



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2017
(UNAUDITED)

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



Alhamra Islamic Active Allocation Fund

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi	
Board of Directors	Mian Muhammad Mansha Mr. Nasim Beg Mr. Muhammad Saqib Saleem Dr. Syed Salman Ali Shah Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib Mr. Mirza Qamar Beg	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Mirza Qamar Beg Mr. Nasim Beg	Chairman Member Member Member
Human Resource & Remuneration Committee	Dr. Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Financial Officer & Company Secretary	Mr Abdul Basit	
Trustee	MCB Financial Services Limited 4th Floor. Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.mcbfsl.com.pk	
Bankers	MCB Bank Limited Dubai Islamic Bank Pakistan Limited Bank Islami Pakistan Limited Askari Bank Limited Bank AL Habib Limited United Bank Limited	
Auditors	A.F Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network State Life Building 1-C I.I. Chundrigar Road, Karachi.	
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 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi.	
Rating	AM2++ Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2017

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Active Allocation Plan –I and Plan II** accounts review for the quarter ended September 30th, 2017 (launched on December 29, 2016 and June 16, 2017 respectively).

ECONOMY AND MONEY MARKET OVERVIEW

The economic scorecard in first quarter of FY18 posted a mixed picture relative to several economic indicators. The LSM grew at an astounding pace of 13% YoY, boosted by growth in Steel, Auto and Food & Beverages sector. Add to this the agricultural sector growth (being reflected in cotton crop, sugar crop and wheat crop bumper numbers coming in), we are well on our way to meet the 6% target GDP growth for FY18.

CPI for the first quarter averaged at a moderate level of 3.4% YoY, supported by lower oil prices, stable food prices and a higher base effect. Going forward we expect inflation to remain under control, averaging below 4.5% for FY18, as stable commodity prices along with a contained currency to rein in inflation. As a result of the stable indicators, the monetary policy committee maintained a status quo in its first meeting held for the current fiscal year.

Indicators that have started to sound a warning alarm include the widening fiscal deficit and current account deficit (CA). On the back of rising overall imports bill, the CA deficit for 2MFY18 has doubled from USD 1.3bn in SPLY to USD 2.6bn. As a result of the financing gap, the foreign exchange reserves of the country fell by USD 1.3 billion during the 1QFY18.

Fiscal account which was one source of comfort turned out to be a red herring. Fiscal deficit for FY17 was recorded at ~ PKR 1.8 tn and provinces recorded an unexpected deficit on account of election preparation spending. Keeping this in view we remain skeptical on the government's ability to meet the target of 4.1% of GDP.

PIB yields during the quarter inched up by ~45 bps for 3 year, and 56 bps for 5 year bonds. Political uncertainty along with deterioration in the external account kept the market participants at bay from long tenor bonds. Furthermore, the bearish sentiment was also backed by SBP in its MPS, which highlighted its concerns on external account as trade deficit widened.

EQUITIES MARKET OVERVIEW

Equity market remained in the red zone throughout the quarter with political uncertainty taking the centre stage. 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.

During the quarter, foreigners remained net sellers of USD 90 million; the buying was majorly absorbed by Banks (USD \$33.5 mn) & Insurance Companies (USD \$49.3 mn). Sep'17 saw the first net foreign inflow (US\$28 mn) 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. Average volumes during the quarter dwindled to 178 Mn shares compared to 280 Mn shares in the preceding quarter while average value traded declined to PKR 9.3 Bn from PKR 15.0 Bn from last quarter.

Amongst major sectors that pulled the index down were cements (down 28% QoQ) continuing the 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. In the banking space, sentiments turned out to be sour when HBL received a notice from New York (NY) State Department of Financial Services (DFS) seeking to impose a hefty penalty of USD 629.6 mn on the bank which was later reduced to US\$225 Mn. Fertilizer sector (down 3% QoQ) recouped some of the losses in third month of the quarter on the back of surge in international urea prices by ~22% in September 2017. Autos also continued to witness correction (-19% QTD) along with dampened sentiments due to anticipated pressure on USD-PKR parity as external account continued to deteriorate. E&Ps was the only major sector that witnessed gains (up by 8% QoQ) due to increase in oil prices by ~22% QoQ peaking at US\$ 56.6/bbl.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2017

FUND PERFORMANCE

Alhamra Islamic Active Allocation Plan –I

The Fund was launched on December 29, 2016. During the period, the fund posted a negative return of 6.38% against the negative return of 8.57% for the benchmark.

The fund was 62.4% invested in Alhamra Islamic Stock Fund and 31.8% invested in Alhamra Islamic Income Fund at the period end.

The Net Assets of the Fund as at September 30, 2017 stood at Rs. 1,460 million. The Net Asset Value (NAV) per unit as at September 30, 2017 was Rs. 93.6309

Alhamra Islamic Active Allocation Plan –II

The fund was launched on June 16, 2017. During the period, the fund posted a negative return of 2.37% against a negative return of 8.55% for the benchmark.

