

MONEY MATTERS



MCB-ARIF HABIB
Savings and Investments Limited

Fund Manager's Report

SEPTEMBER 2017



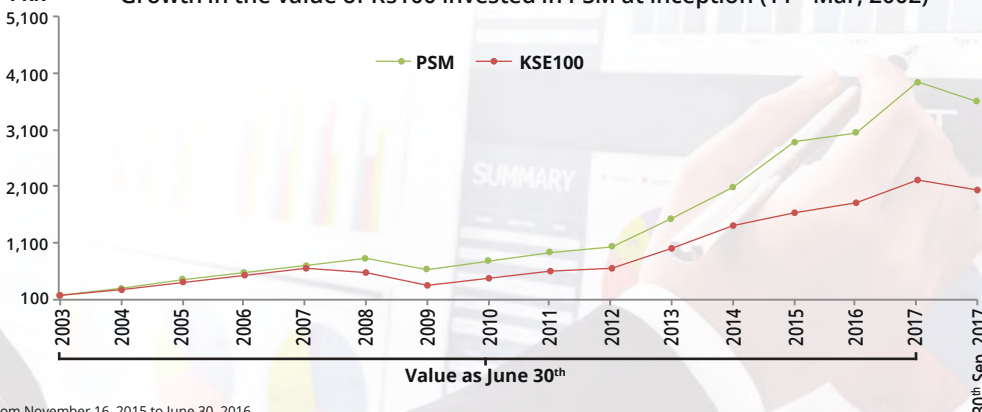
FUND PERFORMANCE



Fund Returns

Funds	YTD (FY 18)	(July 2016 to June 2017)	(July 2015 to June 2016)
Money Market Schemes			
MCB Cash Management Optimizer	5.24%	7.11%	5.77%
Pakistan Cash Management Fund	4.78%	8.34%	5.88%
Income Schemes			
MCB DCF Income Fund	4.32%	6.50%	6.23%
MCB Pakistan Sovereign Fund	4.85%	5.89%	7.30%
Pakistan Income Fund	4.66%	6.90%	6.14%
Aggressive Fixed Income Scheme			
Pakistan Income Enhancement Fund	5.91%	5.06%	8.33%
Islamic Income Scheme			
Alhamra Islamic Income Fund (Formerly: MCB Islamic Income Fund)	4.07%	6.49%	5.05%
Asset Allocation Schemes			
MCB Pakistan Frequent Payout Fund	0.80%	5.54%	3.54%*
MCB Pakistan Asset Allocation Fund	-2.35%	9.54%	3.21%
Shariah Compliant Fund of Funds			
Alhamra Islamic Active Allocation Plan-I (Inception Date: 29-Dec-2016)	-6.38%	0.81%**	n/a
Alhamra Islamic Active Allocation Plan-II (Inception Date:16-Jun-2017)	-2.37%	0.19%***	n/a
Balanced Scheme			
Pakistan Capital Market Fund	-5.81%	25.36%	5.17%
Equity Schemes			
MCB Pakistan Stock Market Fund	-8.64%	29.54%	5.25%
Alhamra Islamic Stock Fund (Formerly: MCB Pakistan Islamic Stock Fund)	-11.18%	29.97%	3.90%
Islamic Asset Allocation Schemes			
Alhamra Islamic Asset Allocation Fund (Formerly: Pakistan International Element Islamic Asset Allocation Fund)	-4.98%	27.74%	5.09%
Islamic Voluntary Pension Scheme			
Alhamra Islamic Pension Fund-Debt (Formerly: Pakistan Islamic Pension Fund-Debt)	1.35%	4.46%	4.04%
Alhamra Islamic Pension Fund-Money Market (Formerly: Pakistan Islamic Pension Fund-Money Market)	2.83%	3.78%	2.36%
Alhamra Islamic Pension Fund-Equity (Formerly: Pakistan Islamic Pension Fund-Equity)	-13.60%	33.21%	14.84%
Voluntary Pension Scheme			
Pakistan Pension Fund-Debt	4.23%	4.31%	7.35%
Pakistan Pension Fund-Money Market	4.28%	4.30%	4.40%
Pakistan Pension Fund-Equity	-12.40%	35.72%	10.77%

