



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

MARCH
2020
(UNAUDITED)

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



ALHAMRA ISLAMIC ASSET ALLOCATION FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcPakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited Faysal Bank Limited United Bank Limited Allied Bank Limited Silk Bank Limited Bank Al-Habib Limited Habib Bank Limited National Bank of Pakistan Meezan Bank Limited Dubai Islamic Bank Pakistan Limited MCB Islamic Bank Limited Bank Islami Pakistan Limited Askari 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 Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM2++ Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

Dear Investors

On behalf of the Board of Directors, We are pleased to present **Alhamra Islamic Asset Allocation Fund** accounts review for the quarter ended March 31, 2020.

ECONOMY AND MONEY MARKET OVERVIEW

The third quarter of FY20 was full of gloom and doom, after the Coronavirus (Covid-19) outbreak wreaked havoc on the global economy. Global cases topped 1.5 million, while more than 80,000 people became the morsel of death as the fatal outbreak continued to spread throughout the world. While China took stringent measures to rein in the coronavirus, the other part of the globe especially EU and US was hit hard by the pandemic. On the flip side, the number of cases on the domestic side still dwarfed the developed world (~4,500 cases as of now), however, the situation was still uncertain as of now. The country has also been forced into a semi lockdown, which has affected the domestic businesses.

The outlook on GDP growth ranged from 2.4%-3.0% according to various institutions, prior to Covid-19 outbreak. However, as of late, the outbreak of COVID-19 has created uncertainty relative to trajectory of the GDP growth going forward. The weak production outlook of major crops (Cotton, Wheat and Sugar) along with a lower industrial growth arising out of weaker than expected LSM growth is expected to take a dent on the overall growth. Large Scale Manufacturing as anticipated continued on a downward trajectory as the import based consumption demand evaporated. LSM posted a decline of ~3.4% in the first seven months of FY20, with most of the decline emanating from petroleum production and cyclical sectors.

Lagged impacts of policy action in terms of monetary tightening and exchange rate adjustments continued to bear fruits as reflected in improvement in Balance of Payments position. The current account deficit in the first eight months of this year contracted by ~70% on Year on Year basis to USD 2.8 billion. Imports of goods and services continued to decline as it compressed by ~15% while exports have started to inch up registering increase of ~3.2% in first eight months of FY20. Remittances provided some cushion to BoP position increasing by ~5% over the period. The country received net foreign investment in debt securities worth ~USD 3.1 billion during Jul-Feb period. However, USD 1.8 billion worth of sovereign debt was divested in the month of March. The foreign exchange reserves increased by USD 2.9 billion from Jul-Mar FY20 supported by flows from IMF, multilateral institutions and foreign portfolio investors along with a curtailed current account deficit.

FBR has collected provisional taxes of PKR 3,050 billion during the first nine months of this fiscal year. Provisional tax collection prior to month of March was very encouraging, growing at a rate of 17% YoY. However, lockdown enforced during the month of March led to a shortfall of nearly PKR 100-150 billion, which weakened the overall growth to 13% in the first nine months of FY20.

Average CPI for clocked in CPI in at 11.5% YoY for the first nine months of FY20. Major hit on food inflation surfaced from a hike in the prices of perishable food items after imports from India was banned. However, the inflationary pressures have started trending downwards with inflation for March clocking in at 10.2% as lower petroleum prices along with easing food inflation put breaks on overall inflation. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 8.1% for the period.

The MPC committee in its first meeting of the month reduced the interest rate by 75 bps citing the easing outlook on inflation. During the month, another emergent meeting was called whereby the MPC decided to reduce the interest rates by a further of 150 bps following a global trend of easing by the central banks as a response to coronavirus outbreak.

During the period under review, yield curve shifted downwards owing to massive demand for longer tenor bonds as market participants drew comfort from stabilization measures and anticipated outlook of lower inflation. Alongside, participation from foreign investors at such an unprecedented scale for the first time in the local bond market brought in extra pool of liquidity pushing the yields down. The cumulative decline of 225 bps in interest rates further yields downwards in third quarter of this fiscal year. 3 Year bonds eased off by ~500 bps while the longer tenor (10Y) bonds also eased off by nearly ~450 bps during the first nine months of FY20.

EQUITIES MARKET OVERVIEW

As panic hit equity markets around the globe post novel coronavirus spread, KSE-100 Index was no different. The benchmark index plunged by ~28% in the third quarter of the current fiscal year, reversing all the previous gains of the fiscal year. This took the cumulative negative return of nine months of FY20 to 13.8%. Also, KSE had its worst month since the financial crisis of 2008 as the global pandemic took a

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toll on all risk assets. Foreigners continued to shun risk assets across the emerging market and Pakistan did not turn out to be an exception. FIPI selling during the quarter amounted to USD 130 million during the period. Individuals were the main buyers during the period taking exposure of USD 144 million in equities, while commercial banks and mutual funds turned out to be net sellers reducing their exposure by USD 48 million and USD 85 million respectively. Volumes and values traded averaged around 191 mn shares/ PKR 7.1 bn during the period.

The energy chain underperformed severely during the quarter as crude oil prices had its one of the worst month of history, after Saudi Arabia started a price war as an agreement wasn't reached between OPEC and Russia. Alongside, a weak global demand amidst the contagious virus added fuel to the fire. Oil prices touched its 18-year low during the month. E&Ps, and OMC's lost more than 40% during the quarter. Commercial banks also lost nearly 30% during the period, as central bank continued its easing policy, while foreigners continued to dump local banks as they shunned risk assets. Fertilizers and Pharmaceutical sectors outperformed the index as defensive plays remained in the radar of investors.

FUND PERFORMANCE

During the period under review, the fund delivered a return of -15.43% as against its benchmark return of -15.84%.

On the equities front, the overall allocation was 75.1% at the end of the period under review. The fund was mainly invested in Oil & Gas Exploration Companies, Fertilizer, Cement and Power Generation & Distribution significantly during the period.

On the fixed income side, there was no exposure towards Sukuk at the end of the period under review.

The Net Assets of the Fund as at March 31, 2020 stood at Rs. 1,629 million as compared to Rs. 2,973 million as at June 30, 2019 registering a decrease of 45.2%.

The Net Asset Value (NAV) per unit as at March 31, 2020 was Rs. 53.9763 as compared to opening NAV of Rs. 63.8246 per unit as at June 30, 2019 registering a decrease of Rs. 9.8483 per unit.

FUTURE OUTLOOK

The COVID-19 outbreak has created uncertainty related to economic numbers. Independent reports point out that Pakistan can lose up to 4.0% of GDP, if the lockdown is enforced for at least one more month. While Pakistan currently lags behind developed countries in terms of number of cases, we still await more data to have a clearer picture. Global picture also points out that with social distancing in place, things will get in control over the course of next two months. If the trend continues, we expect global growth to show sign of recoveries by the third quarter. Albeit, if a second wave erupts, our optimism will not hold true. On the local side, the current data shows some light at the end of the tunnel. However, if things get out of control, Pakistan will have a more severe impact as it lacks health infrastructure along with fiscal muscles to combat the pandemic in the short run.

