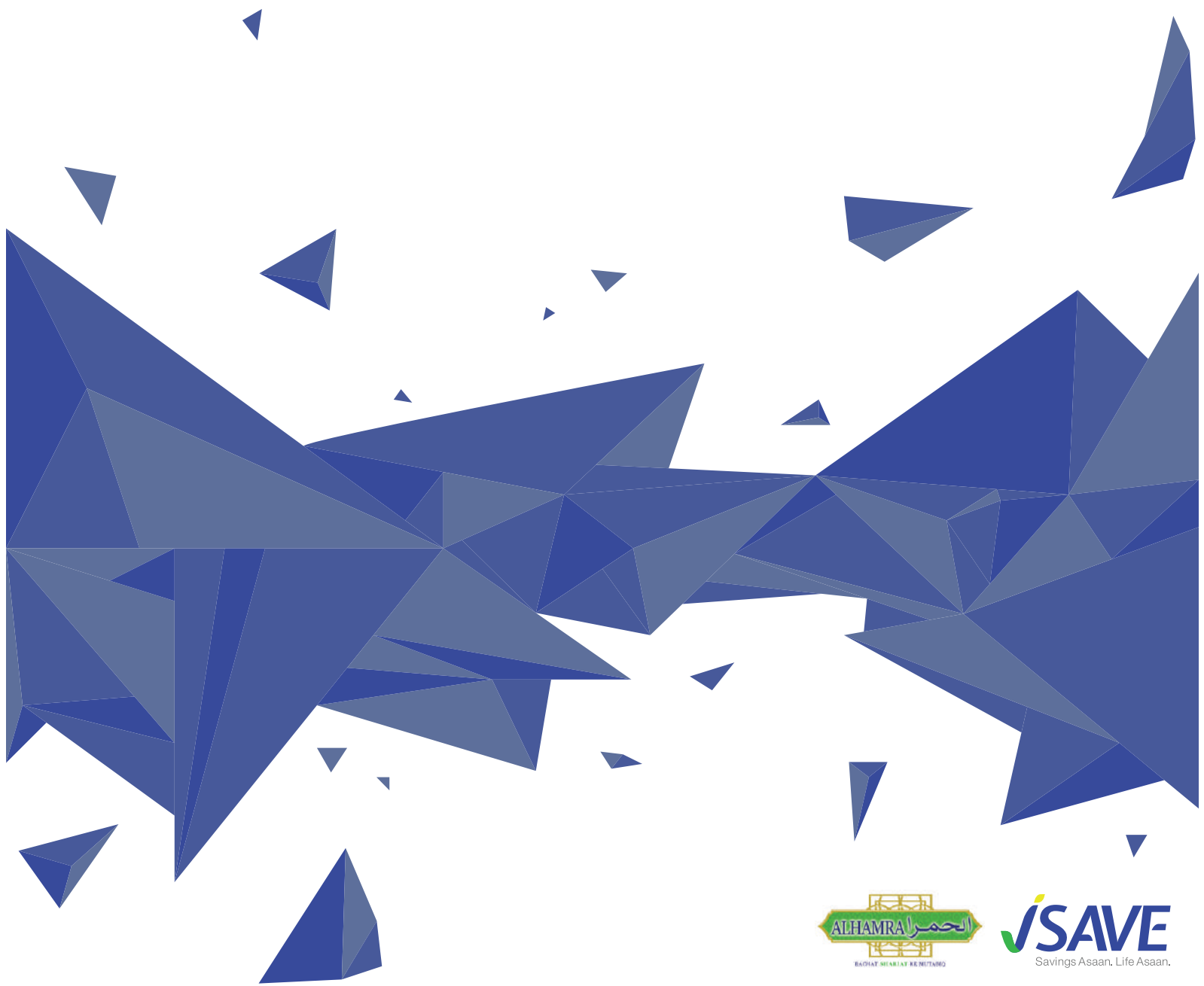


MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2021
(UNAUDITED)

Funds Under Management of
MCB-Arif Habib Savings and Investments Limited



ALHAMRA ISLAMIC MONEY MARKET FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Digital Custodian Company Limited (Formerly MCB Financial Services 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 Allied Bank Limited United Bank Limited Meezan Bank Limited Dubai Islamic Bank Limited Faysal Bank Limited National Bank Limited Askari Bank Limited	
Auditors	Ernst & Young Ford Rhodes Chartered Accountants Progressive Plaza, Beaumont Road, P.O.Box 15541 Karachi, Sindh-75530, Pakistan.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM1 Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Money Market Fund** accounts review for the quarter ended September 30, 2021.

Economy and Money Market Review

The fiscal year started on a robust note as Covid-19 vaccination drive gathered paced which helped to lift lockdowns across the country. The economic recovery was higher than expected as lagged impact of monetary easing, higher remittances and government incentives such as TERF facilities provided impetus to economic growth. The GDP growth clocked at 3.94 per cent in FY21 with government expecting the economic growth to clock at 4.8 per cent for FY22.

However, the robust recovery in domestic demand, coupled with higher international commodity prices, led to a strong pick-up in imports and a rise in the current account deficit. This put pressure on the local currency as rupee depreciated by 13.1 per cent against USD during this quarter.

Current account deficit posted a deficit of USD 2,290 million in the first two months of fiscal year compared to a surplus of USD 838 million in the corresponding period of the last year. The deterioration came in primarily on the back of higher imports which grew by 67.8 per cent in the first two months compared to export growth of 35.4 per cent. Trade Deficit increased by 100.2 per cent to USD 6.8 billion compared to USD 3.4 billion last year. Foreign exchange reserves of central bank saw an increase of USD 1.6 billion as Pakistan received USD 2.75 billion from the IMF under its new SDR allocation to back economically vulnerable countries combating the coronavirus pandemic.