The fund was 8.8% invested in Alhamra Islamic Stock Fund and 84.7% invested in Alhamra Islamic Income Fund as at 30th September, 2017.

The Net Assets of the Fund as at September 30, 2017 stood at Rs. 814 million. The Net Asset Value (NAV) per unit as at September 30, 2017 was Rs. 97.6336

FUTURE OUTLOOK

While the government has been able to stabilize the economy, its ambitious plan to revive the growth can come in doldrums if it is not able to contain the twin deficits. We project a current account deficit of USD 17 billion for the FY18, and as such the ability of government to manage inflows will be highly tested. Nevertheless, our in-house projections estimate a financing gap of USD 6 billion which will gobble up the existing foreign exchange reserves. On the whole, cracks have started appearing in the economic façade which warrant immediate policy measure by the government of Pakistan if the economic progress is expected to be kept on track.

Going forward, we expect market to remain volatile in the short run, as political uncertainty along with twin deficits continue to haunt the basic macroeconomic fundamentals. We believe certain policy adjustments are necessary to maintain the direction of economic growth. Nevertheless, market valuations remain at a very attractive level, and they will sooner or later come into play. The risk premiums (difference between earnings yield and 10-year interest rates) are at historically high level, suggesting market to remain very cheap. Furthermore, KSE-100 trades at a forward P/E of 7.9x, at a steep discount of 35% from its emerging market peer group. Enduring themes that should play out over the medium-term regardless of the political situation include (i) PKR depreciation and higher interest rates (ii) CPEC and continued GoP support for the textiles sector that would encourage exports. We advice local investors to carefully watch the economic trends and build exposure on any weakness.

On the fixed income front, market is expected to remain cautious on back of a precarious external account position along with an uptick in inflation trajectory. Visibility on economic front, in particular to balance of payments, would guide further participation towards fixed income markets.

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 20, 2017



Samad A. Habib

Director

ڈائریکٹر رپورٹ برائے سہ ماہی اختتام پذیر 30 ستمبر 2017ء

عزیز سرمایہ کار،

بورڈ آف ڈائریکٹرز کی طرف سے الحمد للہ اسلامک ایکٹیو ایلوکیشن پلان-I اور پلان-II (متعارف کردہ: بہتر تیب 29 دسمبر 2016ء اور 16 جون 2017ء) کی 30 ستمبر 2017ء کو ختم ہونے والی سہ ماہی کے اکاؤنٹس کا جائزہ پیش خدمت ہے۔

معیشت اور بازار زر کا مجموعی جائزہ

مالی سال 2018ء کی پہلی سہ ماہی میں معاشی اشاریوں میں ملا جلا رجحان پایا گیا اور اکانامک سکور کارڈ میں صورتحال مختلف معاشی علامات کی بنیاد پر مل جلی رہی۔ LSM نے توقعات سے زیادہ یعنی 13% YoY کے ساتھ فروغ پایا جس میں بنیادی کردار اسٹیل، آٹو اور غذائی اشیاء و مشروبات کی کارکردگی نے ادا کیا۔ علاوہ ازیں زرعی سیکٹر کی ترقی کے مطابق (جو کہ کپاس، چینی اور گیہوں کی فصلوں کے آنے والے اعداد و شمار سے ظاہر ہے) ہم پورے 2018ء کیلئے اپنا ہدف GDP 6% گروتھ حاصل کرنے کی راہ پر گامزن ہیں۔

پہلی سہ ماہی میں CPI اوسطاً 3.4% YoY پر رہا جسے تیل کی قیمت میں کمی اور غذائی اشیاء کی مستحکم قیمتوں سے سہارا ملا۔ ہمیں امید ہے کہ آگے افراط زر مقررہ حد میں رہے گا جس کا اوسط مالی سال 2018ء میں 4.5% سے کم رہنے کا امکان ہے کیونکہ کموڈٹی کی مستحکم قیمتوں کیساتھ روپے کی مضبوط قدر افراط زر کو قابو میں رکھے گی۔ لہذا ان سب انڈیکٹرز کے نتیجے میں مالیاتی پالیسی کمیٹی نے رواں مالی سال کیلئے ہونے والی اپنی پہلی میٹنگ میں شرح سود کو برقرار رکھا۔

انڈیکٹرز جنہوں نے انتہائی گھٹی بجائی شروع کردی ان میں شامل ہیں وسیع ہوتے ہوئے فیکل اور کرنٹ خسارہ جات شامل ہیں (CA)۔ بنیادی طور پر بڑھتے ہوئے امپورٹ بل کی وجہ سے اس سال کے پہلے دو ماہ میں ہی ڈیفیسیٹ 1.3 بلین ڈالر سے دو گنا ہو کر 2.6 بلین ڈالر ہو گیا۔ اس مالیاتی خلا کے نتیجے میں 1QFY18 کے دوران ملک کے غیر ملکی زرمبادلہ کے ذخائر میں 1.3 بلین ڈالر کی کمی ہوئی۔