PKR Growth in the value of Rs100 invested in PSM at inception (11th Mar, 2002)



	Value as at 30 th Sep 2017
PKR 100 invested in PSM	PKR 3,119
PKR 100 invested in KSE100 index	PKR 2,265

* From November 16, 2015 to June 30, 2016
 ** From December 29, 2016 to June 30, 2017
 *** From June 16, 2017, to June 30, 2017

Returns are computed on the basis of NAV to NAV with dividends reinvested

Annualized Returns for: Money Market, Income, Aggressive Fixed Income, Islamic Income Schemes, Alhamra Islamic Pension Fund (Debt and Money Market), Pakistan Pension Fund (Debt and Money Market).
 Absolute Returns for: Asset Allocation, Shariah Compliant Fund of Funds, Balanced, Equity, Islamic Equity, Islamic Asset Allocation Schemes, Alhamra Islamic Pension Fund-Equity, Pakistan Pension Fund-Equity.

MCB-AH believes in providing best investment experience to our investors. Please feel free to forward your complaint/query/suggestion and we will do our best to redress the same to further improve our processes.
 For any complaint/query/suggestion, please email at mcbah.qa@mcbah.com

DEAR INVESTORS,

Assalam-o-Alaikum and greetings from your preferred fund manager!

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

Our focus for this month's edition of "Money Matters" is the iSave Platform and our awareness initiatives. Bearing in mind the need of the digital era, we as an organization decided to step forth and make our mark in the world of digitized savings and investments. Being Pakistan's first Digital Savings Platform, this product aims to bring a seamless investment experience to our investors. In addition to this, we will also be familiarizing you, our investor to our blog and all that we aim to accomplish with it.

In today's fast track life, people generally prefer having things on the go which includes less paperwork and minimal branch visits. To meet this need, we at MCB-AH introduced iSave, a platform that not only allows our customers to access their investments and portfolio online, but also allows new customers to sign up seamlessly, within a matter of a few minutes and get started with their first investment. Every step has been meticulously designed to be completed in a few clicks and for a smooth, seamless experience, ensuring customer convenience at every stage.

To take education and awareness a step further, we have also recently set up a blog which aims to help create awareness on Mutual Funds on a weekly basis. We realized the fact that the populace has apprehensions regarding investments in Mutual Funds and we addressed these "investment myths" through the blog. Various blog posts actively tackle investment related issues and queries which our investors have every week. The blog is not only ideal for frequent investors but is also aimed at being informative for new investors who have queries and might be apprehensive about starting their investment journey. Our blog can be accessed at www.mcbah.com/blog.

In order to enhance your saving and investment experience we understand that your feedback is vital. We welcome your suggestions so that we can continue to bring you efficient saving solutions. For any saving and investment related queries or suggestions feel free to email us at info@mcbah.com or call us at our 24/7 helpline 0800-62224 to speak to one of our helpful Customer Support Officers.



Muhammad Saqib Saleem

Chief Executive Officer



MACRO-ENVIRONMENT REVIEW AND OUTLOOK

SBP in its latest monetary policy statement maintained status quo for discount rates citing i) positive outlook on economic growth arising from favorable agriculture dynamics and CPEC projects ii) benign inflation (to remain below government target of 6%) and iii) healthy growth in private credit.

LSM for July 18, was recorded at a whopping 13.0% (3 year high), with rising production from autos, cement and steel i.e. real sector contributing to growth. Inflation remained muted for 1QFY18, average CPI for the period was recorded at 3.39% and we expect a benign outlook to hold for the entire year. In house estimates are that inflation will remain below 4.5% for FY18.

Further more, It is encouraging to note that the tax collection figures are on the rise, for the first quarter FY18 FBR recorded ~ 20% growth in provisional numbers (PKR 753 billion) which is a healthy sign. Although there is a shortfall of ~20billion from target, our confidence in meeting tax target has strengthened.

