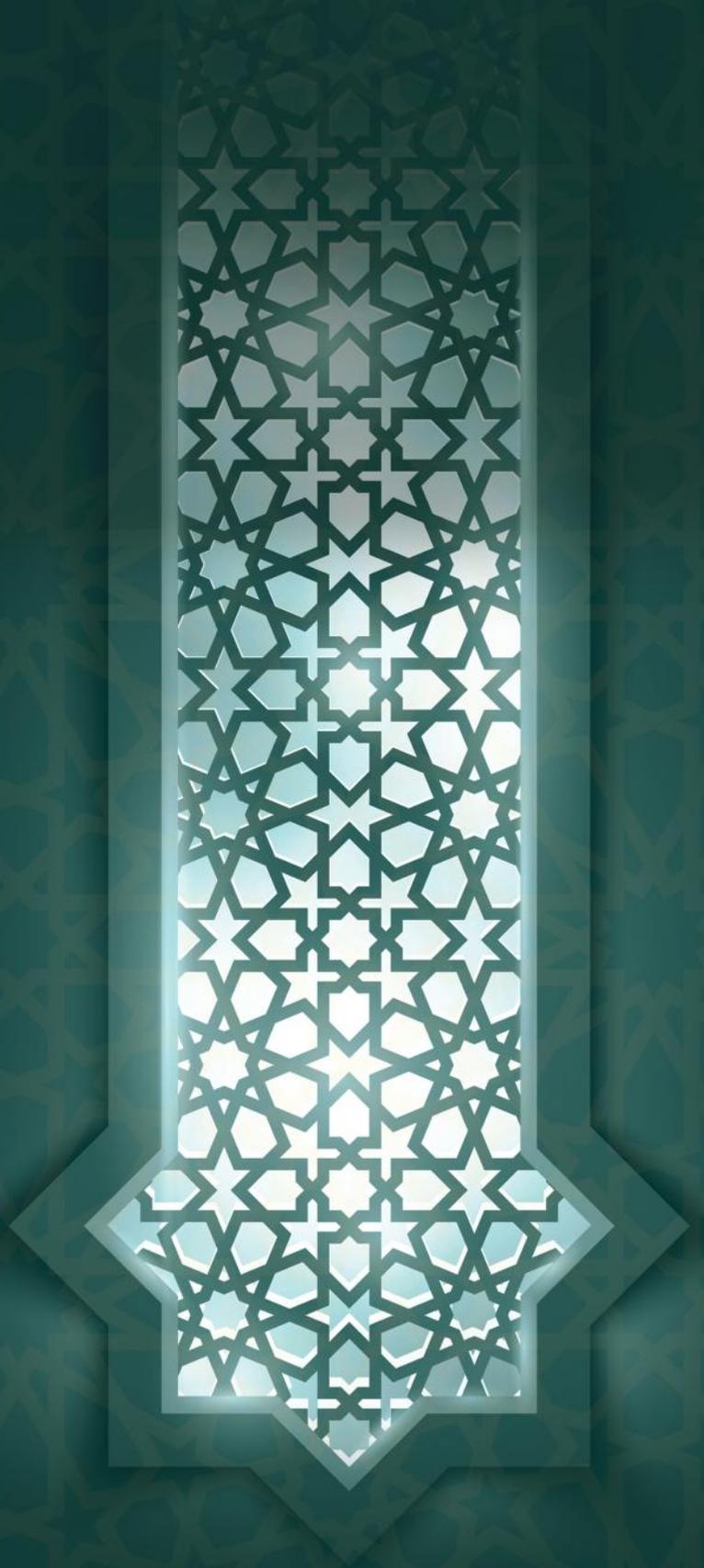




BACHAT SHARIAT KE MUTABIQ

# MONEY MATTERS

Fund Manager's Report  
MAY 2018



MCB-ARIF HABIB  
Savings and Investments Limited

AM2<sub>++</sub>  
BY PACRA

# FUND PERFORMANCE



## Fund Returns

Funds	YTD (FY 18)	(July 2016 to June 2017)	(July 2015 to June 2016)
<b>Islamic Income Scheme</b>			
Alhamra Islamic Income Fund	4.83%	6.49%	5.05%
Alhamra Daily Dividend Fund (Inception Date: 10-Apr-2018)	4.51%*	n/a	n/a
<b>Shariah Compliant Fund of Funds</b>			
Alhamra Islamic Active Allocation Plan-I (Inception Date: 29-Dec-2016)	-6.18%	0.81%**	n/a
Alhamra Islamic Active Allocation Plan-II (Inception Date:16-Jun-2017)	0.17%	0.19%***	n/a
<b>Islamic Equity Scheme</b>			
Alhamra Islamic Stock Fund	-10.04%	29.97%	3.90%
<b>Islamic Asset Allocation Scheme</b>			
Alhamra Islamic Asset Allocation Fund	-2.80%	27.74%	5.09%
<b>Islamic Voluntary Pension Scheme</b>			
Alhamra Islamic Pension Fund-Debt (Formerly: Pakistan Islamic Pension Fund-Debt)	2.93%	4.46%	4.04%
Alhamra Islamic Pension Fund-Money Market (Formerly: Pakistan Islamic Pension Fund-Money Market)	3.26%	3.78%	2.36%
Alhamra Islamic Pension Fund-Equity (Formerly: Pakistan Islamic Pension Fund-Equity)	-10.68%	33.21%	14.84%

\* From April 10, 2018 to April 30, 2018  
 \*\* 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: Islamic Income Schemes and Alhamra Islamic Pension Fund (Debt and Money Market).  
 Absolute Returns for: Shariah Compliant Fund of Funds, Islamic Equity, Islamic Asset Allocation Schemes, Alhamra Islamic 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](mailto:mcbah.qa@mcbah.com)

# DEAR INVESTORS,

Assalam-o-Alaikum from your reliable savings partner!

Thank you for taking out the time to review our Fund Manager's Report for the month of May 2018. We would like to extend our sincerest gratitude to our investors for their continued support which drives us to deliver excellence by constantly innovating our products and services.