فیکل اکاؤنٹ جو کہ پرسکون طور پر چل رہا تھا خطرے میں نظر آیا۔ FY17 میں فیکل ڈیفیسیٹ 1.8 ٹریلین روپے پر ریکارڈ کیا گیا اور صوبائی سطح پر آنے والے الیکشن کی وجہ سے غیر متوقع خسارہ ریکارڈ کیا گیا۔ اس صورتحال کو سامنے رکھتے ہوئے ہم حکومت کا 4.1% معاشی ترقی کا ہدف پورا کرنے کی صلاحیت پر غیر یقینی کا شکار ہیں۔

PIB کا منافع اس سہ ماہی کی دوران نہایت ہی سست رفتاری سے تین سالہ بانڈز کیلئے 45 bps اور پانچ سالہ بانڈز کیلئے 56bps بڑھا۔ سیاسی عدم استحکام اور بیرونی اکاؤنٹ کی نازک صورتحال نے مارکیٹ کے شراکت داروں کو طویل المیعاد بانڈز سے دور رکھا۔ مزید برآں SBP کے MPS میں روپے نے Bearish Sentiment کو سہارا دیا جس نے اپنے تحفظات کا اظہار بیرونی اکاؤنٹ پر کیا کیونکہ مالیاتی خسارہ وسعت اختیار کر گیا تھا۔

ڈائریکٹر رپورٹ برائے سہ ماہی اختتام پذیر 30 ستمبر 2017ء

ایکویٹی مارکیٹ کا مجموعی جائزہ:

سیاسی عدم استحکام اور بیرونی اکاؤنٹ کے بڑھتے ہوئے خسارہ نے ایکویٹی مارکیٹ میں منفی رجحان پیدا کیا۔ سہ ماہی کے پہلے دہ ماہ میں بیج مارک اینڈیکس %11.5 کم ہوا۔ 17، Sep، میں بیرونی سرمایہ کاری سے KSE-100 %2.9 اضافے کے ساتھ ستمبر 2017 میں 42,909 پوائنٹس پر بند ہوا۔ اس سب کے ساتھ نئے مالیاتی سال کی پہلی سہ ماہی %8.9 پر بند ہوئی، جو کہ FY09 کے بعد اب تک کی کسی سہ ماہی میں پست ترین کارکردگی تھی۔ سہ ماہی کے دوران غیر ملکی 90 ملین ڈالر کے کلی خریدار رہے۔ زیادہ تر خریداری بینکوں (33.5 ملین ڈالر) اور انشورنس کمپنیوں نے جذب کی (49.3 ملین ڈالر)۔

مالی سال کی ابتداء سے 17 ستمبر میں پہلی مرتبہ 28 ملین کا حجم دیکھا گیا، بنیادی طور پر FTSE Global Indices میں پاکستانی اسٹاک (MCB, BAFL, SNGP, THAL, MTL) کی شمولیت کی وجہ سے ممکن ہوا۔ سہ ماہی کے دوران اوسط حجم 178 ملین شیئرز تک گرا، مقابل گزشتہ سہ ماہی جس میں حجم 280 ملین شیئرز تھا۔ اوسطاً تجارتی حجم گزشتہ سہ ماہی کے مقابلے میں 15.0 بلین سے 9.3 بلین تک زوال پذیر ہوا۔

بنیادی طور پر جو سیکٹرز انڈیکس کو زوال پر مزید کرنے کا سبب بنے ان میں سیمینٹ (down 28% QoQ) کی کارکردگی مسلسل پست رہی بوجہ سیمینٹ کی قیمتوں میں مستقل کمی اور آنے والے توسیعی پروگرام جن میں اگلی اگلے 6-7 ماہ میں جنوبی خطے کی پیداوار کو پانچ ملین ٹن تک وسیع کرنے کا انتظام کرنا شامل رہا۔ بینکنگ کے شعبے میں رجحانات اس وقت ناخوش گوار ہو گئے جب H B L کو N.Y (Newyork) کے شعبے مالیاتی خدمات (DFS) کی طرف سے نوٹس موصول ہوا جس میں 629.6 ملین ڈالر کا جرمانہ بینک پر عائد کیا گیا تھا جو بعد میں کم کر کے 225 ملین ڈالر کر دیا گیا۔

فرٹیلائزر سیکٹر (down 3% QoQ) نے سہ ماہی کے تیسرے مہینے میں اپنے کچھ نقصانات کا ازالہ کیا جب عالمی منڈی میں 17، Sept، میں یورپ کی قیمتوں میں تقریباً %22 کا اضافہ ہوا۔ آٹوز کی کارکردگی بھی کمزور رہی (%19 Qtb-) کے ساتھ رجحانات مزید پست ہو گئے کیوں کہ بیرونی اکاؤنٹس کے حجم گرنے کے خدشات کی وجہ سے روپے اور ڈالر کی قدر کو برابر رکھنے کیلئے دباؤ کی امید کی جارہی تھی۔ E&P واحد ایسا سیکٹر تھا جس میں منافع (up by 8% QoQ) دیکھنے کو ملا بوجہ تیل کی قیمتوں میں %22 اضافہ جس سے تیل \$56.6/bbl پر پہنچ گیا۔

