

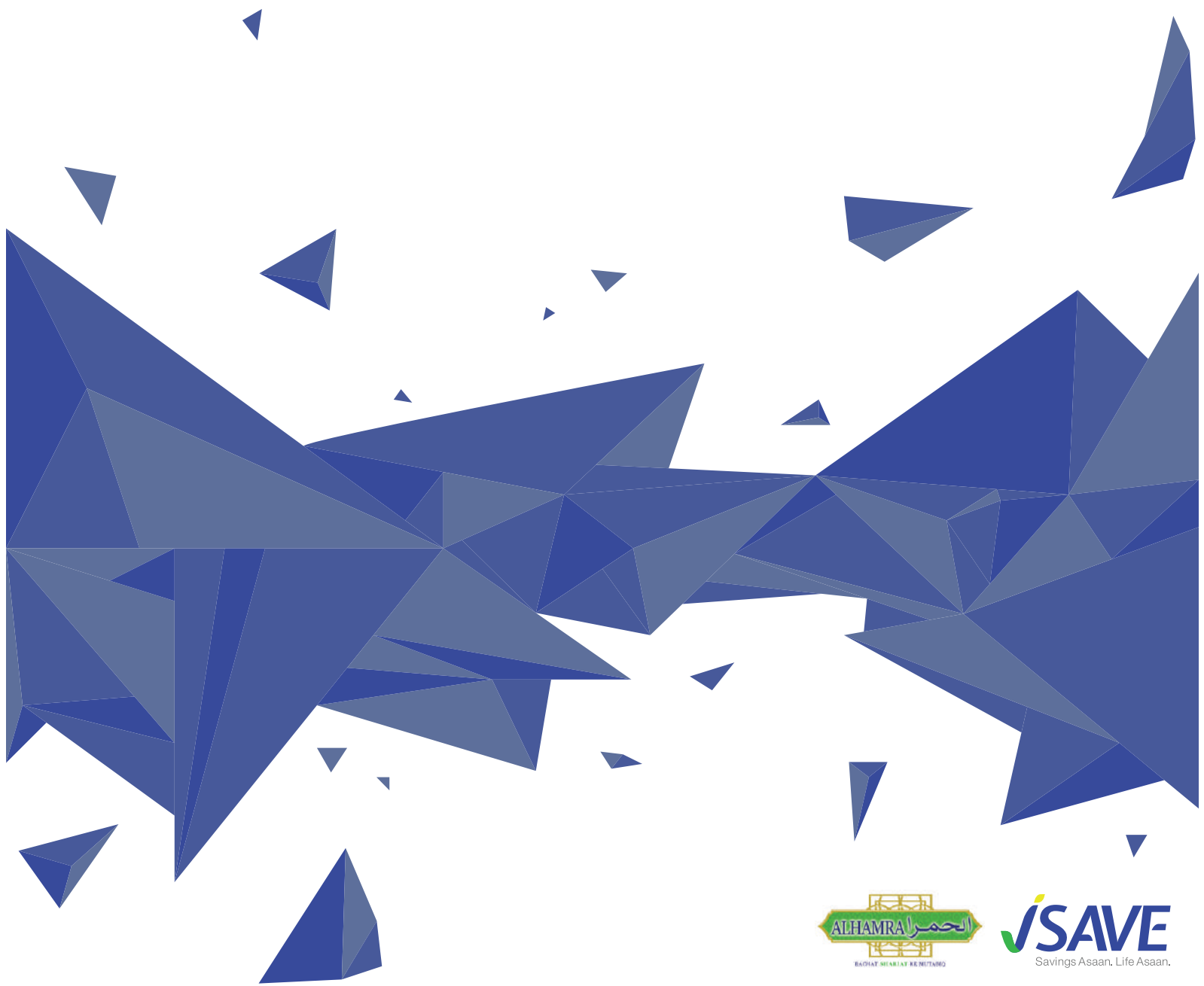


MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2021
(UNAUDITED)

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



ALHAMRA ISLAMIC STOCK 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	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited United Bank Limited Allied Bank Limited Habib Bank Limited National Bank of Pakistan Standard Chartered Bank Limited Silk Bank Limited MCB Islamic Bank Limited Bank Islami Pakistan Limited Dubai Islamic Bank Limited Askari Bank Limited Bank Al Habib Limited Faysal Bank Limited Soneri Bank Limited	
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 Stock 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 county. 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.