Point of weakness is still the rising trade deficit and current account deficit, for 2MFY18 trade deficit was up 31% contributing to more than doubling of CA deficit. Although remittance for August recorded a healthy growth MoM we believe this to be temporary phenomenon because of eid.

Growing imports, falling exports, and slowing remittances are all points of concern, added to which, the political instability of the election year may hinder government's ability to raise financing for both multilateral and bilateral sources to contain deficit. FY18 will be a tough year for PKR, we foresee rising pressure on PKR/USD parity.

EQUITY MARKET REVIEW AND OUTLOOK

After Prime Minister's disqualification, and continuous worsening of external account caused the benchmark index to lose -11.5% in 2MFY18, foreign buying drove gains in Sep'17 where KSE-100 gained 2.9% in Sep'17 to close at 42,409 pts. However, the first quarter of the new fiscal year closed itself down 8.9%, the worst quarterly return since FY09.

Sep'17 saw the first net foreign inflow (US\$28mn) since the start of fiscal year, primarily on account of inclusion of five Pakistani stocks (MCB, BAFL, SNGP, THAL and MTL) in the FTSE Global Indices. However, politics once again took the center stage limiting the month's gains as the ousted PM Nawaz Sharif returned from London to appear before Accountability Court. Also, NAB indicted the Finance Minister Ishaq Dar in assets reference case.

Average volumes during the month dwindled to 153 Mn shares compared to 202 Mn shares in the past month while average value traded declined to PKR 8 Bn from PKR 10 Bn.

Amongst major sectors that pushed the index up were Fertilizer, E&Ps, Refineries and Pharmaceuticals. Fertilizer sector outperformed the market by 8% on the back of surge in international urea prices by -22%. E & P's surged by -6% due to increase in oil prices by -12% MoM peaking at US\$ 56.6/bbl. Refineries sector surged by -5% on the back of surprising result of Attock Refinery Ltd. Banks gained in line with the market with less than expected penalty amount (US\$225 Mn) on HBL from New York (NY) State Department of Financial Services (DFS). Autos also continued to underperform the market (-+1% MoM) along with dampened sentiments due to anticipated pressure on USD-PKR parity.

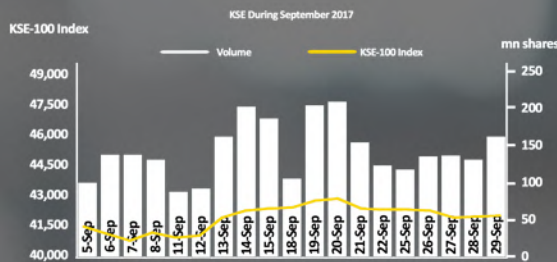
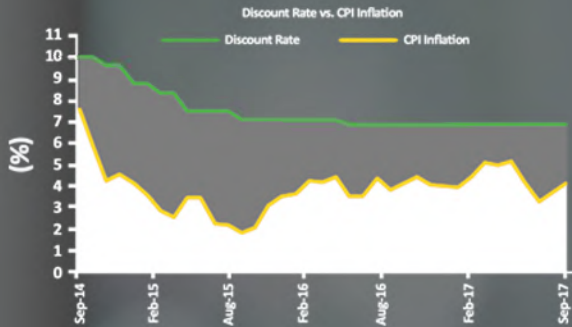
Cements (down 7% MoM) continued its lackluster performance on concerns over future pricing discipline on upcoming capacity expansions of -5 Mn tons in the next 6-7 months in the Southern region.

MONEY MARKET REVIEW AND OUTLOOK

With rising uncertainty on political front, yield curve demonstrated an upward trajectory during the month with sharp increase in yields particularly in longer tenor bonds with on average of 20 - 25 bps increase across the board. Participation in recent PIB auction equaled to a meager total of PKR 6 billion out of which 3 years PIB received majority of bids amounting PKR 2.8 billion whereas, 5 years PIB received PKR 786 million and 10 years PIB received PKR 2 billion. The target of the said auction was set at PKR 100 billion. Insignificant amount of participation at higher yields resulted in the auction being rejected. The PIB auction result give an idea that most of the market participants have little to no interest in longer tenor securities particularly at current yields.