فنڈ کی کارکردگی:

الحرماء اسلامک ایکٹیو ایلوکیشن پلان-I:

فنڈ 29 دسمبر 2016ء کو متعارف کرایا گیا۔ مدت کے دوران فنڈ نے %6.38 کا منفی ریٹرن حاصل کیا، مقابل مقررہ معیار منفی ریٹرن %8.57 کے۔ مدت کے خاتمے پر فنڈ کی سرمایہ کاری %62.4 الحرماء اسلامک اسٹاک فنڈ میں تھی اور %31.8 سرمایہ کاری

ڈائریکٹر رپورٹ برائے سہ ماہی اختتام پذیر 30 ستمبر 2017ء

الحمد اسلامک انکم فنڈ میں تھی۔

30 ستمبر 2017ء کو فنڈ کے net اثاثہ جات 1460 ملین روپے تھے۔ 30 ستمبر 2017ء کو فنڈ کی net اثاثہ جاتی قدر (NAV) فی یونٹ 93.6309 روپے تھی۔

الحمد اسلامک ایکٹیو ایلو کیشن پلان-II:

فنڈ 16 جون 2017ء کو متعارف کرایا گیا۔ مدت کے دوران فنڈ نے 2.37% کا منفی ریٹرن حاصل کیا۔ مقابل مقررہ معیار منفی ریٹرن 8.55% کے۔ 30 ستمبر 2017ء کو فنڈ کی سرمایہ کاری 8.8% الحمد اسلامک اسٹاک فنڈ میں تھی اور 84.7% سرمایہ کاری الحمد اسلامک انکم فنڈ میں تھی۔

30 ستمبر 2017ء کو فنڈ کے net اثاثہ جات 814 ملین روپے تھے۔ 30 ستمبر 2017ء کو فنڈ کی net اثاثہ جاتی قدر (NAV) فی یونٹ 97.6336 روپے تھی۔

مستقبل کا منظر:

گوکہ حکومت اب تک معیشت کو مستحکم رکھنے میں خاصی کامیاب رہی ہے۔ تاہم خدشات ہیں کہ جڑواں خساروں کو سنبھالنا ایک چیلنج ثابت ہو سکتا ہے۔ ہمارے اندازوں کے مطابق کرنٹ اکاؤنٹ خسارہ FY18 میں 17 بلین ڈالر کے قریب ہوگا، جو جمع شدہ زرمبادلہ کو تیزی کے ساتھ کم کرنے کی صلاحیت رکھتا ہے۔ اگر سارے حالات کو دیکھا جائے تو معاشی افق پر واضح اور تسلسل کے ساتھ پالیسیوں پر کام کرنے کی فوری ضرورت ہے تاکہ ہم اپنی معاشی ترقی کی راہ پر گامزن رہ سکیں۔

مزید براں، رجحان کے مطابق ابھی کچھ عرصے تک مارکیٹ غیر مستحکم رہ سکتی ہے کیونکہ سیاسی عدم استحکام بشمول جڑواں خساروں کے بنیادی مالیاتی بنیادوں پر اثر انداز ہوتا رہے گا۔ ہمارا یقین ہے کہ معاشی ترقی کی سمت کو برقرار رکھنے کیلئے کچھ پالیسی ترامیم ضروری ہیں۔ اس کے باوجود اسٹاک مارکیٹ کے اعداد و شمار پُرکشش سطح پر ہیں اور جلد یا بدیر شیراز کی قیمتوں میں بہتری آ سکتی ہے۔ خدشات کے پریئم (دس سالہ شرح منافع اور رینگ ییلڈ کی تفریق) Equity Risk Premium تاریخ کی اونچی سطح کے قریب ہونے کے باعث مارکیٹ کو بہت سستارہنے کا اشارہ دے رہے ہیں۔ اس کے ساتھ ساتھ کے ایس ای 100، 7.9x PE Ratio پر اپنے ایمرجنگ مارکیٹ پیئر گروپ سے پینتیس فیصد سے زائد ڈسکاؤنٹ پر تجارت کر رہا ہے۔ سیاسی صورتحال سے قطع نظر ان پائیدار عوامل کو میڈیم ٹرم سے وسیع ہو کر دیکھنا چاہیے (i) پاکستانی روپے کی قیمت میں کمی اور سود کی اعلیٰ شرح (ii) سی پیک، اور ٹیکسٹائل کے شعبے کے لیے حکومت پاکستان کا تعاون جو کہ برآمدات کی حوصلہ افزائی کرے گا۔ ہم مقامی سرمایہ کاروں کو معاشی رجحانات پر خصوصی توجہ دیتے ہوئے کسی بھی گراؤٹ کو شیراز جمع کرنے کا موقع سمجھ کر سرمایہ کاری کرنے کا مشورہ دے رہے ہیں۔