Inflation remained a concern for the government as rising commodities continued to create challenges for policy makers. Headline inflation represented by CPI averaged 8.58 per cent during the quarter, with food inflation averaging 9.5 per cent during the period. Inflation was also effected by increase in fuel prices on account of increase in international oil and LNG prices. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 6.5 per cent for the period. The MPC committee conducted two monetary policies during the quarter and increased policy rate by 25bps in the Sep-21 meeting. SBP increased the interest rate to control the current account deficit and prevent the overheating of the economy as it noted the need to gradually increase the interest rates to protect the nascent economic growth.

On the fiscal side FBR Tax collection increased by 38 per cent over last year in this quarter to clock at PKR 1,395 billion compared to target of PKR 1,211 billion exceeding it by PKR 186 billion. This was on the back of higher custom duty and sales tax due to higher import.

Secondary markets yields have increased significantly in the quarter as SBP has started the monetary tightening cycle. The recent depreciation in rupee along with persistently high commodity prices will add pressure to inflation and we expect average FY22 inflation to clock above the range of 7-9 per cent forecasted by SBP. 3Y, 5Y and 10Y bonds saw a rise of 73 bps, 46 bps and 51 bps respectively during the period.

FUND PERFORMANCE

During the period under review, the fund posted a return of 6.97 per cent compared to the benchmark return of 3.26 per cent. In addition, the fund's exposure in Cash stood at 65.8 per cent.

The Net Assets of the Fund as at September 30, 2021 stood at Rs. 13,780 million as compared to Rs. 15,258 million as at June 30, 2021 registering a decrease of -9.69 per cent. The Net Asset Value (NAV) per unit as at September 30, 2021 was Rs. 99.5100 as compared to Rs. 99.5100 at June 30, 2021 as well.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Economy & Market – Future Outlook

The government has set a GDP growth target of 4.8 per cent for fiscal year 2022 (FY22). Covid-19 vaccination drive is continuing with success as over 50 million people have received the first dose of coronavirus vaccine. This has helped to lift lockdown across the country and we expect the Covid-19 situation to remain under control. Broader economy also appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc. However, the recent surge in commodity prices poses challenges to both to Fiscal and External Accounts. Due to the recent government steps to curtail demand we see some downside risks to government growth target. We expect GDP growth to clock higher as compared to previous year but it is likely to remain lower than the government target of 4.8 per cent.

The robust recovery in domestic demand on the back of pro-growth measures by the government, coupled with higher international commodity prices, has led to a strong pick-up in imports and a rise in the current account deficit. The current account deficit is expected to increase to USD 13.1 billion (4.0 per cent of GDP) in FY22, amid rising international crude oil prices along with general increase in international commodity prices. The Current Account deficit is likely to further weaken the local currency and we expect the exchange rate to close the year around 176 PKR/USD. Swift resumption of IMF program will be a key prerequisite to keep the financial account in positive zone. SBP has indicated that the flexible market determined exchange rate and gradual tightening of interest rates would be used in tandem to ensure sustainable current account position. The remittances along with bilateral and multilateral flows would also be crucial in managing our external position.

CPI averaged 8.9 per cent in FY21. The expected utility adjustments, currency depreciation and higher international commodities prices will lead to increase in inflation in this year. We expect Average FY22 inflation to clock at 9.7 per cent with inflation going in double digits in second half of the fiscal year. Based on our expected inflation, the real interest rates now fall into negative range thus requiring adjustments in the monetary policy during the current fiscal year. However, SBP has shown its focus to avoid any shocks to economic growth and will gradually increase interest rate to achieve mildly positive interest rate over the medium term. We expect the Policy Rate to reach 9.0 per cent by the end of the year.

From capital market perspective, particularly equities, the recent correction in stock prices have opened up valuation. The market has priced in expected interest rate increase and currency depreciation. Market cap to GDP ratio has declined to 15.9 per cent, a discount of 43 per cent from its historical average. Similarly, risk premiums are close to 5.9 per cent, compared to historical average of 1.5 per cent signifying abnormal returns for long term investors. We believe a micro view of sectors and stock will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds yields may continue to rise given expected increase in interest rates. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

Mutual Fund Industry Review

The Net Assets of the open end mutual fund industry increased by about 1.4 per cent during the quarter to PKR 1,032 billion at the end of 1QFY22. Total money market funds grew by about 1.1 per cent since June 2021. Within the money market sphere, the conventional funds dominated as they grew by about 8.1 per cent to PKR 308 billion while Islamic funds declined by 9.9 per cent to PKR 164 billion. In addition, the total fixed Income funds increased by about 8.5 per cent since June 2021, as the conventional income funds grew by 13.6 per cent to PKR 143 billion.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Equity and related funds declined by 4.4 per cent over last quarter as market witnessed a decline in the quarter eroding AUMS and concern over macroeconomic and geopolitical factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 46 per cent, followed by Equity and Equity related funds with a share of 28 per cent and Income funds having a share of 26 per cent as at the end of 1QFY22.