Government has announced fiscal stimulus worth PKR 700-800 billion to protect the vulnerable industries and segments of the society which are worst hit from the pandemic. With lower tax collection (PKR 500 billion shortfall expected from our expectation) and higher expenditures we expect fiscal deficit to fall north of 9% of GDP. We believe the government will get a waiver from IMF to meet the primary balance target this year.

Balance of Payment worries are over for now as current account deficit has adjusted to reasonable level since the policy actions taken by the central government. The plunge of international oil prices to USD 34/BBL has come as a blessing in disguise. Global slowdown would be detrimental for exports and remittances from oil producing nations would be affected due to lower oil prices. Our forecast is that CAD will settle at 2.3% of GDP for FY20 and 1.3% of GDP for FY21, assuming the global economy starts picking up from third quarter of the calendar year. Given the rise in bond yields of emerging market countries, we expect the idea of raising funds from Eurobond to be shelved. Alongside privatization flows are also expected to be deferred for next year. Furthermore, we expect portfolio flows to revert back to zero this year. To meet the shortfall in external financing, a lot would depend on whether multilateral and bilateral institutions will facilitate deferred debt payments along with extension of additional credit. We expect additional financing of USD 2 billion from IMF and multilateral institutions, while we also expect Pakistan will be able to restructure debt of USD 2.5 billion. Assuming if the scenario plays out as we are

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expecting, the currency should stabilize at current levels as the REER as per our estimates is undervalued by 10% at current level (PKR 167 vs USD).

CPI is expected to average ~11.1% in the current fiscal year owing to lagged impact of currency depreciation along with a rise in food inflation. The plunge in oil prices has provided much needed respite to inflationary outlook. With subdued oil prices and high base effect, we expect headline inflation to ease off in the next year and decline to an average of ~7.4%. Risk to our expectations are significant increase in international commodity prices along with more than expected adjustment in utility tariffs. Based on our outlook of inflation, we expect interest rates to ease off by 100-150 bps in the next 12 months. However, if recessionary pressures build over the course of time, we do not rule out further cuts in interest rate from our base case.

From capital market perspective, particularly equities, we await more clarity on local status of Covid-19. Equities in terms of valuations have not been as cheap as they are now, however, at the same time, the economic outlook has not been as uncertain as it is now owing to Covid-19. On the flip side, the bond market is pricing a relatively normal economic scenario, whereby it expects inflation to significantly fall and economic activities to resume in the short run after the lockdown period. If that is the case, then equities as an asset class is bound to outperform all the relative asset classes in the domestic market. The risk premiums (difference between earnings yield and 10Y bonds) have moved into unseen territory. Risk premium is currently close to ~10.0% against the historical average of 0.9% and a 15-year low of 6.0% (happened in the financial crisis of 2008-09). We believe a micro view of sectors and stock will remain more important this year and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds have priced in most of the expected monetary easing expected going forward. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
April 20, 2020



Nasim Beg
Director/Vice Chairman

ڈائریکٹر رپورٹ

پیش بینی کی بنیاد پر انٹریسٹ کی شرحوں میں اگلے بارہ ماہ میں 100 سے 150 بی پی ایس تک کی کمی کی اُمید ہے۔ تاہم اگر وقت گزرنے کے ساتھ کساد بازاری کے دباؤ میں اضافہ ہو تو انٹریسٹ کی شرحوں میں مزید کمی بعید از قیاس نہیں ہے۔

کمپیوٹل مارکیٹ خصوصاً ایکویٹیز کے معاملے میں ہم کو وڈ-۱۹ کی مقامی صورتحال مزید واضح ہونے کے منتظر ہیں۔ ایکویٹیز اپنی قدر کے اعتبار سے جتنی سستی فی الوقت ہیں اتنی پہلے کبھی نہیں تھیں، تاہم، بیک وقت، معاشی مستقبل بھی اتنا غیر یقینی پہلے کبھی نہیں تھا جتنا کو وڈ-۱۹ کی وجہ سے فی الوقت ہے۔

دوسری طرف بانڈ مارکیٹ نسبتاً معمول کے مطابق معاشی منظر پیش کر رہی ہے جس میں لاک آؤٹ مدت کے بعد مختصر میعاد میں افراط زر میں بڑی کمی اور معاشی سرگرمیوں کی بحالی کی اُمید کی جا رہی ہے۔ اگر ایسا ہی ہو تو ایکویٹیز ایک اثاثہ جاتی زمرے کی حیثیت سے مقامی مارکیٹ میں ضرورتاً دیگر اثاثہ جاتی زمروں سے کارکردگی میں سبقت لے جائیں گی۔ خطرات کے پرمیئم (منافعوں اور دس سالہ بانڈز میں فرق) نامعلوم مقام پر چلے گئے ہیں۔ موجودہ طور پر خطرات کے پرمیئم تقریباً 10.0 فیصد کے قریب ہیں جبکہ اس کا تاریخی اوسط 0.9 فیصد ہے اور گزشتہ پندرہ برسوں کی کم ترین سطح 6.0 فیصد ہے (جو 2008-09ء کے مالی بحران کے دوران دیکھی گئی تھی)۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاک کی وسیع تصویر اس سال زیادہ اہم رہے گی اور سرمایہ کاری کے انتخاب کا انحصار ایسی کمپنیوں پر ہونا چاہیے جو اپنی اندرونی قدر میں گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

Debt حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ پالیسی شرحوں کی عکاسی بلا رکاوٹ سال بھر جاری رکھیں گے۔ دوسری جانب حکومتی بانڈ دوران سال پہلے ہی کچھ حد تک متوقع مالیاتی تسہیل میں کردار ادا کر چکے ہیں۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

اظہار تشکر

بورڈ فنڈ کے گراں قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ مزید برآں، مینجمنٹ ٹیم کی کاوشوں کو بھی ڈائریکٹر کی طرف سے خراج تحسین پیش کیا جاتا ہے۔

برائے اور من جانب بورڈ



نیم بیگ
ڈائریکٹر / اوٹس چیئرمین



محمد ثاقب سلیم
چیف ایگزیکٹو آفیسر
20 اپریل 2020ء

ڈائریکٹر رپورٹ

31 مارچ 2020 کو net اثاثہ جاتی قدر (این اے وی) 53.9763 روپے فی یونٹ تھی جو 30 جون 2019ء کو ابتدائی این اے وی 63.8246 روپے فی یونٹ کے مقابلے میں 9.8483 روپے فی یونٹ اضافہ ہے۔