ڈائریکٹر رپورٹ
برائے سہ ماہی اختتام پذیر 30 ستمبر 2017ء

فلسڈ انکم مارکیٹ میں غیر معمولی بیرونی اکاؤنٹس کی محتاط پوزیشن پر رہنے کی امید ہے۔ معاشی محاذ پر صورتحال، خاص طور پر ادائیگیوں کا توازن، فلسڈ انکم مارکیٹوں کی سمت تعین کرنے میں اہم کردار ادا کرے گا۔

اظہارِ تشکر

بورڈ فنڈ کے گراں قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹر مینجمنٹ ٹیم کی کوششوں کو بھی خراج تحسین پیش کرتے ہیں۔

برائے اور مین جانب پورٹ



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

20 اکتوبر 2017ء



صدائے حبیب

ڈائریکٹر

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT September 30, 2017

		AIAAP - I 2017	AIAAP - II 2017	Total 2017	Total 2016
	Note	----- (Rupees in 000) -----			
ASSETS					
Bank balances	4	80,296	53,572	133,868	117,564
Investments	5	1,382,440	771,424	2,153,864	1,567,787
Profit receivable		398	188	586	3,308
Advances, deposits, prepayments and other receivable		219	11	230	139
Preliminary expenses and floatation costs	6	3,110	-	3,110	3,740
Total assets		1,466,462	825,195	2,291,657	1,692,538
LIABILITIES					
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	7	5,358	380	5,738	5,832
Payable to MCB Financial Services Limited - Trustee	8	100	60	160	121
Payable to the Securities and Exchange Commission of Pakistan		364	89	453	726
Dividend Payable		-	-	-	12,830
Accrued expenses and other liabilities	9	992	10,651	11,644	819
Total liabilities		6,815	11,181	17,996	20,328
NET ASSETS		<u>1,459,647</u>	<u>814,014</u>	<u>2,273,661</u>	<u>1,672,210</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		<u>1,459,647</u>	<u>814,014</u>	<u>2,273,661</u>	<u>1,672,210</u>
CONTINGENCIES AND COMMITMENTS	10	(Number of units)			
NUMBER OF UNITS IN ISSUE	12	<u>15,589,364</u>	<u>8,337,437</u>		
		(Rupees)			
NET ASSET VALUE PER UNIT		93.6309	97.6336		

The annexed notes 1 to 16 form an integral part of these financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

	Note	AIAAP - I September 30 2017	AIAAP - II September 30 2017	Total September 30 2017
------(Rupees in 000)-----				
INCOME				
Loss on sale of investments - net		(11,015)	(8,983)	(19,998)
Unrealised (diminution) on re-measurement of investments at fair value through profit or loss - net	5.2	(89,377)	(49)	(89,426)
Profit on bank balances		1,305	404	1,708
Net element of Income included in prices of units issued less those in units redeemed.				(10,784)
Other income		1,046	45	1,090
		(98,042)	(8,584)	(106,625)
EXPENSES				
Remuneration of the Management Company		223	57	281
Sindh sales tax on remuneration of the Management Company		29	7	36
Remuneration of the Trustee		312	100	412
Sindh sales tax on remuneration of the Trustee		41	13	54
Annual fee to the Securities and Exchange Commission of Pakistan		364	89	454
Allocated expenses and related taxes		433	106	539
Printing charges		36	8	44
Settlement and bank charges		6	6	12
Listing fee		7	0	7
Legal and Professional Charges		49	5	54
Auditors' remuneration		77	17	94
Amortisation of preliminary expenses and floatation costs		630	-	630
Total expenses		2,207	409	2,617
Provision against Sindh Workers' Welfare Fund		-	-	-
Net loss for the period before taxation		(100,249)	(8,993)	(109,242)
Taxation		-	-	-
Net loss for the period after taxation		(100,249)	(8,993)	(109,242)
Allocation of Net loss Income for the period:				
		Sep 30, 2017		
Loss / (Income) already shared / (paid) on units redeemed		705	22	727
Accounting (loss) / income available for distribution:				
-Relating to capital gains		(99,686)	(9,010)	(108,696)
-Excluding capital gains		142	39	181
Accounting (loss) / Income available for Distribution		(99,544)	(8,971)	(108,515)

The annexed notes 1 to 16 form an integral part of these financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

	AIAAP - I September 30 <u>2017</u>	AIAAP - II September 30 <u>2017</u>	Total September 30 <u>2017</u>
	----- (Rupees in 000) -----		
Net loss for the period after taxation	(100,249)	(8,993)	(109,242)
Other comprehensive income / (loss) for the period	-	-	-
Total comprehensive (loss) for the period	<u>(100,249)</u>	<u>(8,993)</u>	<u>(109,242)</u>