Mutual Fund Industry Outlook

The recent increase in interest rates along with prospect of further monetary tightening would increase flows in the money market funds. The money markets funds by virtue of its short duration would be the ideal for investors with a short term horizon and low risk profile. However recent correction in stock prices have opened up valuations and long term investors would look to add equity exposure at these attractive levels. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

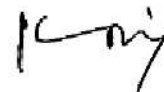
ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
October 22, 2021



Kashif A. Habib
Director

ڈائریکٹرز رپورٹ

مختصر مدت کی بدولت ایسے سرمایہ کاروں کے لیے موزوں ترین ثابت ہوں گے جو محدود مدت کے لیے اور کم خطرات کے ساتھ کام کرنا چاہتے ہیں۔ تاہم اسٹاک کی قیمتوں میں حالیہ تصحیح نے valuations کو کشادہ کر دیا ہے اور سرمایہ کار ان پُرکشش سطحوں پر ایکویٹی میں پیسہ لگانا چاہیں گے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سہولت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیوں کی مسلسل معاونت اور حمایت کے لیے شکرگزار ہے۔ علاوہ ازیں، ڈائریکٹرز انتظامیہ ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

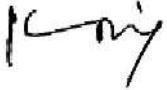
من جانب ڈائریکٹرز



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

22 اکتوبر 2021ء



کاشف اے حبیب

ڈائریکٹر

ڈائریکٹر رپورٹ

سال رواں کے دوران افراط زر میں اضافہ ہوگا۔ ہماری توقع کے مطابق مالی سال 2022ء کا افراط زر کا اوسط 9.7 فیصد ہوگا، اور سال کے نصف آخر میں افراط زر دو ہندسوں میں پہنچ جائے گی۔ ہماری متوقع افراط زر کی بنیاد پر حقیقی شروع سودا بنی حد میں آرہی ہے، چنانچہ موجودہ مالی سال کے دوران مالیاتی پالیسی میں ترمیمات درکار ہیں۔ تاہم ایس بی پی نے معاشی ترقی کو متوقع دھچکوں سے محفوظ رکھنے پر توجہ مرکوز کی ہے اور درمیانی مدت میں معتدل حد تک مثبت شرح سود حاصل کرنے کے لیے شروع سود میں بتدریج اضافہ کیا جائے گا۔ ہماری توقع کے مطابق پالیسی شرح اختتام سال تک 9.0 فیصد تک پہنچ جائے گی۔

کیپٹل مارکیٹ، خصوصاً ایکویٹیز، کے تناظر میں، اسٹاک کی قیمتوں میں حالیہ تصحیح کے نتیجے میں تعیین قدر کھل گئی ہے۔ مارکیٹ نے شرح سود میں متوقع اضافے اور روپے کی قدر میں کمی کو مد نظر رکھا ہوا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 15.9 فیصد ہو گیا ہے، جو اس کے قدیم اوسط سے 43 رعایت ہے۔ اسی طرح خطرات کے پریمیئم تقریباً 5.9 فیصد ہیں، اور ان کے قدیم اوسط 1.5 فیصد کے ساتھ تقابل سے طویل المیعاد سرمایہ کاروں کے لیے غیر معمولی منافعوں کا عندیہ ملتا ہے۔ ہم سمجھتے ہیں کہ شعبوں اور اسٹاک کی مجموعی تصویر اہمیت کی حامل رہے گی، اور سرمایہ کاری کے انتخاب میں ایسی کمپنیوں پر توجہ مرکوز ہونی چاہیے جو اپنی خلقی قدر سے گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب، شروع سود میں متوقع اضافے کی بدولت حکومتی بانڈز کے منافع جات میں اضافہ جاری رہ سکتا ہے۔ ہم بانڈز کے منافع جات کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ کی صنعت کا جائزہ

اپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2022ء کی پہلی سہ ماہی کے دوران تقریباً 1.4 فیصد بڑھ کر اختتام مدت پر 1,032 بلین روپے تھے۔ مجموعی money مارکیٹ فنڈز میں جون 2021ء کے مقابلے میں 1.1 فیصد اضافہ ہوا۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور 8.1 فیصد بڑھ کر 308 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 9.9 فیصد گھٹ کر 164 بلین روپے ہو گئے۔ علاوہ ازیں، مجموعی فکسڈ انکم فنڈز میں جون 2021ء کے مقابلے میں 8.5 فیصد اضافہ ہوا اور روایتی انکم فنڈز 13.6 فیصد بڑھ کر 143 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں گزشتہ سہ ماہی کے مقابلے میں 4.4 فیصد کمی ہوئی کیونکہ دوران مدت مارکیٹ میں تنزل دیکھا گیا جس کے نتیجے میں اثاثہ جات تحت الانظامیہ (AUMs) گھٹ گئے اور کلاں معاشیاتی اور ارضی سیاسی عوامل پر خدشات نے سرمایہ کاروں کو دُور رکھا۔ شعبہ جاتی اعتبار سے مالی سال 2022ء کی پہلی سہ ماہی کے اختتام پر money مارکیٹ فنڈز تقریباً 46 فیصد شراکت کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز کی شراکت 28 فیصد اور انکم فنڈز کی 26 فیصد تھی۔

میوچل فنڈز صنعت کے مستقبل کا منظر

سود کی شرحوں میں حالیہ اضافے کے ساتھ ساتھ مزید مالیاتی سختی سے money مارکیٹ فنڈز میں آمدات میں اضافہ ہوگا۔ Money مارکیٹ فنڈز اپنی

ڈائریکٹر رپورٹ

ثانوی مارکیٹس کی پیداواروں میں دوران سہ ماہی قابل ذکر اضافہ ہوا ہے کیونکہ اسٹیٹ بینک آف پاکستان نے مالیاتی سختی کا دورہ شروع کر دیا ہے۔ روپے کی قدر میں حالیہ کمی کے ساتھ مسلسل بلند اشیائی قیمتوں سے افراط زر پر دباؤ میں اضافہ ہوگا اور مالی سال 2022ء کے لیے افراط زر کا اوسط متوقع طور پر اسٹیٹ بینک آف پاکستان کی پیش گوئی کردہ سطح 7 تا 9 فیصد سے بلند ہوگا۔ تین سالہ، پانچ سالہ اور دس سالہ بانڈز میں دوران مدت بالترتیب 73 بی پی ایس، 46 بی پی ایس اور 51 بی پی ایس اضافہ ہوا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 6.97 فیصد منافع حاصل کیا جبکہ مقررہ معیار 3.26 فیصد تھا۔ علاوہ ازیں، فنڈ کی نقد میں سرمایہ کاری 65.8 فیصد تھی۔