In last Treasury bill auction cut off yield for 3 and 6 months paper were maintained at previous level of 5.9910% and 6.0109% respectively whereas, 12month T-bill cut off was announced at 6.0273%. The target for the auction was PKR 500 billion whereas, participation was around PKR 493 billion out of which PKR 480 billion were accepted. Majority of participation was witnessed in 3 Months T-bill amounting to PKR 393 billion whereas, participation in 6 months and 12 months T-bill were PKR 96 billion and PKR 2.5 billion respectively. Short term liquidity remain comfortable as SBP conducted regular OMOs through out the month.

Going forward a confluence of policy measures is needed to sustain macroeconomic stability, which should primarily focus on addressing external woes. Balance of payment position is already quite fragile due to weak financial inflows and widening current account deficit which needed to be bridge through a mix of external borrowing, commercial loans and issuance of dollar denominated bonds/ Sukuks. Considering aforementioned factors major concentration will remain towards short dated instruments as any interest in long tenor bonds in near term is highly unlikely.



SHARI'AH

COMPLIANT

SCHEMES

General Information

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

Investment Objective

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

Manager's Comment

During the month the fund generated an annualized return of 5.25% as against its benchmark return of 2.34%. The fund decreased its exposure in GoP Ijara Sukuks to 0.1% while decreased its exposure in Certificate of Musharaka to 6.3% from 8.6%. Exposure in cash also increased from 41.0% to 65.5%.

Fund Facts / Technical Information

NAV per Unit (PKR)	101.1135
Net Assets (PKR M)	2,684
Weighted average time to maturity (Years)	1.20
Sharpe Ratio	0.15
Correlation	9.8%
Standard Deviation	0.05
Total expense ratio with government levy**	0.30%
Total expense ratio without government levy	0.23%

**This includes 0.07% representing government levy, Sindh workers' welfare fund and SECP Fee.

Top Sukuk Holding (% of Total Assets)

Dubai Islamic Bank Pakistan Limited - PPTFC	5.80%
Meezan Bank Limited (22-Sep-16)	3.90%
Ghani Gases Limited (2-Feb-17)	3.50%
Engro Fertilizer Limited (9-Jul-14)	3.20%

Others

Provision against Sindh Workers' Welfare Fund's liability

ALHIIF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 2.41 million, if the same were not made the NAV per unit of ALHIIF would be higher by Rs. 0.0917 and YTD return would be higher by 0.09%. For details investors are advised to read Note 11.2 of the latest Financial Statements for the year ended June 30, 2017 of ALHIIF

Members of the Investment Committee

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

MCBAH Shariah Supervisory Board

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

Asset Allocation (%age of Total Assets)

Particulars	Sep-17	Aug-17
Cash	65.5%	41.0%
GoP Ijara Sukuks	0.1%	12.1%
Sukuk	16.3%	22.3%
Certificate of Musharakah	6.3%	8.6%
Certificate of Modaraba	3.7%	5.1%
Others including receivables	0.7%	0.7%
Shariah Compliant Bank Deposits	7.4%	10.2%

Performance Information (%)

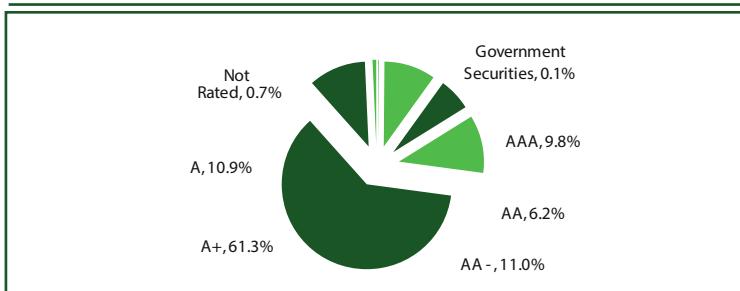
Particulars	ALHIIF	Benchmark
Year to Date Return (Annualized)	4.07%	2.35%
Month to Date Return (Annualized)	5.25%	2.34%
180 Days Return (Annualized)	5.04%	2.42%
365 Days Return (Annualized)	6.38%	2.76%
Since inception (CAGR)	7.47%	6.18%
Average Annual Return (Geometric Mean)	5.46%	-