The annexed notes 1 to 16 form an integral part of these financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

	Note	AIAAP - I September 30 2017	AIAAP - II September 30 2017	Total September 30 2017
----- (Rupees in 000) -----				
Net assets at the beginning of the period		1,584,241	87,969	1,672,210
Issue of units	12	10,722	736,526	747,248
Redemption of units	12	(35,067)	(1,488)	(36,555)
		(24,345)	735,038	710,692
Accounting loss for the period		(99,544)	(8,971)	(108,515)
(Loss) / Income already (shared) / paid on units redeemed-HFT		(705)	(22)	(727)
Net assets as at the end of the period		1,459,647	814,014	2,273,661
Net Assets value per unit as at beginning of the period		100.0163	100.0057	
Net Assets value per unit as at end of the period		93.6309	97.6336	
Distribution during for the period:		-	-	-
Undistributed income brought forward comprises of:				
- Realised Gain		(6,534)	49	(6,485)
- Unrealised Gain		6,792	(44)	6,748
		258	5	263
Accounting loss available for distribution:				
-Relating to capital gains		(99,686)	(9,010)	(108,696)
-Excluding capital gains		142	39	181
		(99,544)	(8,971)	(108,515)
Distributions during the period		-	-	-
Undistributed loss carried forward		(99,286)	(8,966)	(108,252)
Undistributed loss carried forward comprises of:				
- Realised Gain		(9,908)	(8,917)	(18,826)
- Unrealised Gain		(89,377)	(49)	(89,426)
		(99,286)	(8,966)	(108,252)

The annexed notes 1 to 16 form an integral part of these financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Note	AIAAP - I September 30 2017	AIAAP - II September 30 2017	Total September 30 2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss for the period		(100,249)	(8,993)	(109,242)
Adjustments for:				
Unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		89,377	49	89,426
Amortisation of preliminary expenses and floatation costs		630	-	630
		(10,242)	(8,944)	(19,186)
Increase in assets				
Investments		21,015	(696,516)	(675,501)
Profit receivable		2,641	81	2,722
Advances, deposits, prepayments and other receivable		(80)	(11)	(91)
		23,576	(696,446)	(672,870)
Increase in liabilities				
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company		(399)	305	(94)
Payable to MCB Financial Services Limited - Trustee		(10)	49	39
Payable to the Securities and Exchange Commission of Pakistan		(359)	86	(273)
Dividend Payable		(12,672)	(158)	(12,830)
Accrued expenses and other liabilities		178	10,646	10,824
		(13,261)	10,929	(2,332)
Net cash flows from operating activities		74	(694,461)	(694,388)
CASH FLOWS FROM FINANCING ACTIVITIES				
Amount received against issuance of units		10,722	736,526	747,248
Amount paid against redemption of units		(35,067)	(1,488)	(36,555)
Net cash flows from financing activities		(24,345)	735,038	710,692
Net increase in cash and cash equivalents during the period		(24,272)	40,576	16,395
Cash and cash equivalents at the beginning of the period		104,568	12,996	117,564
Cash and cash equivalents at the end of the period	4	80,296	53,572	133,868

The annexed notes 1 to 16 form an integral part of these financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Al-Hamra Islamic Active Allocation Fund (the Fund) was established under a Trust Deed dated, November 25, 2016, executed between MCB-Arif Habib Savings and Investments Limited as Management Company and MCB Financial Services Limited as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 02, 2016 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008).
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 24th Floor, Centre Point, Off. Shaheed-e-Millat Expressway, Near KPT interchange, Karachi, Pakistan.
- 1.3** The Fund is an open-ended mutual fund and has been categorised as "Shariah Compliant Asset Allocation Fund of Funds". The units of the Fund are redeemable subject to a contingent load.
- 1.4** The duration of the Fund is perpetual. However, Allocation Plans launched may have a set time frame. The Fund commenced its operations from December 29, 2016 and on that date, had offered one type of Allocation Plan (Plan-I). However, the Fund has launched Allocation Plan-II from June 16, 2017. The Fund is allowed to invest in Shariah Compliant Collective Investment Schemes or in cash and / or near cash instruments as allowed under circular no. 07 of 2009 dated March 6, 2009 issued by the SECP. The maturity of Allocation Plan I and II is two years from the close of the initial period i.e. December 29, 2018 and June 16, 2019 respectively.
- 1.5** The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM2++ dated June 23, 2017 to the Management Company. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.6** The title to the assets of the Fund is held in the name of MCB Financial Services Limited as Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, Companies Act 2017 or the directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, Companies Act 2017 or the directives issued by the SECP prevail.