Equity Market Review

The KSE-100 index closed the first quarter down by 5.2 per cent compared to a positive return of 17.9 per cent same period last year. Weakness in macroeconomic indicators, uncertainty over Pak-Afghan relations post US exit from Afghanistan, and MSCI's decision to downgrade Pakistan from Emerging Market to Frontier Market all weighted heavily on the index. Foreigners continued to offload as they sold stocks worth of near USD 83 million, while on the local front Individuals and Banks added about USD 33/21 million respectively to their positions. During the quarter, average trading volumes saw a decline to 412 million shares compared to about 669 million shares during the preceding quarter. Similarly, average trading value during the quarter saw a drop of 35 per cent over last quarter to near USD 85 million.

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

Cements, Oil & Gas Exploration companies, Refinery, Oil & Gas Marketing companies, & Fertilizer sectors were the major contributors to index decline posting negative returns of 20.2 per cent/6.2 per cent/35.4 per cent/10.8/2.2 per cent, respectively. In the cement sector, unprecedented surge in international coal prices amid price control measures by GoP created a weak near-term earnings outlook for the sector leading to selling pressure. Moreover, decline in E&Ps and OMCs were largely on the account of continuous accumulation of circular debt. In the case of Refineries, delay in approval of refinery policy dragged the entire sector performance.

FUND PERFORMANCE

During the period, ALHISF delivered a return of -6.91 per cent as compared to benchmark return of -5.62 per cent. Overall equity exposure of the fund stood at 93.2 per cent at the end of the period. The fund changed its investment strategy several times during the quarter to cope with various sector and company level fundamental developments. During the period, the fund had exposures majorly in Oil and Gas Exploration companies, Cement and Commercial Banks.

The Net Assets of the Fund as at September 30, 2021 stood at Rs. 3,445 million as compared to Rs. 3,410 million as at June 30, 2021 registering an increase of 1.03 per cent.

The Net Asset Value (NAV) per unit as at September 30, 2021 was Rs. 10.51 as compared to opening NAV of Rs. 11.29 per unit as at June 30, 2021 registering a decrease of Rs. 0.78 per unit.

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.

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

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.

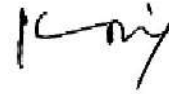
ACKNOWLEDGMENT

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

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۔

اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے قابل قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیوں کی مسلسل معاونت اور حمایت کے لیے شکر گزار 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

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 آرہی 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 پگھلدار 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 دوطرفہ 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 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 ب منفی حد میں آرہی ہے، چنانچہ موجودہ مالی سال کے دوران مالیاتی پالیسی میں ترسیمات 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۔

کیپیٹل 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 پریمیم 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۔

ڈائریکٹرز رپورٹ

ٹانوی مارکیٹس کی پیداواروں میں دورانِ سہ ماہی قابلِ 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 افراطِ زر پر دباؤ میں اضافہ ہوگا اور مالی سال 2022ء کے لیے افراطِ 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 دورانِ مدت بالترتیب 73 بی پی ایس، 46 بی پی ایس اور 51 بی پی ایس اضافہ ہوا۔

ایکویٹی مارکیٹ کا جائزہ

کے ایس ای-100 انڈیکس نے پہلی سہ ماہی کا اختتام سالِ گزشتہ کی مماثل مدت کے 17.9 فیصد مثبت منافع کے بالمقابل 5.2 فیصد کم پر کیا۔ کلاں معاشی اشاروں میں ضعف، امریکا کے افغانستان سے انخلاء کے بعد پاک افغان تعلقات میں غیر یقینی صورتحال، اور ایم ایس سی آئی کے پاکستان کی درجہ بندی کو امرجنگ مارکیٹ سے گرا کر فرنیچر مارکیٹ کر دینے کا فیصلہ، یہ سب عوامل انڈیکس پر بہت بھاری پڑے۔ غیر ملکیوں نے سرمایہ کاری میں کمی کا سلسلہ جاری رکھا اور تقریباً 83 ملین ڈالر کے اسٹاک فروخت کیے، جبکہ مقامی سطح پر افراد اور بینکوں نے بالترتیب 33 اور 21 ملین ڈالر کا اضافہ کیا۔ دورانِ سہ ماہی اوسط تجارتی حجم میں 412 ملین حصص کی کمی ہوئی جبکہ اس کے بالمقابل گزشتہ سہ ماہی کے دوران 669 ملین حصص کی کمی ہوئی تھی۔ اسی طرح، اوسط تجارتی قدر گزشتہ سہ ماہی کے مقابلے میں 35 فیصد کم ہو کر تقریباً 85 ملین ڈالر ہو گئی۔