Our prime focus has been on Fareeza, a campaign which focuses on fulfillment religious obligations through investments in Mutual Funds. Whether it's Hajj, Umrah or even planning for your children's wedding, simply planning ahead can save you a lot of unnecessary stress and help you achieve your goals faster. Saving for these important milestones may seem daunting and overwhelming at times but with timely investment in the right fund, based on your requirements and risk appetite there's nothing you can't achieve.

All this and more can simply be done by speaking to our team of experts who will guide you on the best possible investment journey for your specific needs. You can also do this through MCB-AH's Digital Platform, "iSave" which lets customers invest and manage their portfolio in a simple and convenient way with a flexibility of encashment any time, hence making investment experience swift, smart and easy.

If you have any query, please feel free to contact us on our 24/7 helpline at 0800-622-24. Our investor services officers are always available to serve you, round the clock. You may also visit our website [mcbah.com](http://mcbah.com) to learn more about our products and services.

**Mutual Funds Zaroori Hai!**



**Muhammad Saqib Saleem**

Chief Executive Officer



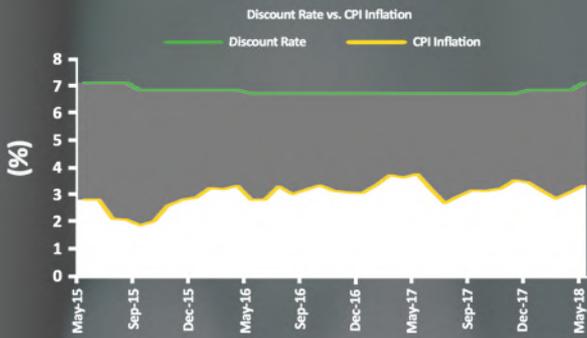
## MACRO-ENVIRONMENT REVIEW AND OUTLOOK

The Monetary Policy Committee of State Bank of Pakistan decided to increase the policy rate by 50 bps in the month of May. The major reason cited was due to the weakening external account position and the emergence of underlying inflationary pressures in the economy which demand swift policy actions to arrest the dwindling foreign exchange reserves and curtail the elevated demand. The cumulative increase has reached 75 bps in this calendar year.