Returns are computed on the basis of NAV to NAV with dividends reinvested

Annual Historical Returns

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

Asset Quality (%age of Total Assets)



DISCLAIMER

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

MUFAP's Recommended Format



General Information

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

Others

Provision against Sindh Workers' Welfare Fund's liability

ALHAA has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 7.62 million, if the same were not made the NAV per unit of ALHAA would be higher by Rs. 0.2688 and YTD return would be higher by 0.37%. For details investors are advised to read Note 13.1 of the latest Financial Statements for the year ended June 30, 2017 of ALHAA.

Asset Allocation (%age of Total Assets)

Particulars	Sep-17	Aug-17
Cash	55.1%	55.4%
Stock/Equities	44.1%	44.0%
Sukuk	0.1%	0.1%
Others including receivables	0.7%	0.5%

Performance Information (%)

Particulars	ALHAA	Benchmark
Year to Date Return	-4.98%	-7.53%
Month to Date Return	0.67%	1.91%
180 Days Return	-4.31%	-10.64%
365 Days Return	13.26%	4.71%
Since inception	285.24%	405.49%

Returns are computed on the basis of NAV to NAV with dividends reinvested

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

Top 10 Holdings (%age of Total Assets)

Pakistan Oilfields Limited	Equity	5.1%
Hub Power Company Limited	Equity	4.8%
Pakistan Petroleum Limited	Equity	4.7%
Oil and Gas Development Company Limited	Equity	4.2%
Engro Corporation Limited	Equity	2.6%
Nishat Mills Limited	Equity	2.5%
Sui Northern Gas Company Limited	Equity	2.3%
Lucky Cement Limited	Equity	2.1%
International Industries Limited	Equity	1.7%
Mari Petroleum Company Limited	Equity	1.6%

Investment Objective

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

Manager's Comment

The fund posted a return of 0.67% as against its benchmark return of 1.91% during the month. Exposure in equities was slightly increased to 44.1% as compared to 44.0% in the previous month while allocation in cash slightly decreased to 55.1% from 55.4% over the same period.

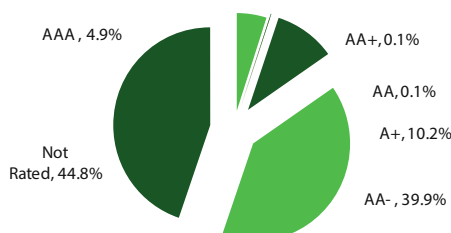
Members of the Investment Committee

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

MCBAH Shariah Supervisory Board

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

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



Fund Facts / Technical Information

Particulars	ALHAA	KMI-30
NAV per Unit (PKR)	69.3798	
Net Assets (PKR M)	1,957	
Sharpe Ratio	0.05	0.05
Beta	0.66	1.00
Correlation	83.8%	
Max draw up	502.93%	950.40%
Max draw Down	-28.91%	-39.65%
Standard Deviation	0.76	0.96
Total expense ratio with government levy**	0.88%	
Total expense ratio without government levy	0.78%	

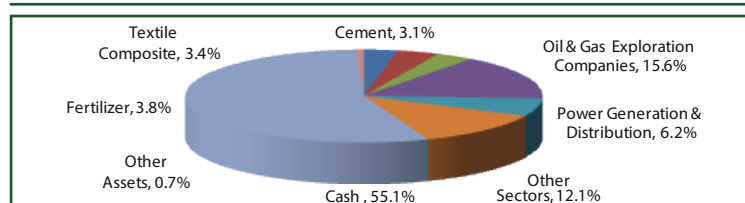
*prospective earnings

**This includes 0.10% representing government levy, Sindh Worker's Welfare Fund and SECP fee.

Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	611,793	1,675,350

Sector Allocation (%age of Total Assets)