مستقبل کے امکانات

کووڈ-۱۹ وبا کے باعث معاشی اعداد میں عدم یقینی پیدا ہو گئی ہے۔ آزاد ذرائع کی رپورٹس اشارہ کر رہی ہیں کہ اگر لاک ڈاؤن کم سے کم بھی ایک اور مہینہ نافذ رہتا ہے تو پاکستان کو جی ڈی پی کے 4 فیصد تک کا نقصان ہو سکتا ہے۔ اگرچہ پاکستان میں کورونا وائرس سے متاثرہ افراد کی تعداد تاحال ترقی یافتہ ممالک کے مقابلے میں کم ہے لیکن واضح صورتحال جاننے کے لیے مزید معلومات اور اعداد و شمار درکار ہیں۔ عالمی منظر نامے سے ظاہر ہوتا ہے کہ سماجی فاصلہ اختیار کرنے سے اگلے دو ماہ کے دوران حالات قابو میں آ سکتے ہیں۔ اگر یہ رجحان برقرار رہا تو تیسری سہ ماہی تک عالمی ترقی میں بحالی کی علامات ظاہر ہونے کے امکانات موجود ہیں۔ تاہم اگر وبا کی دوسری لہر ابھر آئی تو ہماری رجاعیت پسندی درست ثابت نہیں ہوگی۔ مقامی سطح پر موجودہ اعداد و شمار کچھ حد تک اُمید کی کرن ثابت ہو سکتے ہیں۔ لیکن اگر حالات قابو سے باہر ہو گئے تو پاکستان شدید متاثر ہوگا کیونکہ یہاں صحت عامہ کے شعبہ کا ڈھانچہ اور مالیاتی پٹھے کمزور ہونے کے باعث مختصر میعاد میں اس وبا کا مقابلہ کرنے کی صلاحیت کا فقدان ہے۔

حکومت نے وبا سے سب سے زیادہ متاثرہ صنعتوں اور سماجی طبقات کے تحفظ کے لیے 700 سے 800 بلین روپے مالیت کی مالی امداد کا اعلان کیا ہے۔ ٹیکس کے وصولی میں (متوقع طور پر 500 بلین روپے کی) کمی اور خرچوں میں اضافے کی بدولت اُمید کی جاسکتی ہے کہ مالیاتی خسارے میں جی ڈی پی کے 9 فیصد سے زائد کمی ہوگی۔ ہمارے اندازے کے مطابق حکومت کو آئی ایم ایف کی طرف سے سال رواں بقایا جات کا بنیادی ہدف پورا کرنے کی چھوٹ مل جائے گی۔

ادائیگی کے توازن کی پریشانیوں فی الوقت ختم ہو گئی ہیں کیونکہ کرنٹ اکاؤنٹ خسارہ مرکزی حکومت کے پالیسی اقدامات کے بعد معقول سطح تک آ گیا ہے۔ تیل کی بین الاقوامی قیمتوں کا 34 ڈالر فی بیرل تک کم ہو جانا زحمت کے بھیس میں رحمت ثابت ہوا ہے۔ عالمی سطح پر سنسٹ رَوی کے برآمدات پر منفی اثرات مرتب ہوں گے اور تیل کی پست قیمتوں کے باعث تیل کی پیداوار کرنے والے ممالک سے ترسیلات زر بھی متاثر ہوں گی۔ ہماری پیش گوئی ہے کہ کرنٹ اکاؤنٹ کا خسارہ مالی سال 2019-20ء کے لیے مجموعی ملکی پیداوار کے 2.3 فیصد پر، اور مالی سال 2020-21ء کے لیے مجموعی ملکی پیداوار کے 1.3 فیصد پر آ کر رہے گا، اس مفروضے کی بنیاد پر کہ عالمی معیشت میں جولائی سے بحالی کا سلسلہ شروع ہو جائے گا۔ ابھرتی ہوئی مارکیٹوں کے ممالک میں بانڈ کے منافع جات میں اضافے کے پیش نظر ہمیں توقع ہے کہ ایورو بانڈ کے ذریعے فنڈ میں اضافے کی حکمت عملی کو فی الوقت اختیار نہیں کیا جائے گا۔ ساتھ ساتھ نجکاری سے ہونے والی آمدات متوقع طور پر اگلے سال کے لیے ملتی کر دی جائیں گی۔ مزید براں ہمیں توقع ہے کہ پورٹ فولیو آمدات سال رواں واپس صرف تک چلی جائیں گی۔ خارجی فنانسنگ میں کمی کو پورا کرنے کے لیے بہت کچھ اس بات پر منحصر ہوگا کہ کثیر الجہتی اور دو جہتی ادارے قرضہ جات کی ملتی شدہ ادائیگیوں کی سہولت کے علاوہ اضافی قرضوں کی توسیع فراہم کر رہے ہیں یا نہیں۔ ہمیں آئی ایم ایف اور کثیر الجہتی اداروں سے 2 بلین ڈالر کی اضافی رقم کی فراہمی کی توقع ہے، جبکہ ہمیں یہ بھی اُمید ہے کہ پاکستان 2.5 بلین ڈالر قرض کی تشکیل نو کر سکے گا۔ اگر صورتحال ہماری توقعات کے مطابق رہی تو ہمارا یا تخمینہ ہے کہ روپیہ موجودہ سطحوں پر مستحکم ہو جائے گا کیونکہ REER کی قدر موجودہ سطح پر ہمارے تخمینوں کے مطابق 10 فیصد کم مقرر ہوئی ہے (167 روپے بمقابلہ امریکی ڈالر)۔

موجودہ مالی سال میں صارفی قیمت کے انڈیکس (سی پی آئی) کا متوقع اوسط 11.1 فیصد ہوگا جس کا سبب روپے کی قدر کی سست رفتار پذیریری اور اشیائے خورد و نوش کی افراط زر میں اضافہ ہے۔ تیل کی قیمتوں میں چھلانگ سے افراط زر کے رجحان کو مطلوبہ مہلت حاصل ہوئی۔ تیل کی گھٹی ہوئی قیمتوں اور بلند base effect کی بنیاد پر ہمیں اُمید ہے کہ مجموعی افراط زر کا اوسط اگلے سال کم ہو کر 7.4 فیصد ہو جائے گا۔ بین الاقوامی اشیاء کی قیمتوں میں کسی منفی اضافے کے ساتھ ساتھ یوٹیلیٹی کی محصولات وغیرہ میں متوقع سے زیادہ ترمیمات کے باعث ہماری توقعات غلط ثابت ہو سکتی ہیں۔ افراط زر سے متعلق ہماری

ڈائریکٹر ز رپورٹ

مانیٹری پالیسی کمیٹی (ایم پی سی) نے اپنے پہلے ماہانہ اجلاس میں افراط زر کی صورتحال میں بہتری کا حوالہ دیتے ہوئے انٹریسٹ کی شرح میں 75 بیسیس پوائنٹس (بی پی ایس) کمی کی۔ دوران ماہ ایک اور اجلاس منظر عام پر آیا جس میں ایم پی سی نے کورونا وائرس کی وبا کے رد عمل کے طور پر عالمی سطح پر مرکزی بینکوں کے رجحان کی پیروی کرتے ہوئے انٹریسٹ کی شرحوں میں مزید 150 بی پی ایس کمی کا فیصلہ کیا۔