30 ستمبر 2021ء کو فنڈ کے net اثاثہ جات 13,780 ملین روپے تھے، جو 30 جون 2021ء کی سطح 15,258 ملین روپے کے مقابلے میں 9.69 فیصد کمی ہے۔

30 ستمبر 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 99.5100 روپے تھی، جو 30 جون 2021ء کو بھی 99.5100 روپے تھی۔

معیشت اور بازار - مستقبل کا منظر

حکومت نے مالی سال 2022ء کے لیے جی ڈی پی میں ترقی کا ہدف 4.8 فیصد مقرر کیا ہے۔ کووڈ-19 ویکسین مہم کامیابی کے ساتھ جاری ہے اور پانچ کروڑ سے زیادہ افراد پہلی خوراک حاصل کر چکے ہیں۔ اس کی بدولت ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی ہے اور ہم اُمید کرتے ہیں کہ کووڈ کی صورتحال قابو میں رہے گی۔ وسیع تر معیشت قبل از کووڈ سطحوں کے قریب چلتی ہوئی نظر آ رہی ہے جس کی پیمائش ایل ایس ایم میں ترقی، سیمنٹ کی فروخت، گاڑیوں کی فروخت وغیرہ سے ہوتی ہے۔ تاہم اشیاء کی قیمتوں میں حالیہ اضافہ مالیاتی اور خارجی اکاؤنٹس، دونوں کو مشکلات سے دوچار کر دے گا۔ طلب میں کمی کے حالیہ حکومتی اقدامات کے سبب ترقی کے حکومتی اہداف کی تکمیل کو خطرات لاحق ہو گئے ہیں۔ ہم توقع کرتے ہیں کہ جی ڈی پی میں سال گزشتہ کے مقابلے میں زیادہ ترقی ہوگی، لیکن زیادہ امکان اس بات کا ہے کہ یہ 4.8 فیصد کے حکومتی ہدف سے نیچے رہے گی۔

حکومتی ترقیاتی اقدامات اور بلند ترین الاقوامی اشیائی قیمتوں کے باعث مقامی طلب میں بھرپور بحالی ہوئی ہے اور اس کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں بھرپور اضافہ ہوا ہے۔ خام تیل کی بین الاقوامی قیمتوں اور اشیاء کی عمومی قیمتوں میں اضافے کی صورتحال میں مالی سال 2022ء میں کرنٹ اکاؤنٹ خسارہ بڑھ کر 13.1 بلین ڈالر (جی ڈی پی کے 4.0 فیصد) تک پہنچ سکتا ہے۔ خدشہ ہے کہ یہ خسارہ مقامی روپے کو مزید کمزور کرے گا، اور اختتام سال پر شرح مبادلہ تقریباً 176 ڈالر فی روپیہ ہو جانے کا امکان ہے۔ آئی ایم ایف پروگرام کی تیز رفتار بحالی مالیاتی گوشوارے کو مثبت احاطے میں رکھنے کے لیے کلیدی شرط ہوگی۔ ایس بی پی نے اشارہ دیا ہے کہ کرنٹ اکاؤنٹ کی قابل بقاء صورتحال یقینی بنانے کے لیے مارکیٹ کی متعین کردہ چکدار شرح مبادلہ اور سود کی شرحوں میں بتدریج سختی کو بھی استعمال کیا جائے گا۔ ہماری خارجی صورتحال کو سنبھالنے میں ترسیلات کے ساتھ ساتھ دو طرفہ اور کثیر الطرفہ آمدات بھی اہم کردار ادا کریں گی۔

مالی سال 2021ء میں سی پی آئی کا اوسط 8.9 فیصد تھا۔ متوقع یوٹیلٹی ترسیمات، روپے کی قدر میں کمی اور بلند ترین الاقوامی اشیائی قیمتوں کے نتیجے میں

بورڈ آف ڈائریکٹرز کی جانب سے الحمد اسلامک منی مارکیٹ فنڈ کے گوشواروں مختتمہ سہ ماہی 30 ستمبر 2021ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

مالی سال کا بھرپور آغاز ہو واجب کو وڈ۔19 ویکسین کی مہم میں تیز رفتاری سے ملک بھر میں لاک ڈاؤن ختم کرنے میں مدد ملی۔ معیشت میں بحالی متوقع سے زیادہ ہوئی کیونکہ مالیاتی تسہیل کی سست رفتار اثر پذیری، ترسیلات زر میں اضافے، اور حکومتی ترغیبات مثلاً TERF سہولتوں نے معاشی ترقی کو محرک فراہم کیا۔ مالی سال 2021ء میں مجموعی ملکی پیداوار (جی ڈی پی) میں 3.94 فیصد ترقی ہوئی اور اگلے مالی سال 2022ء کے لیے حکومت کو 4.8 فیصد معاشی ترقی کی توقع ہے۔