انڈیکس کے تنزل میں اہم ترین کردار ادا کرنے والے شعبوں میں سیمنٹ، تیل اور گیس کی دریافت کی کمپنیاں، ریفائنری، تیل اور گیس کی مارکیٹنگ کی کمپنیاں شامل ہیں جنہوں نے بالترتیب 20.2 فیصد، 6.2 فیصد، 35.4 فیصد، 10.8 فیصد اور 2.2 فیصد منفی منافع پوسٹ کیا۔ حکومت پاکستان کے قیمتوں پر قابو پانے کے اقدامات کے پس منظر میں کونسل کی قیمتوں میں بین الاقوامی سطح پر بلا نظیر اضافے سے سیمنٹ کے شعبے میں قریب المدتی منافع کا کمزور امکان، اور اس کے نتیجے میں فروخت کا دباؤ، پیدا ہو گیا۔ اس کے علاوہ ای اینڈ پی اور او ایم سی میں تنزل کی بڑی وجہ گردشی قرضے کا مسلسل جمع ہونا ہے۔ ریفائنری پالیسی کی منظوری میں تاخیر کے باعث ریفائنریز کے پورے شعبے کی کارکردگی سُست روی کا شکار ہوئی۔

فنڈ کی کارکردگی

دورانِ مدت ALHISF نے (6.91) فیصد منافع دیا جبکہ مقررہ معیار (5.62) فیصد تھا۔ اختتامِ مدت پرائیویٹ میں مجموعی سرمایہ کاری 93.2 فیصد تھی۔ فنڈ نے دورانِ سہ ماہی اپنی سرمایہ کاری کی حکمت عملی میں متعدد بار ترمیم کی تاکہ کمپنی کی سطح پر ہونے والی مختلف بنیادی تبدیلیوں کے ساتھ ہم آہنگ ہو جاسکے۔ دورانِ مدت، فنڈ کی زیادہ تر سرمایہ کاری تیل اور گیس کی دریافت کی کمپنیوں، سیمنٹ کے شعبے اور کمرشل بینکوں میں تھی۔ 30 ستمبر 2021ء کو فنڈ کے net اثاثہ جات 3,445 ملین روپے تھے، جو 30 جون 2021ء کی سطح 3,410 ملین روپے کے مقابلے میں 1.03 فیصد اضافہ ہے۔

30 ستمبر 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 10.51 روپے تھی، جو 30 جون 2021ء پر ابتدائی این اے وی 11.29 روپے کے مقابلے میں 0.78 روپے فی یونٹ کمی ہے۔

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

معیشت اور بازار زر 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 پذیر، 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	91,645	126,051
Investments	7	3,267,970	3,343,373
Receivable against sale of investments		106,903	51,122
Dividend, profit and other receivable		35,188	4,978
Advance Against Bookbuilding		3,057	-
Advances and deposits		3,227	3,227
Total assets		3,507,989	3,528,751
LIABILITIES			
Payable to the Management Company		19,984	17,960
Payable to the Central Depository Company of Pakistan Limited - Trustee		440	416
Payable to the Securities and Exchange Commission of Pakistan		191	691
Unclaimed Dividend		12,236	12,236
Payable against purchase of investments		14,736	43,497
Accrued expenses and other liabilities	8.	15,755	43,771
Total liabilities		63,342	118,571
NET ASSETS		3,444,648	3,410,180
Unit holders' fund (as per statement attached)		3,444,648	3,410,180
Contingencies and commitments	9.		
		----- (Number of units) -----	
Number Of Units In Issue		327,670,771	301,982,760
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		10.51	11.29

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements

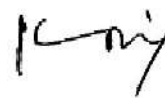
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