The external account position kept on highlighting the worrisome position for the economy. The current account deficit for the first 10 months of this year increased to USD 14.0 bn as against USD 9.4 bn during the same period last year. With limited availability of financing avenues, foreign exchange reserves declined by USD 4.7 bn since the start of the year. The import cover has reached alarming level of close to 2 months imports. Although, the exports are showing encouraging trend but the recent spike in oil prices would require stringent policy actions to curtail the dwindling foreign exchange reserves and deteriorating external account. We remain skeptical of Pakistan's ability to avoid another IMF program in the near future.

Consumer Price Index for the month of May, 2018 reached 4.19% against 3.68% for April, 2018. Importantly, the core inflation remained at -7% following a jump to 7% in April, 2018 from 5.8% in March, 2018. The inflation trajectory is expected to trend upwards with lagged impacts of currency depreciation and increase in oil prices.

Although the recent readings haven't been encouraging, the large scale manufacturing index has shown robust growth of 5.9% in nine months of this fiscal year. Major contribution has flown from petroleum products, auto segment and construction & allied industries. The contracting fiscal space, external pressures and rising interest rates are expected to make such robust LSM growth difficult to replicate next year.

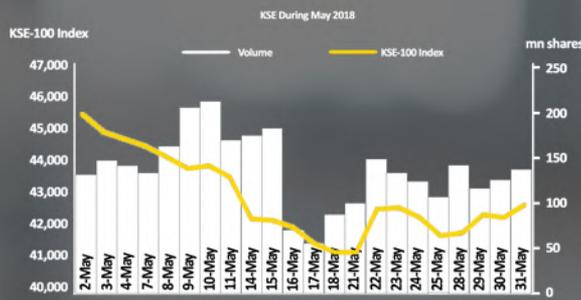


## EQUITY MARKET REVIEW AND OUTLOOK

The local equity market retreated by 5.8% in May'18 taking the cumulative return of 11MFY18 to -8.0%. Worsening of external account position along with uncertainty over elections fate continued to haunt investors. Foreigners selling remained unabated, offloading USD -73 million worth of local equities during the month. Insurance companies continued to absorb the selling pressure, accumulating USD -61 million of stocks.

Cement, Automobile Assemblers and Refineries continued to remain the major laggards. Cement sector lost -12% during the month, after cost pressures escalated in the form higher coal prices. Alongside, imminent supply additions in the sector led the investors to remain at bay. Automobile Assemblers lost -9% of their market capitalization after government announced to bar non-filers from purchasing vehicles. Refineries also lost more than 10% during the month as crude oil prices attained their peak of USD -80/BBL. It's worth mentioning that higher crude oil prices result in lower Net GRM's, alongside require higher cost of financing the working capital. E&P sector outperformed the benchmark by -5%, after robust crude oil prices amid geopolitical uncertainty.

Going forward, we expect market to remain volatile owing to emerging concerns on economy. We continue to track trends in economic indicators of the country and adjust our portfolio accordingly. While we reiterate our view of limited downside in stock market, in the interim; we believe the road to general elections scheduled next year may continue to test patience of equity investors.



## MONEY MARKET REVIEW AND OUTLOOK

Bonds yield curve showed an upward trajectory due to market expectation of an increase in policy rate. Most activity in bond market was once again witnessed in PIB's having maturity of less than 3 years. PIB auction held on May 18, 2018 had a participation equal to PKR 28.2 billion. 3 years PIB received majority bids amounting to PKR 23 billion whereas, 5 years and 10 years PIB receive bids worth PKR 3 billion and PKR 0.763 billion respectively. Bids worth PKR 4.2 billion, PKR 1.8 billion and PKR 0.733 billion were accepted at a cut off yield of 7.2004%, 8.0308% and 8.4900% in 3, 5 and 10 years tenors, respectively. Furthermore, for the first time SBP conducted auction for Floater 10 years bond on May 30, 2018. A total participation of PKR 174 billion was witnessed, out of which a total of PKR 20 billion was accepted at a rate of benchmark + 50 bps.