تاہم مقامی طلب کی بھرپور بحالی، اور اس کے ساتھ بلند ترین الاقوامی اشیائی قیمتوں، کے نتیجے میں درآمدات اور کرنٹ اکاؤنٹ خسارے میں اضافہ ہوا۔ چنانچہ مقامی روپے پر دباؤ پڑا جس کی قدر میں دوران سہ ماہی امریکی ڈالر کے مقابلے میں 13.1 فیصد کمی ہوئی۔ کرنٹ اکاؤنٹ نے مالی سال کے پہلے دو ماہ میں 2,290 ملین ڈالر خسارہ پوسٹ کیا جبکہ اس کے بالمقابل سال گزشتہ مماثل مدت میں 838 ملین ڈالر فاضل تھے۔ اس ابتری کی بنیادی وجہ درآمدات میں اضافہ تھی جس میں پہلے دو ماہ کے دوران 67.8 فیصد اضافہ ہوا جبکہ اس کے بالمقابل برآمدات میں 35.4 فیصد اضافہ ہوا۔ تجارتی خسارہ 100.2 فیصد بڑھ کر 6.8 بلین ڈالر ہو گیا جبکہ اس کے بالمقابل سال گزشتہ 3.4 بلین ڈالر تھا۔ مرکزی بینک میں غیر ملکی زرمبادلہ کے ذخائر میں 1.6 بلین ڈالر کا اضافہ ہوا کیونکہ پاکستان کو آئی ایم ایف سے اس کے نئے ایس ڈی آر اختصاص کے تحت 2.75 بلین ڈالر موصول ہوئے جس کا مقصد کورونا وائرس وبا سے نبرد آزما ضرر پذیر ممالک کی معاشی معاونت ہے۔

افراط زر (مہنگائی) حکومت کے لیے مسئلہ بنی رہی اور بڑھتی ہوئی اشیائی قیمتوں نے پالیسی سازوں کو مشکلات سے دوچار رکھا۔ مجموعی افراط زر، جس کی ترجمانی صارفین قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط دوران سہ ماہی 8.58 فیصد تھا، اور اشیائے خورد و نوش کے افراط زر کا اوسط 9.5 فیصد تھا۔ بین الاقوامی سطح پر تیل اور ایل این جی کی قیمتوں میں اضافے کے نتیجے میں ایندھن کی قیمتوں میں اضافہ بھی افراط زر پر اثر انداز ہوا۔ اس کے باوجود بنیادی افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 6.5 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے دوران سہ ماہی دو اجلاس منعقد کیے اور ستمبر 2021ء کے اجلاس میں پالیسی کی شرح میں 25 بیسیس پوائنٹس (بی پی ایس) کا اضافہ کیا۔ اسٹیٹ بینک آف پاکستان نے سود کی شرح میں اضافہ کیا تاکہ کرنٹ اکاؤنٹ خسارے اور معیشت میں بڑھتی ہوئی حرارت کو قابو میں رکھا جائے کیونکہ نوزائیدہ معاشی ترقی کی حفاظت کے لیے سود کی شرحوں میں بتدریج اضافے کی ضرورت ہوتی ہے۔

مالیاتی جانب ایف بی آر کی ٹیکس وصولی میں دوران سہ ماہی سال گزشتہ کے مقابلے میں 38 فیصد اضافہ ہوا؛ 1,395 بلین روپے، جو 1,211 بلین روپے کے ہدف سے 184 بلین روپے زیادہ ہیں۔ اس کی وجہ بلند تر درآمدات کے باعث بلند تر کسٹم ڈیوٹی اور سیلز ٹیکس ہیں

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Balance with banks	6	9,090,945	7,092,512
Investments	7	4,626,633	8,122,692
Markup receivable on investments and bank balance		82,334	64,162
Advances, deposits and prepayments		1,642	4,214
Receivable from Management Company		-	1,844
Total assets		13,801,554	15,285,424
LIABILITIES			
Payable to the Management Company	8	5,835	60
Payable to Digital Custodian Company - Trustee (Formerly : MCB Financial Services Limited)		1,009	818
Payable to the Securities and Exchange Commission of Pakistan		829	1,211
Dividend Payable		8,272	5,033
Accrued expenses and other liabilities	9	5,982	20,672
Total liabilities		21,927	27,794
NET ASSETS		13,779,627	15,257,630
Unit holders' fund (as per statement attached)		13,779,627	15,257,630
Contingencies and commitments	10		
		(Number of units)	
Number of units in issue		138,474,794	153,327,608
		(Rupees)	
NET ASSET VALUE PER UNIT		99.51	99.51

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

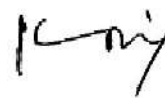
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30,	
	2021	2020
Note	----- (Rupees in '000) -----	
INCOME		
Markup on investments	131,974	625
Markup on bank deposit	159,647	3,746
Capital (Loss) / Gain On Sale Of Investments - Net	-	(1,922)
Other Income	-	25
Total income	291,621	2,475
EXPENSES		
Remuneration of MCB-Arif Habib Savings and Investments Limited - Management Company	6,191	116
Sindh Sales Tax on remuneration of the Management Company	805	15
Allocated expenses	142	21
Selling and marketing expenses	3,554	165
Remuneration of Digital Custodian Company (Formerly MCB Financial Services Limited) - Trustee	2,404	68
Sindh Sales Tax on remuneration of trustee	313	9
Annual fee of Securities and Exchange Commission of Pakistan	740	4
Auditors' remuneration	138	85
Amortization of preliminary expenses and formation costs	-	20
Legal and professional charges	432	30
Settlement and bank charges	117	42
Shahriah fee	162	-
Fees and subscriptions	64	-
Printing and related costs	22	65
Total expenses	15,084	639
Net income from Operating activities	276,537	1,836
Sindh Workers' Welfare Fund	10,909	(37)
Net income for the period before taxation	287,446	1,799
Taxation	-	-
Net income for the period	287,446	1,799
Allocation of net income for the period:		
Net income for the period	287,446	1,799
Income already paid on units redeemed	-	(194)
	287,446	1,605
Accounting income available for distribution		
- Relating to capital gains	-	-
- Excluding capital gains	287,446	1,605
	287,446	1,605

Earnings per unit

12

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

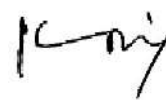
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Quarter ended September 30,	
	2021	2020
	----- (Rupees in '000) -----	
Net income for the period after taxation	287,446	1,799
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>287,446</u>	<u>1,799</u>