DISCLAIMER

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

MUFAP's Recommended Format



General Information

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

Others

Provision against Sindh Workers' Welfare Fund's liability

ALHISF has maintained provisions against Sindh Workers' Welfare Funds' liability to the tune of Rs.9.95 million, if the same were not made the NAV per unit of ALHISF would be higher by Rs.0.0368 and YTD return would be higher by 0.30%. For details investors are advised to read Note 13.1 of the latest Financial Statements for the year ended June 30, 2017 of ALHISF.

Asset Allocation (%age of Total Assets)

Particulars	Sep-17	Jul-17
Stock / Equities	83.6%	80.7%
Cash	15.3%	19.1%
Others including receivables	1.1%	0.2%

Performance Information (%)

Particulars	ALHISF	Benchmark
Year to Date Return	-11.18%	-9.10%
Month to Date Return	0.18%	2.49%
180 Days Return	-11.42%	-12.79%
365 Days Return	6.51%	3.60%
Since inception	19.35%	22.84%

Returns are computed on the basis of NAV to NAV with dividends reinvested

Annual Historical Returns

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

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	8.8%
Oil and Gas Development Company Limited	6.7%
Pakistan Petroleum Limited	6.6%
Pakistan Oilfields Limited	6.1%
Engro Corporation Limited	5.8%
Sui Northen Gas Company Limited	4.9%
Lucky Cement Limited	4.2%
Nishat Mills Limited	3.8%
Mari Petroleum Company Limited	3.5%
International Industries Limited	3.5%

Investment Objective

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

Manager's Comment

The fund reported a gain of 0.18% in September compared to the benchmark KMI-30 Index return of 2.49% resulting in an underperformance of 231 basis points. This underperformance was mainly on account of lower than index weight in Fertilizer scrips. During the month, we increased exposure in E&Ps by 4.3% mainly on account of improving crude oil price outlook, while exposure in cements was reduced by 2.6% on account of rising supply side risks. The Fund was 83.6% invested in equities at the end of the month while remaining in cash and cash equivalent.

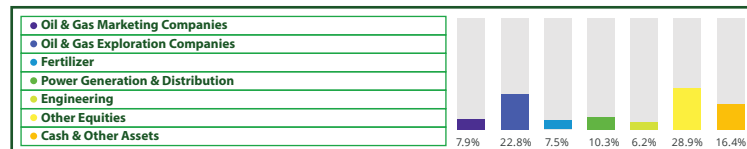
Members of the Investment Committee

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

MCBAH Shariah Supervisory Board

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

Sector Allocation (%age of Total Assets)



Fund Facts / Technical Information

Particulars	ALHISF	KMI-30
NAV per Unit (PKR)	10.88	
Net Assets (PKR M)	2,938	
Price to Earning (x)*	9.37	9.70
Dividend Yield (%)	5.30	5.47
No. of Holdings	49	30
Weighted Avg. Market Cap. (PKR Bn)	111.75	170.2
Sharpe Ratio	0.03	0.04
Beta	0.76	0.00
Correlation	90.5%	
Max draw up	656.54%	785.16%
Max draw down	-60.10%	-23.70%
Standard Deviation	1.08	1.29
Total expense ratio with government levy**	0.94%	
Total expense ratio without government levy	0.84%	

*prospective earnings

**This includes 0.10% representing government levy, Sindh Worker's Welfare Fund and SECP fee.

Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	977,466	2,958,906

DISCLAIMER

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

MUFAP's Recommended Format



General Information

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

*Subject to government levies

Others

Provision against Sindh Workers' Welfare Fund's liability
ALHIAAP-I has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 0.26 million, if the same were not made the NAV per unit of ALHIAAP-1 would be higher by Rs. 0.0169 and YTD return would be higher by 0.02%. For details investors are advised to read Note 11.1 of the latest Financial Statements for the year ended June 30, 2017 of ALHIAAP.