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			
Capital gain / (loss) on sale of investments		(16,718)	132,534
Dividend income		36,764	11,025
Profit on bank deposits		2,295	3,165
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss'	7.1	(275,249)	331,015
Total Income / (Loss)		(252,908)	477,739
EXPENSES			
Remuneration of the Management Company		19,144	16,388
Sindh Sales Tax on remuneration of the Management Company		2,489	2,131
Remuneration of the Central Depository Company of Pakistan Limited - Trustees		1,209	1,069
Sindh Sales tax on remuneration of Trustee		157	139
Securities and Exchange Commission of Pakistan - annual fee		191	164
Allocated expense		957	819
Selling and marketing expenses		12,443	10,652
Brokerage, Settlement and bank charges		4,659	4,972
Fees and subscription		7	7
Legal and professional charges		436	34
Shariah advisory fee		182	204
Donation		1,297	321
Auditors' remuneration		114	113
Printing and related costs		25	(5)
Total expenses		43,310	37,008
Net Income / (Loss) from operating activities		(296,217)	440,731
Sindh Workers' Welfare Fund		27,763	(8,815)
Net Income / (Loss) for the period before taxation		(268,454)	431,916
Taxation	10	-	-
Net Income / (Loss) for the period		(268,454)	431,916
Allocation of net Income for the period:			
Net Income for the period		-	431,916
Income already paid on units redeemed		-	(73,370)
		-	358,546
Accounting income available for distribution:			
- Relating to capital gains		-	358,546
- Excluding capital gains		-	-
		-	358,546
		-	358,546
Earning / (Loss) per unit	11		

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

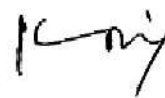
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



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 (loss) / income for the period after taxation	(268,454)	431,916
Other comprehensive (loss) / income for the period		
Unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through other comprehensive income' - net	-	-
Total comprehensive (loss) / income for the period	(268,454)	431,916

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

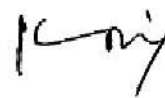
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

(9 1 9)

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 Profit/(Loss) for the period before taxation	(268,454)	431,916
Adjustments for:		
Unrealised diminution / (appreciation) in value of investments classified as 'at fair value through profit or loss' - net	275,249	(331,015)
Dividend income	(36,764)	11,025
	(29,969)	111,926
Decrease / (Increase) in assets		
Investments	(199,846)	(575,663)
Dividend, profit and other receivable	603	(8,668)
Advance Against Bookbuilding	(3,057)	-
Advances and deposits	-	(42)
Receivable against sale of investments	(55,781)	(63,253)
	(258,081)	(647,626)
(Decrease) / Increase in liabilities		
Payable to the Management Company	2,024	4,702
Payable to the Central Depository Company of Pakistan Limited - Trustee	24	94
Payable to Securities and Exchange Commission of Pakistan	(500)	(366)
Payable against purchase of investments	(28,761)	(37,830)
Payable against redemption of units	-	37,263
Accrued expenses and other liabilities	(28,016)	16,143
	(55,229)	20,006
Dividend Received	5,951	(5,838)
Net cash used in operating activities	(337,328)	(521,532)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	1,345,204	1,785,351
Payments on redemption of units	(1,042,281)	(1,535,565)
Net cash (used in) / generated from financing activities	302,922	249,787
Net (decrease) in cash and cash equivalents during the period	(34,406)	(271,746)
Cash and cash equivalents at beginning of the period	126,051	298,097
Cash and cash equivalents at end of the period	91,645	26,352

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

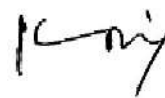
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



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 Stock Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (AHIL) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee on May 26, 2004. Pursuant to the merger of MCB Asset Management Company Limited with and into Arif Habib Investments Limited (AHIL), the name of AHIL has been changed to MCB-Arif Habib Savings and Investments Limited.
- 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 has appointed a Shariah Supervisory Council whose advice is followed to ensure that activities of the Fund are in compliance with Shariah.
- 1.3 Formation of the Fund as a closed-end fund was authorized by SECP on 13 May 2004, however with effect from 11 November 2010 the Fund was converted into open-end fund.
- 1.4 The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.5 The Fund is categorised as "Shariah Compliant Islamic Equity Scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in listed equity securities. It also invests in cash instruments and treasury bills not exceeding 90 days maturity.
- 1.6 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.7 The Pakistan Credit Rating Agency Limited (PACRA) has assigned asset manager rating of 'AM1' dated October 06, 2021 to the Management Company.
- 1.8 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of 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	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
6. BALANCE WITH BANKS			
- in saving accounts	6.1	61,700	107,905
- in current accounts	6.2	29,944	18,146
		<u>91,645</u>	<u>126,051</u>

6.1 These carry profit at rates ranging between 6.5% to 7.05% (June 30, 2021 5.85% to 6.85%) per annum. These include Rs. 0.01 million (June 30, 2021 Rs 0.01 million) held with MCB Islamic Bank Limited (related parties).