In last Treasury bill auction market was again reluctant to participate mainly due to expectation of an increase in Policy rate. All of the bids were received in 3 months T bill. The auction witnessed a total participation of only PKR 13 billion against maturity of PKR 396 billion and a target of PKR 650 billion. SBP accepted PKR 12 billion at cut off yield of 6.2591% in 3 months tenor. Throughout the month overnight market remained liquid forcing State Bank to conduct frequent OMOs to cater to the market liquidity.

Going forward, we expect the path of monetary tightening to continue as further adjustment in currency will bring an upside risk to the general inflationary trend. Alongside, the need of the hour requires government to take precautionary steps in order to manage the aggregate demand.





May 31, 2018

## 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 [Actual rate of Management Fee:0.67%] Class "A" Units:
Front end Load*	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 Forward
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)
Cut off Timing	Mon - Thurs (1:00 PM)
During Ramadan	Fri (12:00 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 5.41% as against its benchmark return of 2.36%. The exposure in cash increased to 65.4% while in GoP Ijara Sukuks and certificate of Modaraba, fund decreased its exposure to 1.3% and 4.9% respectively.

## Performance Information (%)

Particulars	ALHIIF	Benchmark
Year to Date Return (Annualized)	4.83%	2.45%
Month to Date Return (Annualized)	5.41%	2.36%
180 Days Return (Annualized)	5.08%	2.46%
365 Days Return (Annualized)	5.11%	2.44%
Since inception (CAGR)	7.24%	5.81%
Average Annual Return (Geometric Mean)	7.00%	-

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

## Top Sukuk Holding (% of Total Assets)

International Brands Limited (15-Nov-17)	11.3%
Aspin Pharma (Private) Limited (30-Nov-17)	6.6%
Ghani Gases Limited (2-Feb-17)	2.6%
Engro Fertilizer Limited (9-Jul-14)	2.1%

## 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 4.41 million, if the same were not made the NAV per unit of ALHIIF would be higher by Rs 0.1538 and YTD return would be higher by 0.15%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the quarter ended March 31, 2018 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	May-18	April-18
Cash	65.4%	56.6%
GoP Ijara Sukuks	1.3%	2.0%
Sukuk	22.5%	25.5%
Certificate of Musharakah	0.0%	3.7%
Certificate of Modaraba	4.9%	5.5%
Others including receivables	1.0%	1.2%
Shariah Compliant Commercial Papers	4.9%	5.5%

Note: Amount invested by Fund of funds is PKR 1,138 million (37.3% of Total Assets) as of May 31, 2018.

## Fund Facts / Technical Information

NAV per Unit (PKR)	105.5588
Net Assets (PKR M)	3,029
Net Assets excluding Fund of Funds (PKR M)	1,891
Weighted average time to maturity (Days)	335.00
Sharpe Ratio	-0.01
Correlation**	10.9%
Standard Deviation	0.05
Total expense ratio with government levy**	1.11%
Total expense ratio without government levy	0.85%

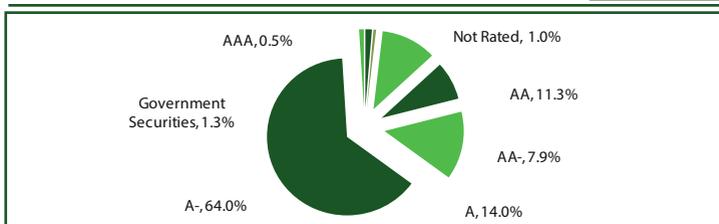
\*\*This includes 0.26% representing government levy, Sindh workers' welfare fund and SECP Fee.