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

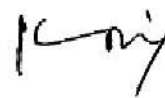
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Note	Quarter Ended September 30,					
	2021			2020		
	(Rupees in '000)					
	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total
Net assets at beginning of the period	15,252,938	4,692	15,257,630	147,651	4,692	152,343
Issue of 57,188,983 units (2020: 31,960,801 units)						
- Capital value (at net asset value per unit at the beginning of the period)	5,690,876	-	5,690,876	3,180,416	-	3,180,416
- Element of income	-	-	-	(10,573)	-	(10,573)
Total proceeds on issuance of units	5,690,876	-	5,690,876	3,169,843	-	3,169,843
Redemption of units 72,041,796 units (2020: 18,104,449 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(7,168,879.15)	-	(7,168,879)	(1,801,574)	-	(1,801,574)
- Amount paid out of element of income	-	-	-	8,752	-	8,752
- Relating to 'Net income for the period after taxation'	-	-	-	-	(194)	(194)
Total payments on redemption of units	(7,168,879)	-	(7,168,879)	(1,792,820)	(194)	(1,793,014)
Total comprehensive income for the period	-	287,446	287,446	-	1,799	1,799
Distribution made during the period	-	(287,446)	(287,446)	-	-	-
Net loss for the period less distribution	-	-	-	-	1,799	1,799
Net assets at end of the period	13,774,935	4,692	13,779,627	1,524,674	6,297	1,530,971
Undistributed income brought forward						
- Realised		4,321			4,321	
- Unrealised		371			371	
		4,692			4,692	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		287,446			1,605	
		287,446			1,605	
Cash distribution during the period		(287,446)			-	
Undistributed income carried forward		4,692			6,297	
Undistributed income carried forward						
- Realised		4,692			6,297	
- Unrealised		-			-	
		4,692			6,297	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		99.5100			99.5100	
Net assets value per unit at end of the period		99.5100			99.4959	

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

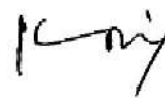
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30,	
	2021	2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	287,446	1,799
Adjustments for non cash and other items:		
Unrealised diminution in value of investments classified as 'at fair value through profit or loss' - net	-	-
	287,446	1,799
Decrease/ (Increase) in assets		
Investments	3,496,059	104,843
Dividend and profit receivable	(18,172)	698
Advances, deposit and prepayments	2,572	143
Preliminary expenses and floatation costs	-	37
Receivable from Management Company	1,844	(322)
Receivable from National Clearing Company of Pakistan Limited	-	5,180
	3,482,303	110,580
Increase / (decrease) in liabilities		
Payable to the Management Company	5,775	91
Remuneration of Digital Custodian Company (Formerly MCB Financial Services Limited) - Trustee	191	18
Payable to the Securities and Exchange Commission of Pakistan	(382)	(22)
Dividend payable	3,239	-
Accrued expenses and other liabilities	(14,691)	10
	(5,868)	96
Net cash generated from operating activities	3,763,881	112,475
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	5,690,876	3,169,843
Payments on redemption of units	(7,168,879)	(1,793,014)
Distribution during the period	(287,445)	-
Net cash used in financing activities	(1,765,448)	1,376,829
Net (decrease) / increase in cash and cash equivalents during the period	1,998,433	1,489,304
Cash and cash equivalents at beginning of the period	7,092,512	43,747
Cash and cash equivalents at end of the period	9,090,945	1,533,051

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

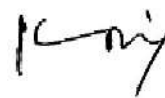
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Money Market Fund (Formerly MCB Pakistan Frequent Payout Fund) ("the Fund") was established under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) as an open-end unit trust scheme. The Fund is governed under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008. MCB Arif Habib Savings and Investments Limited is the Management Company (Wakeel) of the Fund, and Digital Custodian Company (formerly MCB Financial Services Limited) is the Trustee. The Trust Deed was executed on 22 July 2015 (modified & restated on 17 July 2020 for changing the name & category of the fund) and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 16 July 2015.
- 1.2 Being an Islamic Fund, all the activities of the Fund are undertaken in accordance with the Islamic Shariah rules and principles. The Management Company (Wakeel) has appointed a Shariah Supervisory Council whose advice is followed to ensure that activities of the Fund are in compliance with Shariah.
- 1.3 The Fund was an open-end collective investment scheme categorized as an "Asset Allocation" scheme by the Board of Directors of the Management Company pursuant to Circular 7 of 2009 dated 6 March 2009 issued by the SECP. Securities and Exchange Commission of Pakistan (SECP) vide its letter # SCD / AMCW / MCBASIL / MCBPFPF /03/2020 dated July 14, 2020, has approved the conversion of MCB Pakistan Frequent Payout Fund renamed as Alhamra Islamic Money Market Fund from Asset Allocation Scheme to Islamic Money Market Scheme. The Fund was converted from forward pricing fund to backward pricing fund and NAV of 20 August 2020 is applicable NAV of 21 August 2020. The Fund offers units for public subscription on a continuous basis. The units of the Fund can be transferred to / from the funds managed by the Management Company and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4 The Management Company (Wakeel) of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.5 The title to the assets of the Fund is held in the name of Digital Custodian Company (formerly MCB Financial Services Limited) as the Trustee of the Fund.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) has maintained an asset manager rating of 'AM1' dated 6 October 2021 to the Management Company and stability rating of "AA(f)" dated 9 September 2021 to the Fund.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan which comprises 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
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement 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 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.

- 2.1.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2021.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

2.1.3 The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2021, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the quarter ended 30 September 2020.

2.1.4 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.

2.1.5 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 Fund.

2.2 Basis of Measurement

This condensed interim financial information have been prepared on the basis of historical cost convention except that investments have been included at fair value.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2021.