Asset Allocation (%age of Total Assets)

Particulars	Sep-17	Aug-17
Cash	5.5%	6.0%
Alhamra Islamic Stock Fund	62.4%	68.9%
Alhamra Islamic Income Fund	31.8%	24.8%
Others including receivables	0.3%	0.3%

Fund Facts / Technical Information

NAV per Unit (PKR)	93.6309
Net Assets (PKR M)	1,460
Total expense ratio with government levy*	0.15%
Total expense ratio without government levy	0.11%

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

Investment Objective

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

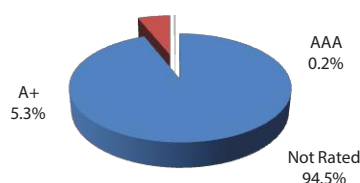
Manager's Comment

During the month, the fund posted a return of 0.04% against its benchmark return of 1.69%. The fund slightly decreased its exposure in cash and Alhamra Islamic Stock Fund.

Members of the Investment Committee

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

Asset Quality (%age of Total Assets)



Performance Information (%)

Particulars	ALHIAAP- I	Benchmark
Year to Date Return	-6.38%	-5.46%
Month to Date Return	0.04%	1.69%
180 Days Return	-7.02%	-7.06%
365 Days Return	NA	NA
Since inception	-5.62%	-6.72%

Returns are computed on the basis of NAV to NAV with dividends reinvested

Annual Historical Returns

Particulars	2017*
Benchmark (%)	-1.34%
ALHIAAP-I (%)	0.81%

* From December 29, 2016 to June 30, 2017.



General Information

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

*Subject to government levies

Others

Provision against Sindh Workers' Welfare Fund's liability
ALHIAAP-II has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 0.0033 million, if the same were not made the NAV per unit of ALHIAAP-II would be higher by Rs. 0.004 and YTD return would be higher by 0%. For details investors are advised to read Note 11.1 of the latest Financial Statements for the year ended June 30, 2017 of ALHIAAF.

Asset Allocation (%age of Total Assets)

Particulars	Sep-17	Aug-17
Cash	6.5%	7.0%
Alhamra Islamic Stock Fund	8.8%	48.1%
Alhamra Islamic Income Fund	84.7%	44.9%
Others including receivables	0.0%	0.0%

Fund Facts / Technical Information

NAV per Unit (PKR)	97.6336
Net Assets (PKR M)	814
Total expense ratio with government levy*	0.11%
Total expense ratio without government levy	0.08%

*This includes 0.03% representing government levy, Sindh Worker's Welfare Fund and SECP fee.

Investment Objective

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

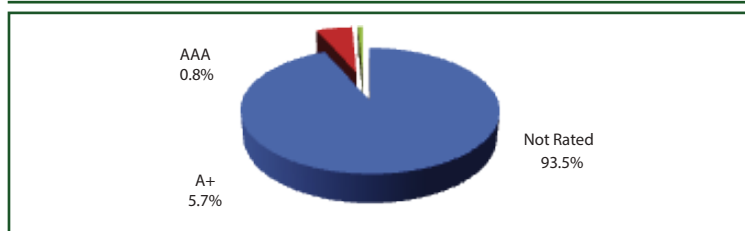
Manager's Comment

During the month, the fund posted a return of 0.14% against its benchmark return of 1.21%. The fund was 6.5% invested in cash and 8.8% in Alhamra Islamic Stock Fund

Members of the Investment Committee

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

Asset Quality (%age of Total Assets)



Performance Information (%)

Particulars	ALHIAAP- II	Benchmark
Year to Date Return	-2.37%	-3.09%
Month to Date Return	0.14%	1.21%
180 Days Return	0.00%	0.00%
365 Days Return	0.00%	0.00%
Since inception	-2.19%	-2.99%

Returns are computed on the basis of NAV to NAV with dividends reinvested

Annual Historical Returns

Particulars	2017*
Benchmark (%)	0.10%
ALHIAAP-II (%)	0.19%

* From June 16, 2017 to June 30, 2017.