\*\*\* as against benchmark

## Annualized

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

## Asset Quality (%age of Total Assets)



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## MUFAP's Recommended Format

## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant (Islamic) Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (23-Jun-17)
Stability Rating	Not Applicable
Risk Profile	Low
Launch Date	10-April-18
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	20% of the gross earnings subject to a minimum of 0.25% of the average daily net assets and maximum of 1.5% of the average daily net assets of the Scheme. [Actual rate of Management Fee: 1.21%]
Front end Load	Individuals ----- Nil Corporate ----- Nil
Back end Load	Nil
Min. Subscription	PKR 500
Listing	In Progress
Benchmark	Six (6) months of average deposit rates of three (3) A rated Scheduled Islamic Banks or Islamic window of Conventional Banks as selected by MUFAP.
Pricing Mechanism	Backward
Dealing Days	Online Investment, Redemption & Conversion... Monday - Sunday Investment, Redemption & Conversion through Physical Form... Monday - Friday
Cut off Timing	Online Investment, Redemption & Conversion... 11:59:59 PM Online Conversion of Backward Pricing Fund(s)... 4:30 PM Investment, Redemption & Conversion through Physical Form... 4:30 PM
Cut off Timing during Ramadan	Physical Form : Mon - Thurs (1.00 PM) Fri - (12.00 PM)
Leverage	Online Transaction (11:59:59 PM) Mon-Sun Nil

## Investment Objective

The scheme is aimed at meeting investors' short to medium term investment requirements. The scheme seeks to provide investors' a daily dividend through investment in Shariah Compliant instruments.

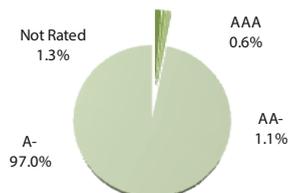
## Manager's Comment

During the month, the fund posted a return of 4.58% against its benchmark return of 2.36%. The exposure in cash was 98.7%.

## 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

## Asset Quality (%age of Total Assets)



## Others

### Provision against Sindh Workers' Welfare Fund's liability

ALHDDF has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 0.02 million, if the same were not made the NAV per unit of ALHDDF would be higher by Rs. 0.0147 and YTD return would be higher by 0.01%.

## 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	May-18	April-18
Cash	98.7%	99.4%
T-Bills	0.0%	0.0%
Others including receivables	1.3%	0.6%

## Fund Facts / Technical Information

NAV per Unit (PKR)	100.0000
Net Assets (PKR M)	102
Weighted Average time to maturity (Days)	1
Total expense ratio with government levy**	0.20%
Total expense ratio without government levy	0.17%

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

## Performance Information (%)

Particulars	ALHDDF	Benchmark
Year to Date Return	4.51%	2.35%
Month to Date Return	4.58%	2.36%
180 Days Return	NA	NA
365 Days Return	NA	NA
Since inception	4.51%	2.35%



May 31, 2018

## 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 Listing PKR 500 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) Cut off Timing for Ramadan Mon-Thurs (1:00 PM) Fri (12:00 PM) Leverage Nil
	*Subject to government levies

## Investment Objective

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

## Manager's Comment

The fund posted a return of -2.71% as against its benchmark return of -4.26% during the month. Exposure in equities was decreased to 49.8% from 52.6% while allocation in cash increased to 49.8% from 43.3%. Exposure in Shariah compliant Bank deposits was reduced to 0.0% from 2.8%.

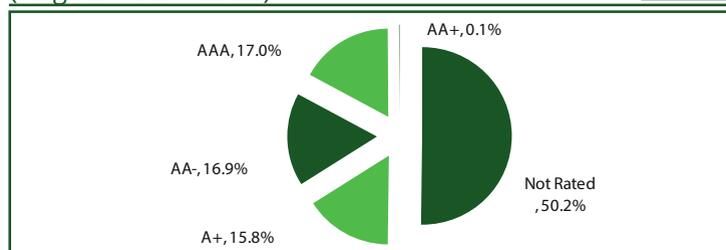
## Members of the Investment Committee

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)



## 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. 0.1586 and YTD return would be higher by 0.22%. For details investors are advised to read Note 7.1 of the latest Financial Statements for quarter ended March 31, 2018 of ALHAA.