3.2 Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant and does not have any significant impact on the Fund's operations or a change in accounting policies of the Fund, therefore, have not been detailed in these condensed interim financial statements.

4. Estimates and Judgements

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2021.

5. Financial Risk Management

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2021.

		(Un-audited) September 30, 2021 ---- (Rupees in '000) ----	(Audited) June 30, 2021
6. BALANCE WITH BANKS	Note		
In savings accounts	6.1	9,090,945	7,092,512
In current accounts		-	-
		<u>9,090,945</u>	<u>7,092,512</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

- 6.1** These carry profit at the rates ranging between 5.5% to 7.25% (June 30, 2021: 5.5% to 6.93%) per annum. It includes bank balance Rs. 7.029 million (June 30, 2021: 1.904 million) maintained with MCB Limited (a related party) which carries profit at the rate of 5.75% (June 30, 2021: 5.5%) per annum.

		(Un-audited) September 30, 2021 ---- (Rupees in '000) ----	(Audited) June 30, 2021
7. INVESTMENTS	Note		
<i>At fair value through profit or loss</i>			
- Sukuk certificates - Unlisted	7.1	352,000	352,000
- Commercial Paper	7.2	899,633	1,278,407
- Bai Muajjal	7.3	-	3,892,285
- Term Deposit Receipts	7.4	3,375,000	2,600,000
Total Investment		4,626,633	8,122,692

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

7.1 Listed debt securities - Sukuku Certificates

Security	Issue Date	Face value			As at September 30, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments	
		As at July 01, 2021	Purchases during the period	Sales / matured during the period	As at September 30, 2021	Carrying value	Market value			Appreciation / (diminution)
Commercial banks										
		(Number of certificates)			(Rupees in '000)			%		
	5-May-21	352	-	-	352	352,000	352,000	2.55%	7.61%	
Total as at September 30, 2021 (Un-audited)										
						352,000	352,000	-	-	
						352,000	352,000	-	-	
Total as at 30 June 2021 (Audited)										
						352,000	352,000	-	-	

7.2 Commercial papers

Name of investee company	As at 01 June 2021	(Number of certificates)			As at 30 June 2021	Market value	
		Purchased during the year	Disposed / matured during the year	As at 30 September 2021	Carrying value before revaluation	Unrealised appreciation / (diminution)	As at 30 June 2021
K Electric ICP 14	675	-	675	-	-	-	-
K Electric ICP 15	200	400	600	-	-	-	-
K Electric ICP 16	170	340	510	-	-	-	-
K Electric ICP 17	250	500	500	250	249,726	-	1.81%
K Electric ICP 21	-	675	-	675	649,907	-	4.72%
Total as at September 30, 2021 (Un-audited)	1,295	1,915	2,285	925	899,633	-	-
Total as at 30 June 2021 (Audited)					1,278,407	1,278,407	-

7.2.1 Face value of these commercial papers are Rs.1,000,000 per certificate.

7.2.2 The terms and conditions of commercial papers outstanding as at 30 September 2021 are as follows:

Description - Commercial Papers	Issue Date	Maturity Date	Mark-up rate	Total Face Value (maturity value)	Term	Secured / Unsecured
Units in '000'						
K Electric ICP 17	6-Apr-21	6-Oct-21	8.10%	250,000	6 months	unsecured
K Electric ICP 21	22-Sep-21	22-Mar-22	8.21%	675,000	6 months	unsecured
				925,000		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

7.3 Bai Muajjal Receivable

Description	As at 01 July 2021	Transaction executed during the year	Markup accrued during the year	Matured during the year	Carrying Value as at 30 September 2021	Carrying value as a percentage of net assets of Fund	Carrying value as a percentage of total investments
Total as at September 30, 2021 (Un-audited)	3,892,285	1,228,273	10,953	5,131,511	-	0.00%	0.00%
Total as at 30 June 2021 (Audited)	-	5,468,061	40,014	1,615,790	3,892,285		

7.3.1 The terms and conditions of Bai Muajjal as at 30 June 2021 are as follows:

Counter Party Name	Issue date	Maturity date	Markup rate	Total transaction price (maturity value)	Deferred Income (unearned income as at year end)	Accrued Markup (earned income)	Carrying Value
BANK OF PUNJAB	06-Aug-21	23-Sep-21	7.00%	198,837	-	1,830	-
BANK OF PUNJAB	06-Aug-21	23-Sep-21	7.00%	168,457	-	1,551	-
BANK OF PUNJAB	06-Aug-21	23-Sep-21	7.00%	246,625	-	2,270	-
BANK OF PUNJAB	09-Aug-21	23-Sep-21	7.00%	198,975	-	1,717	-
BANK OF PUNJAB	09-Aug-21	23-Sep-21	7.00%	168,577	-	1,455	-
BANK OF PUNJAB	09-Aug-21	23-Sep-21	7.00%	246,803	-	2,130	-
				1,228,273	-	10,953	-

7.3.2 These Bai Muajjal transaction balances have arisen on the sale of K-Electric Commercial Papers.

7.4 TERM DEPOSIT RECEIPTS

This represents Term Deposit Receipts (TDR) placed with Faysal Bank Limited (Islamic Banking) and As kar Bank Limited maturing between 06 Oct 2021 and 23 December 2021, carrying markup at the rates ranging between 7.30% to 7.750% per annum respectively.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