زیر جائزہ مدت کے دوران طویل تر ميعاد کے بانڈز کی خطیر طلب کے باعث پیداواری خم میں جھکاؤ آیا کیونکہ مارکیٹ کے فریق استحکام کے اقدامات سے مطمئن ہوئے اور افراط زر میں کمی کا امکان پیدا ہوا۔ ساتھ ساتھ مقامی بانڈ مارکیٹ میں پہلی مرتبہ غیر ملکی سرمایہ کاروں کی اتنی بڑے پیمانے پر شرکت کی بدولت اضافی نقد آیا جس کے باعث منافعوں میں کمی ہوئی۔ موجودہ مالی سال کی تیسری سہ ماہی میں انٹریسٹ کی شرحوں میں 225 بی پی ایس کی مجموعی کمی منافعوں میں بھی مزید کمی کا باعث بنی۔ مالی سال 20-2019ء کے ابتدائی نو ماہ کے دوران تین سالہ بانڈز میں تقریباً 500 بی پی ایس جبکہ طویل تر ميعاد کے (دس سالہ) بانڈز میں تقریباً 450 بی پی ایس کمی ہوئی۔

ایکویٹیز مارکیٹ کا مجموعی جائزہ

کورونا وائرس کی وبا پھیلنے کے بعد دنیا بھر میں ایکویٹی مارکیٹس کو نقصان ہوا، اور کراچی اسٹاک ایکسچینج (کے ایس ای -100) کا معاملہ کچھ مختلف نہ تھا۔ انڈیکس کا یہ مقررہ معیار موجودہ مالی سال کی تیسری سہ ماہی میں تقریباً 28 فیصد گر گیا جس کے باعث مالی سال کے دوران ہونے والے تمام سابقہ منافع جات رائیگاں ہو گئے۔ اس کے نتیجے میں مالی سال 20-2019ء کے نو ماہ کا مجموعی منفی منافع 13.8 فیصد تک پہنچ گیا۔ مزید براں، 2008ء کے مالی بحران کے بعد کے ایس ای کے لیے یہ بدترین مہینہ تھا کیونکہ عالمی وبا نے خطرات پر مبنی اثاثہ جات کو زبوں حالی کا شکار کر دیا۔ غیر ملکیوں نے پوری اُبھرتی ہوئی مارکیٹ میں خطرات پر مبنی اثاثہ جات سے گریز کیا اور پاکستان اس صورتحال سے مستثنیٰ نہیں تھا۔ دوران سہ ماہی غیر ملکی سرمایہ کاروں کے دائرہ کار کی سرمایہ کاری (ایف آئی پی آئی) کی فروخت 130 ملین ڈالر کی سطح پر تھی۔ دوران سہ ماہی بنیادی خریدار افراد تھے جنہوں نے ایکویٹیز میں 48 ملین ڈالر کی سرمایہ کاری کی جبکہ کمرشل بینک اور میوچل فنڈز حتمی فروخت کارر رہے جنہوں نے سرمایہ کاری میں بالترتیب 48 ملین ڈالر اور 85 ملین ڈالر کی۔ دوران مدت خرید و فروخت ہونے والے حجم اور قدروں کا اوسط تقریباً 191 ملین حصص 7.1 ملین روپے تھا۔

دوران سہ ماہی توانائی کی کاروباری زنجیر میں کارکردگی شدید ناقص رہی کیونکہ خام تیل کی قیمتوں کی تاریخ کا یہ ایک بدترین مہینہ تھا۔ سعودی عرب نے قیمت کی جنگ شروع کر دی تھی کیونکہ پٹرولیم برآمد کرنے والے ممالک کی تنظیم (اوپیک) اور روس کے ساتھ معاہدہ طے نہیں پاسکا تھا۔ ساتھ ساتھ متعدد وائرس کے باعث کمزور عالمی مانگ نے صورتحال کو مزید خراب کر دیا۔ تیل کی قیمتیں گزشتہ اٹھارہ برسوں کی پست ترین سطح پر پہنچ گئیں۔ (تیل کی دریافت اور پیداوار (ای اینڈ پی) اور تیل کی مارکیٹنگ کی کمپنیوں (اویم سی) کو دوران سہ ماہی 40 فیصد سے زائد کا نقصان ہوا۔ کمرشل بینکوں کو بھی تقریباً 30 فیصد خسارے کا سامنا ہوا کیونکہ مرکزی بینک نے تسہیل کی پالیسی جاری رکھی جبکہ غیر ملکیوں میں خطرات پر مبنی اثاثہ جات سے گریز اور اس کے نتیجے میں مقامی بینکوں سے بے اعتنائی کا رجحان برقرار رہا۔ کھاد اور دوا سازی کے شعبوں کی کارکردگی انڈیکس سے سبقت لے گئی کیونکہ سرمایہ کاروں کی توجہ دفاعی حکمت عملی پر مرکوز رہی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے -15.43 فیصد منافع دیا جبکہ بیچ مارک منافع -15.84 فیصد تھا۔ ایکویٹیز کی جہت میں مجموعی اختصاص زیر جائزہ مدت کے اختتام پر 75.1 فیصد تھا۔ دوران مدت فنڈ کی زیادہ تر سرمایہ کاری تیل اور گیس کی دریافت کی کمپنیوں، کھاد، سیمنٹ، اور بجلی کی پیداوار اور تقسیم کے شعبوں میں تھی۔ مقررہ آمدنی کی جہت میں زیر جائزہ مدت کے اختتام پر سسٹمک میں کوئی شمولیت نہیں تھی۔ 31 مارچ 2020ء کو فنڈ کے net اثاثہ جات 1,629 ملین روپے تھے جو 30 جون 2019ء کو 2,973 ملین روپے کے مقابلے میں 45.2 فیصد کمی ہے۔

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی طرف سے الحمراء اسلامک Asset مینجمنٹ فنڈ کے اکاؤنٹس کا جائزہ برائے سہ ماہی مختتمہ 31 مارچ 2020ء پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

مالی سال 2019-20ء کی تیسری سہ ماہی تاریکی و تباہی سے بھرپور تھی کیونکہ کورونا وائرس (کووڈ-۱۹) کی وبا نے عالمی معیشت میں آفت مچا دی۔ دیکھتے ہی دیکھتے یہ قاتل وبا دنیا بھر میں پھیل گئی جس سے پندرہ لاکھ سے زائد افراد متاثر ہوئے جبکہ ۸۰ ہزار سے زائد لقمہ اجل بن گئے۔ چین نے سخت اقدامات اٹھا کر کورونا وائرس کو شکست دی جبکہ دنیا کے دوسرے حصے خصوصاً یورپی یونین اور امریکا بری طرح متاثر ہوئے۔ دوسری جانب اگرچہ ہمارے ملک میں متاثرہ افراد کی تعداد اب تک ترقی یافتہ دنیا کے مقابلے میں کم ہے (تقریباً 4,500 تا حال) لیکن صورت حال فی الوقت غیر یقینی ہے۔ ملک بھر میں نیم لاک ڈاؤن نافذ ہے جس سے مقامی کاروبار متاثر ہوئے ہیں۔