## Asset Allocation (%age of Total Assets)

Particulars	May-18	April-18
Cash	49.8%	43.3%
Stock /Equities	49.8%	52.6%
Sukuk	0.0%	0.0%
Others including receivables	0.4%	1.3%
Shariah Compliant Bank Deposits	0.0%	2.8%

## Performance Information (%)

Particulars	ALHAA	Benchmark
Year to Date Return	-2.80%	-6.04%
Month to Date Return	-2.71%	-4.26%
180 Days Return	3.04%	5.17%
365 Days Return	-7.94%	-14.65%
Since inception	294.07%	413.59%

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)

Company Name	Equity	Percentage
Pakistan Oilfields Limited	Equity	6.8%
Hub Power Company Limited	Equity	5.8%
Oil and Gas Development Company Limited	Equity	5.6%
Lucky Cement Limited	Equity	4.4%
Engro Corporation Limited	Equity	3.4%
Nishat Mills Limited	Equity	2.9%
Engro Fertilizers Limited	Equity	2.8%
Sui Northern Gas Company Limited	Equity	2.3%
Maple Leaf Cement Factory Limited	Equity	2.0%
Pakistan Petroleum Limited	Equity	1.9%

## Fund Facts / Technical Information

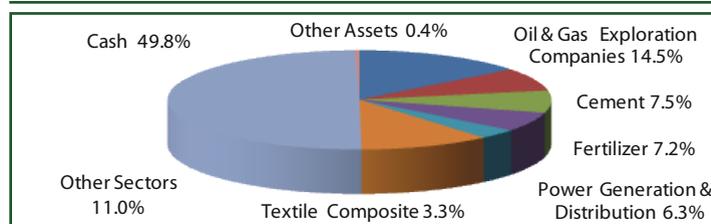
Particulars	ALHAA
NAV per Unit (PKR)	70.9709
Net Assets (PKR M)	3,411
Sharpe Ratio	0.04
Beta	0.66
Correlation***	84.2%
Standard Deviation	0.74
Total expense ratio with government levy**	3.16%
Total expense ratio without government levy	2.80%

\*\*This includes 0.36% representing government levy, Sindh Worker's Welfare Fund and SECP fee  
\*\*\*as against benchmark

## Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	1,141,984	8,819,617

## Sector Allocation (%age of Total Assets)



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## MUFAP's Recommended Format



May 31, 2018

## 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	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 Listing	PKR 500 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)
Cut off Timing during Ramadan	Mon - Thurs (1.00 PM) Fri- (12.00 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

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

## Manager's Comment

The Fund fell by 5.0% in May 2018, pretty much in line with the benchmark, which witnessed a drop of 5.3% during the month under review. During May, we increased exposure in E&Ps on account of depreciating PKR and relatively stable crude oil price outlook. In cements however, looming risks in of aggressive supply additions, rising coal prices and relatively slower pace of cement price increase led us to reduce exposure in the sector. The fund was 90.0% invested in equities while remaining in cash and cash equivalent.

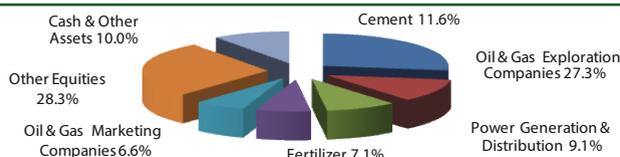
## Performance Information

Particulars	ALHISF	Benchmark
Year to Date Return	-10.04%	-7.15%
Month to Date Return	-5.00%	-5.25%
180 Days Return	5.86%	7.18%
365 Days Return	-15.53%	-16.54%
Since inception	20.89%	25.48%

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

	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

## Sector Allocation (%age of Total Assets)



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## MUFAP's Recommended Format

## 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.0.0318 and YTD return would be higher by 0.26%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the quarter ended March 31,2018 of ALHISF.