6.2 These include Rs.17.66 (30 June 2021: Rs. 4.428) million held with MCB Bank Limited (a related party).

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

7. INVESTMENTS

'At fair value through profit or loss'

Listed equity securities

(Un-Audited) September 30, 2021	(Audited) June 30, 2021
----- (Rupees in '000) -----	----- (Rupees in '000) -----
7.1	3,267,970
	3,343,373

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

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

Name of the Investee Company	Number of shares					Balance as at September 30, 2021			Market value	
	As at July 01, 2021	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2021	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments
----- (Rupees in '000) ----- % -----										
Automobile Assembler										
Ghandhara Nissan Limited	-	150,000	-	150,000	-	-	-	-	0.00%	0.00%
Honda Atlas Cars(Pakistan) Limited	125,000	138,000	-	193,000	70,000	25,167	18,442	(6,725)	0.54%	0.56%
Millat Tractors Limited	30,000	-	-	30,000	-	-	-	-	0.00%	0.00%
Pak Suzuki Motors Company Limited	156,000	207,000	-	47,000	316,000	111,077	84,546	(26,531)	2.45%	2.59%
						136,244	102,988	(33,256)		
Automobile Parts & Accessories										
Agriauto Industries Limited**	124,800	-	-	27,800	97,000	26,616	21,814	(4,802)	0.63%	0.67%
Panther Tyres Limited	483,452	65,000	-	548,452	-	-	-	-	0.00%	0.00%
Thal Limited**	126,000	16,000	-	8,000	134,000	56,505	52,039	(4,466)	1.51%	1.59%
						83,121	73,853	(9,267)		
Cable & Electrical Goods										
Pak Elektron Limited	-	724,500	-	415,500	309,000	10,346	8,513	(1,833)	0.25%	0.26%
						10,346	8,513	(1,833)		
Cement										
Cherat Cement Company Limited	-	659,800	-	144,800	515,000	86,568	73,758	(12,810)	2.14%	2.26%
D.G. Khan Cement Company Limited	573,616	-	-	173,616	400,000	47,168	35,368	(11,800)	1.03%	1.08%
Fauji Cement Company Limited	2,160,000	500,000	-	456,000	2,204,000	48,006	39,562	(8,444)	1.15%	1.21%
Kohat Cement Company Limited	668,250	129,800	-	73,000	725,050	149,968	124,665	(25,303)	3.62%	3.81%
Lucky Cement Limited	375,000	82,000	-	40,000	417,000	362,619	301,449	(61,169)	8.75%	9.22%
Maple Leaf Cement Factory Limited	4,000,000	820,000	-	220,000	4,600,000	212,371	161,920	(50,451)	4.70%	4.95%
						906,699	736,722	(169,977)		

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

Name of the Investee Company	Number of shares					Balance as at September 30, 2021			Market value	
	As at July 01, 2021	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2021	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments
Chemicals										
Dynea Pakistan Limited	-	1,000	-	-	1,000	227	227	1	0.01%	0.01%
Engro Polymer and Chemicals Limited	1,075,000	316,000	-	391,000	1,000,000	48,486	55,070	6,585	1.60%	1.69%
						48,712	55,297			
Commercial Banks										
BankIslami Pakistan Limited	-	700,000	-	-	700,000	8,750	8,820	70	0.26%	0.27%
Meezan Bank Limited	2,100,000	521,332	299,925	713,257	2,208,000	237,313	308,965	71,652	8.97%	9.45%
						246,063	317,785	71,722		
Engineering										
AGHA STEEL IND. LTD	-	710,000	-	-	710,000	20,465	19,518	(947)	0.57%	0.60%
International Industries Limited	238,400	-	-	178,400	60,000	12,661	10,006	(2,655)	0.29%	0.31%
International Steels Limited	-	202,500	-	202,500	-	-	-	-	0.00%	0.00%
Mughal Iron & Steel Industries Limited	300,000	357,900	-	-	657,900	71,245	64,224	(7,020)	1.86%	1.97%
						104,371	93,748	(10,622)		
Fertilizer										
Engro Corporation Limited	460,000	80,000	-	54,000	486,000	143,262	135,959	(7,303)	3.95%	4.16%
Fauji Fertilizer Bin Qasim Limited	1,000,000	1,375,000	-	1,475,000	900,000	19,801	20,250	449	0.59%	0.62%
						163,063	156,209	(6,854)		
Food & Personal Care Products										
Al Shaheer Corporation	850,000	750,000	-	-	1,600,000	27,833	22,720	(5,113)	0.66%	0.70%
The Organic Meat Company Limited	755,000	344,000	-	329,000	770,000	27,970	27,666	(304)	0.80%	0.85%
Unity Foods Limited	-	1,650,000	-	900,000	750,000	23,017	23,415	398	0.68%	0.72%
						78,820	73,801	(5,019)		
Glass & Ceramics										
Shabbir Tiles & Ceramics Limited	328,000	-	-	328,000	-	-	-	-	0.00%	0.00%
Miscellaneous										
Shifa International Hospitals	158,600	27,900	-	-	186,500	40,861	35,890	(4,970)	1.04%	1.10%
Synthetic Products Limited	380,164	-	-	-	380,164	16,351	15,210	(1,140)	0.44%	0.47%
Tri-Pak Films	70,200	-	-	70,200	-	-	-	-	0.00%	0.00%
						57,211	51,100	(6,111)		