8	Payable to MCB-Arif Habib Savings and Investments Limited – Management Company	Note	(Un-audited) September 30, 2021 (Rupees in '000)	(Audited) 30 June 2021
	Management remuneration payable		1,835	-
	Sindh Sales Tax payable on management remuneration		239	-
	Sales load payable		1	-
	Payable against allocated expenses		142	-
	Shariah Fee		64	60
	Marketing & Selling expenses		3,554	-
			<u>5,835</u>	<u>60</u>
			(Un-audited) September 30, 2021 (Rupees in '000)	(Audited) 30 June 2021
9	ACCRUED EXPENSES AND OTHER LIABILITIES			
	Provision against Sindh Workers' Welfare Fund	9.1	-	10,909
	Provision for Federal Excise Duty:			
	- Management fee	9.2	841	841
	- Sales load		3,625	3,625
	Brokerage payable		22	18
	Auditors' remuneration payable		542	386
	Donation Payable		422	277
	WHT payable on dividend paid (subsequently paid)		1	4,536
	Others		529	80
			<u>5,982</u>	<u>20,672</u>

9.1 Provision for Sindh Workers' Welfare Fund (SWWF)

Sindh Revenue Board (SRB) through its letter dated August 12, 2021 received on August 13, 2021 has intimated Mutual Funds Association of Pakistan's (MUFAP) that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the Sindh Workers' Welfare Fund (SWWF) contributions. This development was discussed at MUFAP level and was also been taken up with the Securities and Exchange Commission of Pakistan (SECP). All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds till August 12, 2021 on August 13, 2021.

SECP has also given its concurrence for recording reversal of provision of SWWF on the day letter was received by MUFAP. This reversal of provision has contributed towards an unusual increase in NAV of the Fund on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

Going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

9.2 Federal Excise Duty and related tax payable

There is no change in the status of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2021. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2021 would have been higher by Re. 0.03 per unit (June 30, 2021: Re. 0.02 per unit).

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at 30 September 2021 and 30 June 2021.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

11 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 available for distribution for the year as reduced by capital gains whether realized or unrealized 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 Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than 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. The management intends to distribute at least 90% of income to be earned during current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

12 EARNINGS PER UNIT

Earnings per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company, the determination of the same is not practicable.

13 TOTAL EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 0.36% (September 30, 2020: 0.99%) and this includes 0.04% (September 30, 2020: 0.08%) representing government levy, SECP fee etc.

14 TRANSACTIONS WITH CONNECTED PERSONS

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:

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

For the nine months period ended September 30, 2021 (unaudited)								
	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021
	Units				(Rupees in '000)			
Key management personnel	14,710	52,016	48,942	17,785	1,464	5,176	4,870	1,770
Mandate under discretionary portfolio services	-	137	-	137	-	14	-	14
Unit holders holding 10% or more units	112,396,782	21,171,562	35,172,345	98,395,999	11,184,593	1,365,467,496	503,000,000	9,791,386
For the nine months period ended September 30, 2020 (unaudited)								
	As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020	As at July 01, 2020	Issued for cash	Redeemed	As at September 30, 2020
	Units				(Rupees in '000)			
Associated company								
MCB Arif Habib savings and investments Limited	-	4,509,640	4,509,640	-	-	446,404	446,555	-
Key management personnel	-	140,373	86,408	53,965	-	13,886	8,573	5,369
Mandate under discretionary portfolio services	-	24,278,091	12,180,728	12,097,363	-	2,409,192	1,206,165	1,203,638
Unit holders holding 10% or more units	-	20,261,533	10,130,591	10,130,942	-	2,010,633	1,003,155	1,007,987

These persons became connected persons / related parties during the period due to acquiring unit holding of more than 10% of net assets of the Fund.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	(Unaudited) September 30, 2021	(Unaudited) September 30, 2020
	----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited - Management Company		
Remuneration including indirect taxes	6,996	131
Marketing and selling expense	3,554	165
Allocated expenses including indirect taxes	142	21
Reimbursement of expenses	469	322
Digital Custodian Company - Trustee (Formerly MCB Financial Services Limited)		
Remuneration including indirect taxes	2,717	77
MCB Bank Limited - Holding Company of the Management Company		
Profit on bank deposits	-	36
Bank charges	18	-

* The amount disclosed represents the amount of brokerage paid to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter parties are not connected persons.

* These are not a related party & are disclosed for comparative purpose only.

14.2 Amount outstanding as at period end / year end

	(Unaudited) September 30, 2021	(Audited) June 30, 2021
MCB-Arif Habib Savings and Investments Limited - Management Company		
Management remuneration payable	1,835	-
Sindh Sales Tax payable on management remuneration	239	-
Payable against allocated expenses	142	-
Payable against selling and marketing expenses	3,554	-
Sales load payable	1	-
Shahriah fee payable	64	60
Receivable from Management Company	-	1,844
Digital Custodian Company - Trustee (Formerly MCB Financial Services Limited)		
Trustee remuneration payable	892	724
Sindh Sales Tax payable on trustee remuneration	117	94
MCB Bank Limited - Parent of the Management Company		
Bank balances	7,029	1,904

15 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a n 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 requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

Fair value hierarchy

International Financial Reporting Standard 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 (unadjusted) in active markets for identical assets or liabilities;

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly

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

16 Impact of COVID-19

A novel strain of coronavirus (COVID-19) was classified as a pandemic by the World Health Organization on March 11, 2020, impacting countries globally. Measures taken to contain the spread of the virus, including lock-downs, travel bans, quarantines, social distancing, and closures of non-essential services and factories triggered significant disruptions to businesses worldwide and in Pakistan, resulting in an economic slowdown. During the lockdown that lasted from March to May 2020, the funds continued their activity, as the Pakistan Stock Exchange and the money markets continued trading. Management Company is of the view that while COVID-19 and its resulting containment measures have affected the economy, investors' confidence and adequate steps from the government and regulators have spearheaded recovery and subsequent events reflect that in due course, things would be normalised.

17 GENERAL

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

17.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. However, no significant rearrangements or reclassifications were made in these condensed interim financial statements to report.

18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 22, 2021 by the Board of Directors of the Management Company.

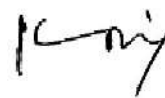
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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