General Information

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

*Subject to government levies

Investment Objective

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

Manager's Comment

Equity sub-fund generated return of -0.70% during the month. Overall allocation in equity was increased.

Debt sub-fund generated a return of 3.33% during the month. GOP Ijara Sukuk exposure was almost remain the same.

Money Market sub-fund generated a return of 3.83% during the month. The exposure in cash was increased.

MCBAH Shariah Supervisory Board

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

Members of the Investment Committee

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

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	9.2%
Oil & Gas Development Company Limited	7.6%
Lucky Cement Limited	7.2%
Engro Corporation Limited	7.1%
Pakistan Petroleum Limited	6.9%
Pakistan Oil Fields Limited	6.4%
Mari Petroleum Company Limited	5.0%
Sui Northern Gas Company Limited	4.9%
International Industries Limited	3.1%
Pak Elektron Limited	2.5%

Others

Provision against Sindh Workers' Welfare Fund's liability

ALHIPF-EQ has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 2.35 million, if the same were not made the NAV per unit would be higher by Rs. 2.9597 per unit and YTD return would be higher by 0.51%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the nine months ended March 31, 2017 of ALHIPF.

ALHIPF-DT has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.34 million, if the same were not made the NAV per unit would be higher by Rs. 0.3178 per unit and YTD return would be higher by 0.16%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the nine months ended March 31, 2017 of ALHIPF.

ALHIPF-MM has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.10 million, if the same were not made the NAV per unit would be higher by Rs. 0.2489 and YTD return would be higher by 0.14%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the nine months ended March 31, 2017 of ALHIPF.

ALHIPF - Money Market (%age of Total Assets)

Particulars	Sep-17	Aug-17
Cash	71.1%	58.4%
GoP Ijara Sukuk	9.5%	23.0%
Certificate of Modaraba	18.8%	17.5%
Others including receivables	0.6%	1.1%

ALHIPF - Debt (%age of Total Assets)

Particulars	Sep-17	Aug-17
Cash	45.5%	45.6%
GoP Ijara Sukuk	29.2%	29.3%
Others including receivables	1.3%	1.1%
TFCs	8.2%	8.2%
Certificate of Modaraba	15.8%	15.8%

ALHIPF - Equity (%age of Total Assets)

Particulars	Sep-17	Aug-17
Oil & Gas Exploration Companies	26.0%	20.6%
Cement	8.7%	11.9%
Power Generation & Distribution	9.2%	9.2%
Fertilizer	7.1%	6.5%
Oil & Gas Marketing Companies	4.9%	4.2%
Other equity sectors	37.2%	38.5%
Cash	5.4%	8.3%
Others including receivables	1.5%	0.8%

Performance Information & Net Assets

Particulars	ALHIPF-EQ*	ALHIPF-DT**	ALHIPF-MM**
Year to Date Return (%)	-13.60	1.35	2.83
Month to Date Return (%)	-0.70	3.33	3.83
Since inception (%)	404.16	6.90	5.80
Net Assets (PKR M)	401.21	206.88	73.64
NAV (Rs. Per unit)	505.17	194.29	175.27

Returns are computed on the basis of NAV to NAV with dividends reinvested

	2013	2014	2015	2016	2017
ALHIPF - EQ*	41.80	42.10	39.53	14.84	33.21
ALHIPF - DT**	6.80	8.22	4.76	4.04	4.46
ALHIPF - MM**	7.70	6.86	4.80	2.36	3.78

* Total Return

** Annualized return

DISCLAIMER

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in Voluntary Pension Schemes are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.



MCB-ARIF HABIB
Savings and Investments Limited

AM2++
BY PACRA



BACHAT SHARIAT KE MUTABIQ

Here to help you save better
Now in

QUETTA

Locate us at

01, Al Fajr Center, M. A. Jinnah Road, Quetta



✉ info@mcbah.com

☎ 0800-62224

🌐 www.mcbah.com

Disclaimer: All investments in mutual fund are subject to market risks. Past performance is not necessarily indicative of the future results. Please read the Offering Document to understand the investment policies and the risks involved.