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

Name of the Investee Company	Number of shares					Balance as at September 30, 2021		Market value	
	As at July 01, 2021	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2021	Carrying value	Market Value	As a percentage of net assets	As a percentage of total investments
Oil & Gas Exploration Companies									
Mari Petroleum Company Limited	146,500	30,960	-	12,460	165,000	251,446	256,306	7.44%	7.84%
Oil & Gas Development Company Limited***	2,265,000	75,000	-	115,000	2,225,000	210,519	186,455	5.41%	5.71%
Pakistan Oilfields Limited	345,000	-	-	157,996	187,004	73,653	70,192	2.04%	2.15%
Pakistan Petroleum Limited	2,500,000	300,000	-	600,000	2,200,000	187,152	164,802	4.78%	5.04%
						722,770	677,755		
Oil And Gas Marketing Companies									
Attock Petroleum Limited	160,000	15,000	-	-	175,000	56,537	50,750	1.47%	1.55%
Hi-Tech Lubricants Limited	479,195	50,000	-	529,195	-	-	-	0.00%	0.00%
Pakistan State Oil Company Limited	460,000	175,000	-	205,000	430,000	96,447	86,426	2.51%	2.64%
Shell (Pakistan) Limited	190,000	-	-	190,000	-	-	-	0.00%	0.00%
Sui Northern Gas Pipelines Limited	685,000	542,142	-	50,000	1,177,142	57,752	53,536	1.55%	1.64%
						210,736	190,712		
Paper And Board									
Cherat Packaging Limited	-	50,000	-	-	50,000	9,900	8,960	0.26%	0.27%
Packages Limited	130,250	-	-	20,250	110,000	59,972	51,630	1.50%	1.58%
						69,872	60,590		
Pharmaceuticals									
Abbott Laboratories (Pakistan) Limited	86,450	-	-	40,500	45,950	36,409	35,513	1.03%	1.09%
Glaxosmithkline Consumer Healthcare Pakistan Limited	-	64,000	-	-	64,000	19,173	16,325	0.47%	0.50%
Highnoon Laboratories Limited	57,400	4,100	-	6,500	55,000	33,013	34,082	0.99%	1.04%
The Searle Company Limited	123,000	113,002	-	63,002	173,000	41,778	34,861	1.01%	1.07%
						130,372	120,781		
Power Generation & Distribution									
Hub Power Company Limited***	1,607,193	576,876	-	147,979	2,036,090	161,271	149,714	4.35%	4.58%
K-Electric Limited*	7,000,000	-	-	7,000,000	-	-	-	0.00%	0.00%
						161,271	149,714		