کووڈ-۱۹ کی وبا پھیلنے سے قبل مجموعی ملکی پیداوار (جی ڈی پی) میں متوقع ترقی مختلف اداروں کے مطابق 2.4 فیصد سے 3.0 فیصد تک تھی۔ تاہم وبا کے باعث جی ڈی پی کی ترقی غیر یقینی صورتحال کا شکار ہو گئی ہے۔ اہم فصلوں (کپاس، گندم اور چینی) کی پیداوار میں متوقع کمی کے ساتھ ساتھ بڑے پیمانے کی مینوفیکچرنگ (ایل ایس ایم) کی متوقع سے کم ترقی کے نتیجے میں صنعتی پیش رفت کے باعث مجموعی ترقی متاثر ہونے کا امکان ہے۔ ایل ایس ایم توقع کے مطابق کمی کا شکار رہی کیونکہ درآمداتی کھپت کی مانگ ہوا میں تحلیل ہو گئی۔ مالی سال 2019-20ء کے ابتدائی سات ماہ میں ایل ایس ایم میں تقریباً 3.4 فیصد کمی ہوئی جس کا بڑا تناسب پٹرولیم کی پیداوار اور گردش شعبوں سے متعلق ہے۔

مالیاتی سختی اور زرمبادلہ کی شرحوں میں ترمیمات کے لحاظ سے پالیسی اقدام کے تاخیر شدہ اثرات کے اثرات حاصل ہونے کا سلسلہ جاری رہا جس کی عکاسی ادائیگیوں کے توازن (بی او پی) کی صورتحال میں بہتری سے ہوتی ہے۔ سال رواں کے ابتدائی آٹھ ماہ میں کرنٹ اکاؤنٹ کا خسارہ سال در سال (YoY) بنیاد پر تقریباً 70 فیصد کم ہو کر 2.8 بلین ڈالر ہو گیا۔ مالی سال 2019-20ء کے ابتدائی آٹھ ماہ میں اشیاء اور خدمات کی درآمدات میں کمی کا سلسلہ جاری رہا اور یہ تقریباً 15 فیصد کم ہوئیں جبکہ برآمدات میں اضافے کا سلسلہ شروع ہو گیا ہے اور ان میں تقریباً 3.2 فیصد اضافہ ہوا۔ ترسیلات زر سے بی او پی کی حالت کو کچھ سہارا ملا کیونکہ دوران مدت ان میں تقریباً 5 فیصد اضافہ ہوا۔ جولائی تا فروری کی مدت کے دوران ملک میں قرضہ جاتی سکیورٹیز میں تقریباً 3.1 بلین ڈالر مالیت کی حتمی غیر ملکی سرمایہ کاری ہوئی۔ تاہم مارچ کے مہینے میں 1.8 بلین مالیت کے خود مختار قرضوں کی سرمایہ کاری واپس لے لی گئی۔ زرمبادلہ کے ذخائر میں جولائی تا مارچ کے دوران 2.9 بلین ڈالر اضافہ ہوا جس کی معاونت انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف)، کثیرالجہتی اداروں اور غیر ملکی دائرہ کار کے سرمایہ کاروں سے آمدات کے ساتھ ساتھ کرنٹ اکاؤنٹ کے خسارے میں کمی سے ہوئی۔

مالی سال کے ابتدائی نو ماہ کے دوران فیڈرل بورڈ آف ریونیو (ایف بی آر) نے 3,050 بلین روپے کے عارضی ٹیکس جمع کیے۔ مارچ کے مہینے سے پہلے عارضی ٹیکس کی وصولی بہت حوصلہ افزا تھی اور اس میں 17 فیصد سال در سال ترقی ہو رہی تھی۔ تاہم مارچ کے مہینے میں لاک ڈاؤن کے نفاذ کے نتیجے میں تقریباً 100 سے 150 بلین روپے کی کمی ہوئی جس سے مالی سال 2019-20ء کے ابتدائی نو ماہ میں مجموعی ترقی 13 فیصد کم ہو گئی۔

مالی سال 2019-20ء کے ابتدائی نو ماہ کے لیے صارفی قیمت کے انڈیکس (سی پی آئی) کا اوسط 11.5 فیصد تھا۔ بھارت سے درآمدات پر پابندی عائد ہونے کے بعد جلد خراب ہونے والی اشیاء خورد و نوش کی قیمتوں میں اضافے کے باعث اشیاء خورد و نوش کی افراط زر پر بڑی ضرب پڑی۔ تاہم افراط زر کے دباؤ میں کمی کا رجحان شروع ہو گیا ہے جو مارچ میں 10.2 فیصد تھی کیونکہ پٹرولیم کی قیمتوں اور اشیاء خورد و نوش کی افراط زر میں کمی سے مجموعی افراط زر میں بھی کمی ہوئی ہے۔ بہر حال اشیاء خورد و نوش اور توانائی کے علاوہ دیگر شعبوں میں پینانش کردہ بنیادی افراط زر قابو میں رہی اور مذکورہ مدت کے لیے اس کا اوسط 8.1 فیصد تھا۔

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Balances with banks	4	396,878	763,340
Investments	5	1,248,237	2,179,968
Dividend, profit and other receivables		13,483	21,918
Advances, deposits and prepayments		3,611	3,403
Receivable against sale of investments		-	36,127
Total assets		1,662,209	3,004,756
LIABILITIES			
Payable to MCB Arif Habib Savings and Investments Limited - Management Company	6	12,185 274	9,875 377
Payable to Central Depository Company of Pakistan Limited Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)		376 0	3,422 -
Payable against purchase of investments		20,136	17,995
Accrued and other liabilities	7	32,972	31,669
Total liabilities		1,629,237	2,973,087
NET ASSETS		1,629,237	2,973,087
Unit holders' fund (as per statement attached)		1,629,237	2,973,087
Contingencies and commitments	8		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		30,184,284	46,582,144
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		53.9763	63.8246