- 2.2** The Companies Act, 2017 was enacted on 30th May 2017 and is applicable with immediate effect. However, owing to the practical difficulty being faced by the companies in the preparation of the Financial Statements Circular No. 17/ 2017 dated October 06, 2017 issued by Institute of Chartered Accountants of Pakistan to be read with circular no. 23 of 2017 dated October 04, 2017 issued by Securities and Exchange Commission of Pakistan (SECP) have notified that the companies whose interim period ends on or before 31 December 2017, shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.
- 2.3** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2017.
- 2.4** These condensed interim financial statements are unaudited and are presented in Pak rupees, which is the functional and presentation currency of the Fund. Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2017 except for change in accounting policy for recognition of Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed (Element of Income) discussed in detail in Note No. 3.2.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

3.2 The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated August 3, 2017 has made certain amendments in the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations, 2008). The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in Regulation 63 (Amount distributable to unit holders) of the NBFC Regulations, 2008. As per the notification, Element of Income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

Previously, an equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed to the extent it was represented by distributable income earned during the year was recognised in the income statement and the element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed represented by distributable income carried forward from prior period was included in the distribution statement.

As required by IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, a change in accounting policy requires retrospective application as if that policy had always been applied. However, the management has applied the above changes in accounting policy prospectively from July 01, 2017 as per clarification issued by the Mutual Funds Association of Pakistan and, accordingly, corresponding figures have not been restated.

	Note	AIAAP - I 2017	AIAAP - II 2017	Total 2017
4 BANK BALANCES		------(Rupees in 000)-----		
In current account		2,354	6,336	8,691
In savings account		77,942	47,235	125,177
		<u>80,296</u>	<u>53,572</u>	<u>133,868</u>

	Note	AIAAP - I 2017	AIAAP - II 2017	Total 2017
5 INVESTMENTS		------(Rupees in 000)-----		
At fair value through profit or loss - held for trading				
- Units of open end mutual funds	5.1	<u>1,382,440</u>	<u>771,424</u>	<u>2,153,864</u>

5.1 At fair value through profit or loss - held for trading

5.1.1 Allocation Plan I - Units of open end mutual funds (related party)

Name of the fund	Number of units				Carrying value as at September 30, 2017	Market value as at September 30, 2017	Unrealised appreciation / (diminution) as at September 30, 2017	Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 1, 2017	Purchased during the period	Sold during the period	As at september 30, 2017					
------(Rs in "000")-----									
Alhamra Islamic Stock Fund	71,103,335	47,034,607	34,000,521	84,137,421	1,008,606	915,415	(93,191)	63%	66%
Alhamra Islamic Income Fund	6,151,984	3,947,931	5,525,749	4,574,166	463,211	467,025	3,813	32%	34%
					1,471,817	1,382,440	(89,377)		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

5.1.2 Allocation Plan II - Units of open end mutual funds (related party)

Name of the fund	Number of units				Carrying value as at September 30, 2017	Market value as at September 30, 2017	Unrealised appreciation / (diminution) as at September 30, 2017	Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 1, 2017	Purchased during the period	Sold during the period	As at september 30, 2017					
------(Rs in "000")-----									
Alhamra Islamic Stock Fund	2,029,221	23,234,715	18,570,102	6,693,834	75,475	72,829	(2,646)	9%	9%
Alhamra Islamic Income Fund	495,648	8,907,122	2,560,537	6,842,233	695,998	698,595	2,597	86%	91%
					771,473	771,424	(49)		

	Note	AIAAP - I 2017	AIAAP - II 2017	Total 2017
------(Rupees in 000)-----				
5.2 Unrealised (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - net				
Market value as at September 30	5.1.1 & 5.1.2	1,382,440	771,424	2,153,864
Less: carrying value as at September 30	5.1.1 & 5.1.2	1,471,817	771,473	2,243,290
		(89,377)	(49)	(89,426)

	AIAAP - I 2017	AIAAP - II 2017	Total 2017
------(Rupees in 000)-----			
6 PRELIMINARY EXPENSES AND FLOATATION COSTS			
Preliminary expenses and floatation costs As at 1 Jul 2017	3,740	-	3,740
Less: amortisation during the period	630	-	630
Closing balance	3,110	-	3,110

	AIAAP - I 2017	AIAAP - II 2017	Total 2017
------(Rupees in 000)-----			
7 PAYABLE TO MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED-MANAGEMENT COMPANY			
Management remuneration payable	69	31	99
Sindh sales tax payable on management remuneration	10	4	5,004
Sales load payable	-	240	240
Preliminary expenses and floatation costs payable	5,000	-	5,000
Payable against allocated expenses	250	85	335
Others	30	20	50
	5,358	380	10,729

	AIAAP - I 2017	AIAAP - II 2017	Total 2017
------(Rupees in 000)-----			
8 PAYABLE TO MCB FINANCIAL SERVICES LIMITED - TRUSTEE			
Trustee remuneration payable	12	53	65
Sindh sales tax payable on Trustee remuneration	89	7	96
	100	60	160

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

	AIAAP - I 2017	AIAAP - II 2017	Total 2017
9 ACCRUED EXPENSES AND OTHER LIABILITIES	----- (Rupees in 000) -----		
Auditors' remuneration	364	18	382
Printing charges	136	8	144
Payable to legal advisor	79	3	83
Sale Load Payable- MCB Bank Limited	-	10,595	10,595
Others	149	11	149
Provision for Sindh Workers' Welfare Fund	264	16	280
	992	10,651	11,633

- 9.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. However, as a matter of abundant caution provision in respect of SWWF is being made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). Had the provision for SWWF not been recorded in the financial statements of the Fund, the net asset value of Plan I and II as at September 30, 2017 would have been higher by Re 0.0169 per unit and Re 0.0004 per unit respectively. (2017: Plan I 0.0167 per unit and Plan II 0.0034 per unit)

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2017.