## Asset Allocation (%age of Total Assets)

Particulars	May-18	April-18
Stock / Equities	90.0%	89.2%
Cash	9.5%	9.7%
Others including receivables	0.5%	1.1%

**Note:** Amount invested by fund of funds is PKR 972 million (27.8% of Total Assets) as of May 31, 2018.

## 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 Farooqi	Research Analyst

## MCBAH Shariah Supervisory Board

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

## Top 10 Equity Holdings (%age of Total Assets)

Oil and Gas Development Company Limited	9.8%
Pakistan Oilfields Limited	8.3%
Hub Power Company Limited	7.3%
Pakistan Petroleum Limited	6.1%
Meezan Bank Limited	4.7%
Sui Northern Gas Company Limited	4.6%
Nishat Mills Limited	4.5%
Lucky Cement Limited	4.4%
Maple Leaf Cement Factory Limited	3.5%
Mari Petroleum Company Limited	3.0%

## Fund Facts / Technical Information

Particulars	ALHISF	KMI-30
NAV per Unit (PKR)	11.02	
Net Assets (PKR M)	3,445	
Net Assets excluding fund of funds(PKR M)	2,473	
Price to Earning (x)*	10.08	9.88
Dividend Yield (%)	5.30	6.10
No. of Holdings	45	30
Weighted Avg. Market Cap. (PKR Bn)	150.56	196.5
Sharpe Ratio	0.01	0.02
Beta	0.80	1.00
Correlation***	94.9%	
Standard Deviation	0.91	1.08
Total expense ratio with government levy**	3.39%	
Total expense ratio without government levy	3.04%	

\*prospective earnings

\*\*This includes 0.35% representing government levy, Sindh Worker's Welfare Fund and SECP fee

\*\*\* as against benchmark

## Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	1,221,181	11,728,195



## 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)	
Cut off Timing during Ramadan	Mon- Thurs (1:00 PM)	
Leverage	Fri - (12:00 PM)	
	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. 0.0175 and YTD return would be higher by 0.02%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the quarter ended March 31, 2018 of ALHIAAF.

## Asset Allocation (%age of Total Assets)

Particulars	May-18	April-18
Cash	5.8%	5.9%
Alhamra Islamic Stock Fund	43.4%	54.8%
Alhamra Islamic Income Fund	50.6%	39.2%
Others including receivables	0.2%	0.1%

## Fund Facts / Technical Information

NAV per Unit (PKR)	93.8356
Net Assets (PKR M)	1,418
Total expense ratio with government levy*	0.52%
Total expense ratio without government levy	0.40%

\*This includes 0.12% representing government levy, Sindh Worker's Welfare Fund and SECP fee

## Performance Information (%)

Particulars	ALHIAAP- I	Benchmark
Year to Date Return	-6.18%	-4.70%
Month to Date Return	-2.67%	-2.67%
180 Days Return	2.45%	3.48%
365 Days Return	-9.78%	-9.30%
Since inception	-5.42%	-5.97%

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

## 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.

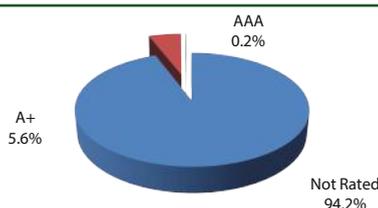
## Manager's Comment

During the month, the fund posted a return of -2.67% against its benchmark return of -2.67%. The exposure in Alhamra Islamic Income Fund increased to 50.6% and exposure in Alhamra Islamic Stock Fund decreased to 43.4%.

## 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)



## Absolute

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 Listing	PKR 500 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)
Cut off Timing during Ramadan	Mon- Thurs (1:00 PM) Fri - (12:00 PM)
Leverage	Nil

\*Subject to government levies

## 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.

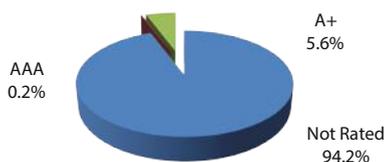
## Manager's Comment

During the month, the fund posted a return of -2.59% against its benchmark return of -2.69%. The fund was 5.8% invested in cash and 43.2% 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)



## 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 0.28 million, if the same were not made the NAV per unit of ALHIAAP-II would be higher by Rs. 0.0339 and YTD return would be higher by 0.03%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the quarter ended March 31, 2018 of ALHIAAF.