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

	Nine months period ended March 31,		Quarter ended March 31,	
	2020	2019	2020	2019
Note ----- (Rupees in '000) ----- (Rupees in '000) -----				
INCOME				
Net gain / (loss) on sale of investments	49,965	2,174	(21,573)	2,401
Dividend income	72,551	75,052	8,480	18,488
Income on term deposit	1,977	960	(1)	90
Profit on bank deposits	62,338	113,222	11,978	36,685
Net unrealised (loss) / gain on revaluation of investments at fair value through profit or loss'	5.1 (368,084)	(169,106)	(603,663)	46,506
Total Income	(181,253)	22,301	(604,779)	104,170
EXPENSES				
Remuneration of the Management Company	37,607	56,314	11,385	18,043
Sindh Sales tax on remuneration of the Management Company	4,889	7,321	1,480	2,346
Expenses allocated by the Management Company	1,880	3,123	569	961
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	2,632	3,566	818	1,149
Sindh Sales tax on trustee fee	342	464	106	149
Annual fee to Securities and Exchange Commission of Pakistan	376	2,675	114	857
Brokerage, settlement and bank charges	7,037	4,269	3,506	1,228
Printing and related costs	47	49	29	25
Fees and subscription	33	44	7	7
Shariah advisory fee	676	675	224	225
Auditors' remuneration	407	325	123	124
Legal and professional charges	33	135	(58)	26
Selling and marketing expenses	19,617	11,263	7,400	3,609
Donation	1,876	1,148	290	299
Total expenses	77,451	91,370	25,992	29,047
Net (loss) / income from operating activities	(258,704)	(69,069)	(630,771)	75,123
Provision for Sindh Worker's Welfare Fund (SWWF)	-	-	7,441	-
Net loss for the period before taxation	(258,704)	(69,069)	(623,330)	75,123
Taxation	9 -	-	-	-
Net (loss) / Income for the period after taxation	(258,704)	(69,069)	(623,330)	75,123
<i>Allocation of net income for the period:</i>				
Net loss for the period after taxation	-	-	-	-
Income already paid on units redeemed	-	-	-	-
<i>Accounting Income available for distribution:</i>				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	-	-	-	-
(Loss) / earning per unit	10			

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.


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



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020**

	Nine months period ended March 31,		Quarter ended March 31,	
	2020	2019	2020	2019
	----- (Rupees in '000) -----			
Net loss for the period after taxation	(258,704)	(69,069)	(623,330)	75,123
Other comprehensive income for the period:		-	-	-
Total comprehensive (loss) / income for the period	<u>(258,704)</u>	<u>(69,069)</u>	<u>(623,330)</u>	<u>75,123</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019			
	(Rupees in '000)						
	Capital value	Undistributed income/ (accumulated loss)	Total	Capital value	Undistributed income	Unrealised appreciation / (diminution) on available-for-sale investments	Total
Net assets at beginning of the period	3,168,189	(195,102)	2,973,087	3,513,190	97,827	22,520	3,633,537
Change in accounting policy	-	-	-	-	22,520	(22,520)	-
Net assets at beginning of the period	3,168,189	(195,102)	2,973,087	3,513,190	120,347	-	3,633,537
Issuance of 7,045,062 units (2019: 8,782,750 units):							
- Capital value (at net asset value per unit at the beginning of the period)	449,648	-	449,648	754,963	-	-	754,963
- Element of income	54,123	-	54,123	2,854	-	-	2,854
	503,771	-	503,771	757,817	-	-	757,817
Redemption of 23,442,922 units (2019: 7,339,182 units):							
- Capital value (at net asset value per unit at the beginning of the period)	(1,496,235)	-	(1,496,235)	(836,758)	-	-	(836,758)
- Element of Income	(92,682)	-	(92,682)	3,351	-	-	3,351
	(1,588,917)	-	(1,588,917)	(833,407)	-	-	(833,407)
Total comprehensive loss for the period	-	(258,704)	(258,704)	-	(69,069)	-	(69,069)
Distribution during the period	-	-	-	-	-	-	-
Net loss for the period less distribution	-	(258,704)	(258,704)	-	(69,069)	-	(69,069)
Net assets at end of the period	2,083,043	(453,806)	1,629,237	3,437,600	51,278	-	3,488,878
Undistributed income brought forward comprising of:							
- Realised gain	186,816			97,827			
- Unrealised gain	(381,918)			-			
	(195,102)			97,827			
Change in accounting policy	-			22,520			
Undistributed income brought forward - restated	(195,102)			120,347			
Accounting Income available for distribution:							
- Relating to capital gains	-			-			
- Excluding capital gains	-			-			
	-			-			
Net loss for the period after taxation	(258,704)			(69,069)			
Undistributed income carried forward	(453,806)			51,278			
Undistributed income carried forward comprising of:							
- Realised gain	(85,722)			220,384			
- Unrealised Gain	(368,084)			(169,106)			
	(453,806)			51,278			
			(Rupees)				(Rupees)
Net assets value per unit at beginning of the period			63.8246				70.0492
Net assets value per unit at end of the period			53.9763				68.8093

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Nine months period ended March 31,	
	2020	2019
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period before taxation	(258,704)	(69,069)
Adjustments for:		
Net unrealised loss / (gain) on revaluation of investments 'at fair value through profit or loss'	368,084	169,106
Dividend income	(72,551)	(75,052)
	<u>36,828</u>	<u>24,985</u>
Decrease in assets		
Investments	563,647	(630,945)
Profit receivable	8,435	(18,672)
Receivable against sale of investments	36,127	-
Advances, deposits and prepayments	(208)	(70,975)
	<u>608,001</u>	<u>(720,592)</u>
(Decrease) / Increase in liabilities		
Payable to the Management Company	2,310	(1,479)
Payable to Central Depository Company of Pakistan Limited	(103)	17
Payable to Securities and Exchange Commission of Pakistan	(3,046)	306
Payable against purchase of investments	0	(39,716)
Accrued and other liabilities	2,141	(1,044)
	<u>1,303</u>	<u>(41,916)</u>
Dividend received	72,551	75,052
Net cash used in operating activities	<u>718,683</u>	<u>(662,471)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	503,771	757,817
Payments on redemption of units	(1,588,917)	(833,407)
Net cash generated / (used in) from financing activities	<u>(1,085,146)</u>	<u>(75,590)</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(366,462)</u>	<u>(738,060)</u>
Cash and cash equivalents at beginning of the period	763,340	1,892,537
Cash and cash equivalents at end of the period	<u>396,878</u>	<u>1,154,477</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Alhamra Islamic Asset Allocation Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (now MCB - Arif Habib Savings and Investments Limited) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 14, 2005 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC rules).
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3** The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The principal activity of the Fund is to make investment in shariah compliant investments in securities or instruments both inside and outside Pakistan. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Shariah compliant Islamic Asset Allocation" scheme by the Board of Directors of the Asset Management Company in accordance with the requirements of Circular 7 of 2009 dated March 06, 2009 issued by the SECP.
- 1.4** Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM2++' dated October 08, 2019 to the Management Company.
- 1.5** Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1. STATEMENT OF COMPLIANCE

- 2.1.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- The NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC rules, the NBFC Regulations and requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.1.2** This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2019. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2020 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2019, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2019.

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

2.1.4 In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.

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

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

4.1	These include Rs. 18.94 million (June 30, 2019: Rs 12.592 million) maintained with MCB Bank Limited, a connected person / related party.
4.2	This includes balances of Rs. 0.57 million (June 30, 2019: Rs. 0.014 million) maintained with MCB Islamic Bank Limited (a related party) that carry profit at 9.5% per annum (June 30, 2019: 4.5% per annum). Other profit and loss saving accounts of the Fund carry profit rates ranging from 11.50% to 13.00% per annum (June 30, 2019: 6.00% to 11.75% per annum).