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

Name of the Investee Company	Number of shares					Balance as at September 30, 2021			Market value	
	As at July 01, 2021	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at September 30, 2021	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments
(Rupees in '000)										
Refinery										
Attock Refinery Limited	130,000	100,000	-	122,500	107,500	26,799	19,219	(7,580)	0.56%	0.59%
Byco Petroleum Pakistan Limited	-	2,000,000	-	-	2,000,000	18,920	16,360	(2,560)	0.47%	0.50%
						45,719	35,579	(10,140)		
Technology & Communications										
Avanceon Limited	-	472,000	-	202,000	270,000	30,410	33,307	2,897	0.97%	1.02%
Pakistan Telecommunication Company Limited	-	2,750,000	-	-	2,750,000	32,853	25,740	(7,113)	0.75%	0.79%
Systems Limited	115,000	-	-	15,000	100,000	56,022	72,751	16,729	2.11%	2.23%
TRG Pakistan Limited	200,000	325,000	-	325,000	200,000	32,222	32,334	112	0.94%	0.99%
						151,507	164,132	12,625		
Textile Composite										
Interloop Limited	900,172	162,500	-	91,172	971,500	68,289	69,142	853	2.01%	2.12%
Kohinoor Textile Mills Limited	450,300	438,500	-	-	888,800	69,637	61,727	(7,910)	1.79%	1.89%
Nishat Mills Limited	-	395,700	-	17,000	378,700	36,548	34,409	(2,139)	1.00%	1.05%
						174,475	165,277	(9,197)		
Transport										
Pakistan International Bulk Terminal Limited	2,850,000	900,000	-	-	3,750,000	41,847	33,413	(8,434)	0.97%	1.02%
						41,847	33,413	(8,434)		
Total as at September 30, 2021 (Unaudited)						3,543,219	3,267,970	(275,249)		
Total as at June 30, 2021 (Audited)						33,102,007	3,343,373	241,366		
* These have a face value of Rs.3.5 per share ** These have a face value of Rs.5 per share *** Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:										
Name of security										
The Hub Power Company Limited						650,000	650,000	47,795	51,786	
Oil & Gas Development Company Limited						700,000	700,000	58,660	66,521	
						1,350,000	1,350,000	106,455	118,307	

7.1.1 As at September 30, 2021, the bonus shares of the Islamic Stock Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs.0.055 million.

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

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Un-Audited) September 30, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2021
Provision for Sindh Workers' Welfare Fund	8.1	-	27,763
Provision for Federal Excise Duty and related tax on	8.2		
- Management fee		5,689	5,689
- Sales load		125	125
Auditors' remuneration		427	313
Brokerage payable		2,479	2,495
Withholding tax payable		196	2,263
Charity / donation payable		6,073	4,775
Others		767	348
		15,755	43,771

8.1 Provision for Sindh Workers' Welfare Fund

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.

8.2 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 period 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/lower by Re. 0.02 per unit (June 30, 2021: Re. 0.02 per unit).

9. CONTINGENCIES AND COMMITMENTS

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

10. 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.

11. Earning / (Loss) per unit

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

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

12. TOTAL EXPENSE RATIO

The annualized total expense ratio of the Fund based on the current period results is 4.52% (September 30, 2020: 5.59%) and this includes 0.28% (September 30, 2020: 1.39%) representing government levy, SECP fee etc.

13. TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

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

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

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

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

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

	For the Quarter ended September 30, 2021					(Rupees in '000)		
	As at July 01, 2021	Issued for cash	Redeemed	As at September 30, 2021	As at July 01, 2021			
----- Units -----								
Group / associated companies								
Nishat Mills Limited	1,121,411	-	-	1,121,411	12,661	-	-	11,786
D.G. Khan Cement Company Limited - Employees Provident Fund	462,336	-	-	462,336	5,220	-	-	4,859
MCB-Arif Habib Savings And - Investments Limited	2,164,502	-	-	2,164,502	24,437	-	-	22,749
Adamjee Life Assurance Company Limited - Non-Unitised Investment Linked Fund	10,803,462	-	-	10,803,462	121,971	-	-	113,544
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	99,292,172	-	-	99,292,172	1,121,009	-	-	1,043,561
Asghari Beg Memorial Trust	387,764	-	-	387,764	4,378	-	-	4,075
Adamjee Life Assurance Company Limited - Amanat Fund	17,293,090	352,423	-	17,645,513	195,239	4,000	-	185,454
Adamjee Life Assurance Company Limited - MAZAAF	30,061,811	2,298,821	-	32,360,632	339,398	25,000	-	340,110
Hyundai Nishat Motor Private Limited - Employees Provident Fund	-	1,483,930	-	1,483,930	-	16,820	-	15,596
MCBFSL Trustee Alhamra Smart Portfolio	2,681,101	1,809,658	655,293	3,835,465	30,270	20,628	7,101	40,311
Key management personnel	1,834,806	2,457,453	1,943,956	2,348,303	20,715	27,900	22,385	24,681
Mandate under discretionary portfolio services	18,418,246	6,757,267	2,303,221	22,872,292	207,942	76,414	25,335	240,388