## Asset Allocation (%age of Total Assets)

Particulars	May-18	April-18
Cash	5.8%	5.9%
Alhamra Islamic Stock Fund	43.2%	54.6%
Alhamra Islamic Income Fund	51.0%	39.5%
Others including receivables	0.0%	0.0%

## Fund Facts / Technical Information

NAV per Unit (PKR)	100.1749
Net Assets (PKR M)	820
Total expense ratio with government levy*	0.41%
Total expense ratio without government levy	0.26%

\*This includes 0.15% representing government levy, Sindh Worker's Welfare Fund and SECP fee

## Performance Information (%)

Particulars	ALHIAAP- II	Benchmark
Year to Date Return	0.17%	-0.83%
Month to Date Return	-2.59%	-2.69%
180 Days Return	2.38%	2.25%
365 Days Return	NA	NA
Since inception	0.36%	-0.73%

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

## Absolute

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)
Cut off Timing during	Mon- Thurs (1:00 PM)
Ramadan	Fri - (12:00 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 -5.36% during the month. Overall allocation in equity was decreased.

Debt sub-fund generated a return of 3.86% during the month. GOP Ijara Sukuk exposure was slightly decreased.

Money Market sub-fund generated a return of 3.29% 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)-Equity Sub Fund

Oil & Gas Development Company Limited	8.7%
Pakistan Oil Fields Limited	7.6%
Hub Power Company Limited	6.9%
Engro Corporation Limited	6.7%
Pakistan Petroleum Limited	5.4%
Lucky Cement Limited	4.9%
Meezan Bank Limited	3.9%
Sui Northern Gas Company Limited	3.5%
Systems Limited	3.4%
Mari Petroleum Limited	3.3%

## 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. 2.7045 per unit and YTD return would be higher by 0.46%. For details investors are advised to read Note 9.2 of the latest Financial Statements for the quarter ended March 31, 2018 of ALHIPF.

ALHIPF-DT has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.44 million, if the same were not made the NAV per unit would be higher by Rs. 0.4009 per unit and YTD return would be higher by 0.21%. For details investors are advised to read Note 9.2 of the latest Financial Statements for the quarter ended March 31, 2018 of ALHIPF.

ALHIPF-MM has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.14 million, if the same were not made the NAV per unit would be higher by Rs. 0.3046 and YTD return would be higher by 0.18%. For details investors are advised to read Note 9.2 of the latest Financial Statements for the quarter ended March 31, 2018 of ALHIPF.

## ALHIPF -Money Market (%age of Total Assets)

Particulars	May-18	April-18
Cash	97.0%	70.5%
GoP Ijara Sukuk	2.3%	10.8%
Certificate of Modaraba	0.0%	0.0%
Others including receivables	0.7%	0.7%
Shariah Compliant Bank Deposits	0.0%	18.0%

## ALHIPF -Debt (%age of Total Assets)

Particulars	May-18	April-18
Cash	57.0%	49.3%
GoP Ijara Sukuk	27.5%	28.0%
Others including receivables	1.2%	1.2%
TFCs	12.0%	12.3%
Certificate of Modaraba	0.0%	0.0%
Shariah Compliant Bank Deposits	0.0%	6.9%
Commercial Paper	2.3%	2.3%

## ALHIPF -Equity (%age of Total Assets)

Particulars	May-18	April-18
Oil & Gas Exploration Companies	24.9%	25.3%
Fertilizer	11.4%	11.0%
Cement	11.1%	12.7%
Power Generation & Distribution	6.9%	6.9%
Technology & Communication	5.2%	4.8%
Other equity sectors	31.9%	34.1%
Cash	7.7%	3.1%
Others including receivables	0.9%	2.1%

## Performance Information & Net Assets

Particulars	ALHIPF-EQ*	ALHIPF-DT**	ALHIPF-MM**
Year to Date Return (%)	-10.68	2.93	3.26
Month to Date Return (%)	-5.36	3.86	3.29
Since inception (%)	421.22	6.69	5.65
Net Assets (PKR M)	453.95	218.69	84.89
NAV (Rs. Per unit)	522.26	198.84	179.23

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

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