	AIAAP - I 2017	AIAAP - II 2017	Total 2017
11 NUMBER OF UNITS IN ISSUE	----- (Units) -----		
Total units in issue at the beginning of the period			
Add: units issued during the period (Reinvested by the unitholders against their dividend entitlement - net of tax in AIAAP-I)	15,839,822	879,643	16,719,465
Less: redemptions during the period	107,206	7,472,906	7,580,112
Total units in issue as at September 30, 2017	(357,664)	(15,112)	(372,775)
	15,589,364	8,337,437	23,926,801

12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2017 is 0.15% (Plan-I) and 0.11% (Plan-II) which includes 0.04% (Plan-I) and 0.03% (Plan-II) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit under the NBFC Regulations for a collective investment scheme.

13 TAXATION

- 13.1** The Fund is exempt from taxation under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders.

13.2 The Fund is also exempt from the provisions 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 the income earned during the year by the Fund to the unit holders. Accordingly, no provision has been made in this condensed interim financial statement.

Related parties / connected persons of the Fund include MCB-Arif Habib Savings and Investments Limited (being the Management Company) and its related entities, MCB Financial Services Limited (being the Trustee of the Fund), other collective investment schemes and pension schemes managed by the Management Company, any person or trust beneficially owning (directly or indirectly) ten percent or more of the capital of the Management Company or the net assets of the Fund and directors, key management personnel and officers of the Management Company.

Transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed respectively.

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the period end are as follows:

14.1.1.1 Alhamra Islamic Asset Allocation Plan I

14.1.1 Alhamra Islamic Asset Allocation Plan I

	As at July 01, 2017	Issued for cash	Bonus	Redeemed	As at September 30, 2017	As at July 01, 2017	Issued for cash	Bonus	Redeemed	As at September 30, 2017
		(UNITS)								
									(Rupees in 000)	
Ahamra Islamic Stock Fund	71,103,335	47,034,607	-	34,000,521	84,137,421	871,016	550,000	-	400,000	915,415
Ahamra Islamic Income Fund	6,151,984	3,947,931	-	5,525,749	4,574,166	621,815	400,000	-	560,000	467,025
MCB Employees Pension Fund	586,520	-	-	-	586,520	58,662	-	-	-	54,916
Directors and key management personnel of the Management Company	4,007	-	-	-	4,007	401	-	-	-	375

Alhamra Islamic Stock Fund	2,029,221	23,234,715	-	18,570,102	6,693,834	24,858	260,000	-	200,000	72,829
Alhamra Islamic Income Fund	495,648	8,789,590	-	2,560,537	6,724,702	50,098	893,500	-	260,000	686,683
MCB Employees Pension Fund	751,350	-	-	-	751,350	75,139	-	-	-	73,357

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017**

14.2 Details of transactions with related parties / connected persons during the period

AIAAP - I	AIAAP - II	Total
September 30	September 30	
2017	2017	

----- (Rupees in 000) -----

**MCB-Arif Habib Savings and Investments
Limited - Management Company**

Remuneration of the Management Company (including indirect taxes)	252	65	317
Allocated expenses and related taxes	433	106	539

MCB Financial Services Limited - Trustee

Remuneration of the Trustee (including indirect taxes)	353	112	465
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14.3 Details of balances with related parties / connected persons as at period end

AIAAP - I	AIAAP - II	Total	Total
September 30			June 30
2017			2017

----- (Rupees in 000) -----

**MCB-Arif Habib Savings and Investments
Limited - Management Company**

Management remuneration payable	68	31	99	554
Sindh sales tax payable on management remuneration	10	4	14	73
Sales load payable	-	240	240	7
Preliminary expenses and floatation costs payable	5,000	-	5,000	5000
Payable against allocated expenses	250	85	335	138
Others	30	20	60	60

MCB Financial Services Limited - Trustee

Trustee remuneration payable	12	53	65	107
Sindh sales tax payable on Trustee remuneration	89	7	96	14

MCB Bank Limited - Parent of the Management Company

Bank balance	2,354	6,336	8,691	7571
Sale Load Payable	-	10,595	10,595	-

15 GENERAL

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant reclassifications have been made during the current period.

16 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on October 20, 2017 by the Board of Directors of the Management Company.

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



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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