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NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

5.1 Listed equity securities - 'at fair value through profit or loss'

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

Name of the investee company	Number of shares					Balance as at March 31, 2020			Market value		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 01, 2019	Purchased during the year	Right issue/Bonus during the year	Sold during the year	As at March 31, 2020	Carrying value	Market value	Unrealised (loss) gain	As a percentage of total investments	As a percentage of net assets	
----- (Rupees in '000) ----- % -----											
Automobile Assembler											
Millat Tractors Limited	-	32,600	-	-	32,600	22,191	17,710	(4,481)	1.42%	1.09%	0.07%
					32,600	22,191	17,710	(4,481)	1.42%	1.09%	0.07%
Automobile Parts & Accessories											
Agriauto Industires Limited	37,000	600	-	-	37,600	7,519	6,025	(1,494)	0.48%	0.37%	0.13%
					37,600	7,519	6,025	(1,494)	0.48%	0.37%	0.13%
Cable & Electrical Goods											
Pak Elektron Limited	1,400,000	2,300,000	-	1,400,000	2,300,000	63,462	42,711	(20,751)	3.42%	2.62%	0.46%
					2,300,000	63,462	42,711	(20,751)	3.42%	2.62%	0.46%
Cement											
Cherat Cement Company Limited	-	370,000	-	-	370,000	24,456	20,494	(3,962)	1.64%	1.26%	0.19%
D.G. Khan Cement Company Limited	-	825,500	-	155,000	670,500	50,516	39,727	(10,789)	3.18%	2.44%	0.15%
Dewan Cement Limited	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Fauji Cement Company Limited	-	2,270,000	-	-	2,270,000	39,429	33,619	(5,811)	2.69%	2.06%	0.16%
Kohat Cement Limited	63,700	250,000	-	500	313,200	23,931	27,327	3,396	2.19%	1.68%	0.16%
Lucky Cement Limited	107,550	420,200	-	369,850	157,900	64,456	58,534	(5,922)	4.69%	3.59%	0.05%
Maple Leaf Cement Factory Limited	1,000,000	3,963,500	606,475	3,057,501	2,512,474	54,226	52,058	(2,167)	4.17%	3.20%	0.23%
Pioneer Cement Limited	-	400,000	-	400,000	-	-	-	-	0.00%	0.00%	0.00%
Cable & Electrical Goods											
Pak Elektron Limited	1,400,000	2,300,000	-	1,400,000	2,300,000	63,462	42,711	(20,751)	3.42%	2.62%	0.46%
					2,300,000	63,462	42,711	(20,751)	3.42%	2.62%	0.46%
Cement											
Cherat Cement Company Limited	-	370,000	-	-	370,000	24,456	20,494	(3,962)	1.64%	1.26%	0.19%
D.G. Khan Cement Company Limited	-	825,500	-	155,000	670,500	50,516	39,727	(10,789)	3.18%	2.44%	0.15%
Dewan Cement Limited	-	-	-	3	-	-	-	-	0.00%	0.00%	0.00%
Fauji Cement Company Limited	-	2,270,000	-	-	2,270,000	39,429	33,619	(5,811)	2.69%	2.06%	0.16%
Kohat Cement Limited	63,700	250,000	-	500	313,200	23,931	27,327	3,396	2.19%	1.68%	0.16%
Lucky Cement Limited	107,550	420,200	-	369,850	157,900	64,456	58,534	(5,922)	4.69%	3.59%	0.05%
Maple Leaf Cement Factory Limited	1,000,000	3,963,500	606,475	3,057,501	2,512,474	54,226	52,058	(2,167)	4.17%	3.20%	0.23%
Pioneer Cement Limited	-	400,000	-	400,000	-	-	-	-	0.00%	0.00%	0.00%
					6,294,074	257,014	231,759	(25,256)	18.57%	14.22%	0.94%
Chemicals											
Engro Polymer and Chemicals Limited	4,161,748	270,000	-	1,531,000	2,900,748	79,550	71,126	(8,423)	5.70%	4.37%	0.32%
Lotte Chemical Pakistan Limited	2,150,000	1,922,000	-	4,072,000	-	-	-	-	0.00%	0.00%	0.00%
					2,900,748	79,550	71,126	(8,423)	0	4.37%	0.32%
Commercial Banks											
Meezan Bank Limited	1,006,512	-	-	506,000	500,512	43,625	32,578	(11,046)	2.61%	2.00%	0.04%
					500,512	43,625	32,578	(11,046)	2.61%	2.00%	0.04%
Engineering											
International Industries Limited	144,600	-	14,460	140,000	19,060	1,335	1,440	105	0.12%	0.09%	0.01%
					19,060	1,335	1,440	105	0.12%	0.09%	0.01%
Fertilizer											
Engro Corporation Limited	726,880	466,500	-	645,400	547,980	173,627	146,256	(27,372)	11.72%	8.98%	0.10%
Engro Fertilizer Limited	2,332,000	1,146,000	-	2,630,500	847,500	49,132	48,867	(266)	3.91%	3.00%	0.06%
Fatima Fertilizer Company Limited	2,080,500	-	-	-	2,080,500	62,103	44,564	(17,539)	3.57%	2.74%	0.10%
					3,475,980	284,863	239,687	(45,176)	19.20%	14.71%	0.26%
Food & Personal Care Products											
Frieslandcampina Engro Pakistan Limited	700	-	-	700	-	-	-	-	0.00%	0.00%	0.00%
National Foods Limited	80,400	-	16,080	-	96,480	14,806	19,173	4,367	1.54%	1.18%	0.06%
					96,480	14,806	19,173	4,367	1.54%	1.18%	0.06%
Glass & Ceramics											
Tariq Glass Industries	499,000	-	75,750	356,500	218,250	11,150	11,030	(119)	0.88%	0.68%	0.20%
					218,250	11,150	11,030	(119)	0.88%	0.68%	0.20%

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

Oil & Gas Exploration Companies

Mari Petroleum Company Limited	6	54,660	2,868	2,706	54,828	56,013	48,857	(7,155)	3.91%	3.00%	0.04%
Oil & Gas Development Company Limited	682,400	848,600	-	1,283,000	1,248,000	153,384	96,084	(57,300)	7.70%	5.90%	0.03%
Pakistan Oilfields Limited	450,860	169,000	-	429,300	190,560	76,408	49,967	(26,442)	4.00%	3.07%	0.07%
Pakistan Petroleum Limited	1,705,380	1,177,200	326,476	2,125,800	1,083,256	136,445	77,789	(58,656)	6.23%	4.77%	0.04%
					2,576,644	422,249	272,696	(149,553)	21.85%	16.74%	0.18%