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

For the Quarter ended September 30, 2020

	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)							
Group / associated companies								
Nishat Mills Limited	1,121,411	-	-	1,121,411	9,745	-	-	11,270
D.G. Khan Cement Company Limited - Employees Provident Fund	462,336	-	-	462,336	4,018	-	-	4,646
Adamjee Life Assurance Company Limited - Non-Unitised Investment Linked Fund	8,941,197	1,372,549	-	10,313,746	77,699	14,000	-	103,653
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	94,010,563	2,854,424	-	96,864,987	816,952	30,000	-	973,493
Asghari Beg Memorial Trust	428,413	-	-	428,413	3,723	-	-	4,306
Adamjee Life Assurance Company Limited - Amanat Fund	22,726,705	-	2,639,916	20,086,789	197,495	-	25,000	201,872
Adamjee Life Assurance Company Limited - MAZAAF	27,585,782	2,378,687	-	29,964,469	239,720	25,000	-	301,143
Alhamra Islamic Active Allocation Plan I	-	3,075,397	-	3,075,397	-	31,000	-	30,908
Alhamra Islamic Active Allocation Plan II	-	3,373,015	-	3,373,015	-	34,000	-	30,908
Key management personnel	3,038,499	5,986,516	5,641,567	3,383,448	26,405	58,256	53,955	34,004
Mandate under discretionary portfolio services	16,198,586	5,847,141	3,215,099	18,830,628	140,766	60,044	30,854	189,248

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.

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

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

	(Unaudited) September 30, 2021	(Unaudited) September 30, 2020
	----- (Rupees in '000) -----	
MCB Arif Habib Savings and Investments Limited - Management Company		
Remuneration (including indirect taxes)	21,633	18,519
Expenses allocated by the Management Company and related sales tax	957	819
Shariah advisory fee	182	204
Selling and marketing expenses	12,443	10,652
 Central Depository Company of Pakistan Limited - Trustee		
Remuneration including indirect taxes	1,366	1,208
Settlement charges including indirect taxes	-	-
 Group / associated companies		
 Arif Habib Limited		
Brokerage expense *	86	81
 MCB Bank Limited		
Bank charges	13	9
 MCB Islamic Bank Limited		
Profit on Bank Deposits	-	3
 Nishat Mills Limited		
Purchase 395,700 (2020: 635,000) shares	38,189	62,854
Sales of 17,000 Shares (2020 Nil) shares	1,519	-
 Fatima Fertilizer Limited		
Sales of Nil (2020: 1,060,500) shares	-	29,694
 D.G. Khan Cement Company Limited		
Purchase of Nil (2020: 1,336,000) shares	-	138,191
Sales of 173,616 (2020: 590,000) shares	17,355	64,840

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

(Unaudited) September 30, 2021	(Audited) June 30, 2021
----- (Rupees in '000) -----	

13.3 Amount outstanding as at period end / year end

MCB Arif Habib Savings and Investments Limited - Management Company

Remuneration payable	6,131	5,715
Sales tax payable on Management remuneration	797	743
Expense allocated by the Management Company	306	286
Sales load payable	245	82
Shariah advisory fee payable	62	60
Selling and marketing expenses payable	12,443	11,074

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable (including indirect taxes)	440	416
Security deposit	300	300

Arif Habib Limited

Brokerage payable *	64	203
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MCB Bank Limited

Balances with bank	17,660	4,428
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MCB Islamic Bank Limited

Balances with bank	10	10
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D.G. Khan Cement Company Limited

400,000 shares held (June 30, 2020: 573,616 Shares)	35,368	67,641
-----------------------------------------------------	--------	--------

Nishat Mills Limited

378,700 shares held (June 30, 2020: Nil shares)	34,409	-
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* The amount disclosed represents the amount of brokerage paid / payable 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.

14. FAIR VALUE MEASUREMENTS

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 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.

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

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;

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 asset or liability that are not based on observable market data (i.e. unobservable inputs).

15. 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.

16. GENERAL

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

16.2 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.

17. 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.

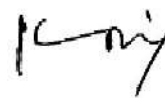
For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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

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