Oil And Gas Marketing Companies

Attock Petroleum Limited	10	84,000	-	2,110	81,900	25,613	19,329	(6,284)	1.55%	1.19%	0.08%
Hi-Tech Lubricants Limited	-	901,000	-	451,000	450,000	12,069	10,508	(1,561)	0.84%	0.64%	0.39%
Pakistan State Oil Company Limited	158,040	200,000	-	358,040	-	-	-	-	0.00%	0.00%	0.00%
Sui Northern Gas Pipelines Limited	2,132,500	430,000	-	1,328,000	1,234,500	86,617	45,553	(41,064)	3.65%	2.80%	0.19%
					1,766,400	124,299	75,390	(48,909)	6.04%	4.63%	0.66%

Paper And Board

Packages Limited	350	-	-	6	344	103	79	(25)	0.01%	0.00%	0.00%
					344	103	79	(25)	0.01%	0.00%	0.00%

Pharmaceuticals

Agp Limited	32	-	-	32	-	-	-	-	0.00%	0.00%	0.00%
Ibl Healthcare Limited	4,933	-	-	4,242	691	23	31	8	0.00%	0.00%	0.00%
The Searle Company Limited	1,258	-	-	1,061	197	29	31	2	0.00%	0.00%	0.00%
					888	52	62	10	0.00%	0.00%	0.00%

Power Generation & Distribution

Hub Power Company Limited	3,238,242	1,729,500	-	2,860,859	2,106,883	179,298	143,837	(35,461)	11.52%	8.83%	0.16%
K-Electric Limited	-	5,400,000	-	-	5,400,000	26,384	15,282	(11,102)	1.22%	0.94%	0.02%
Lalpur Power Limited	-	2,000,000	-	-	2,000,000	27,300	20,280	(7,020)	1.62%	1.24%	0.53%
					9,506,883	232,982	179,399	(53,584)	14.37%	11.01%	0.71%

Refinery

Attock Refinery Limited	-	200,000	-	200,000	-	-	-	-	0.00%	0.00%	0.00%
National Refinery Limited	-	75,000	-	75,000	-	-	-	-	0.00%	0.00%	0.00%
					-	-	-	-	0.00%	0.00%	0.00%

Sugar & Allied Industries

Faran Sugar Mills Limited	92,000	-	-	-	92,000	3,735	4,784	1,049	0.38%	0.29%	0.37%
					92,000	3,735	4,784	1,049	0.38%	0.29%	0.37%

Technology & Communications

Pakistan Telecommunication Company Limited	1,500	-	-	-	131,500	1,088	1,019	(68)	0.08%	0.06%	0.00%
Systems Limited	553,300	-	-	407,600	145,700	13,983	16,193	2,210	1.30%	0.99%	0.12%
					277,200	15,070	17,212	2,142	1.38%	1.06%	0.12%

Textile Composite

Interloop Limited	915,520	82,000	-	300,500	697,020	31,947	24,995	(6,952)	2.00%	1.53%	0.08%
Kohinoor Textile Mills Limited	214,650	-	-	200,000	14,650	367	379	12	0.03%	0.02%	0.00%
					711,670	32,314	25,374	(6,939)	2.03%	1.56%	0.08%

Total as at March 31, 2020

1,616,321 1,248,237 (368,084)

Total as at June 30, 2019

2,386,886 2,004,968 (381,918)

Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) security against settlement of the Fund's trades in terms of Circular No.11 dated October 23, 2007 issued by SECP:

Security Name	(Un-Audited) March 31, 2020	(Audited) June 30, 2019	(Un-Audited) March 31, 2020	(Audited) June 30, 2019
	----- (Number of shares) -----		----- (Rupees in '000) -----	
The Hub Power Company Limited	233,744	233,744	15,958	18,407
Maple Leaf Cement Limited	500,000	-	10,360	-
Lucky Cement Limited	-	25,000	-	9,512
Oil & Gas Development Company Limited	100,000	100,000	7,699	13,149
	833,744	358,744	34,017	41,068

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

6	PAYABLE TO MCB ARIF HABIB SAVINGS AND INVESTMENTS LIMITED - MANAGEMENT COMPANY		(Un-Audited) March 31, 2020	(Audited) June 30, 2019
		Note	----- (Rupees in '000) -----	
	Management remuneration payable	6.1	3,164	5,024
	Sindh sales Tax payable on management remuneration	6.2	411	653
	Allocated expenses payable	6.3	158	251
	Selling and marketing expenses	6.4	7,400	3,144
	Sales load payable		516	226
	Back end load payable		461	502
	Shariah advisory fee		76	75
			<u>12,185</u>	<u>9,875</u>

6.1 The Management Company has charged remuneration at the rate of 2% (June 30, 2019: 2%) of average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 Sindh sales tax on management remuneration has been charged at the rate of 13% (June 30, 2019: 13%)

6.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The Management Company has allocated expenses to the Fund based on its discretion subject to not being higher than actual expense, which has also been approved by the Board of directors of Management Company.

6.4 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the current period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

The Management Company has charged selling and marketing expenses to the Fund based on its discretion subject to not being higher than actual expense, which has also been approved by the Board of directors of Management Company.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020**

		(Un-Audited) March 31, 2020	(Audited) June 30, 2019
	Note	----- (Rupees in '000) -----	
7 ACCRUED AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund (SWWF)	7.1	7,622	7,622
Federal Excise Duty payable on management fee	7.2	5,910	5,910
Federal Excise Duty and related taxes payable on sales load		1,136	1,136
Charity / donation payable		1,876	939
Auditors' remuneration		229	369
Zakat payable		-	15
Withholding tax payable		10	70
Brokerage payable		3,240	1,126
Other payables		113	808
		<u>20,136</u>	<u>17,995</u>

7.1 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the SWWF as reported in the annual financial statements of the Fund for the year ended June 30, 2019. Had the provision for SWWF not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2020 would have been higher by Re. 0.25 per unit (June 30, 2019 Re. 0.16 per unit).

7.2 Federal Excise Duty and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2019. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2020 would have been higher by Re. 0.2 per unit (June 30, 2019: Re. 0.15per unit).

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

9 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute the income to be earned by the Fund during the year ending June 30, 2019 to the unit holders in cash in the manner as explained above. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

10 (Loss) / EARNING PER UNIT

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

11 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

11.1 Unit Holders' Fund

	March 31, 2020 (Un-Audited)							
	As at July 01, 2019	Issued for cash	Redeemed	As at March 31, 2020	As at July 01, 2019	Issued for cash	Redeemed	As at March 31, 2020
	----- Units -----				----- (Rupees in '000) -----			
Group / Associated Companies								
D.G Khan Cement Company Limited - Employees' Provident Fund Trust	111,064		-	111,064	7,089	-	-	5,995
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	572,847	-	-	572,847	36,562	-	-	30,920
Adamjee Life Assurance Company Limited - (MAZAAF)	354,404	1,560,488	-	1,914,892	22,620	115,000	-	103,359
Key management personnel	14,241	1,564	3,406	12,399	909	99	220	669
Mandate under Discretionary Portfolio Services *	297,834	153,409	61,388	389,855	19,009	9,423	4,101	26,826

	March 31, 2019 (Un-Audited)							
	As at July 01, 2018	Issued for cash	Redeemed	As at March 31, 2019	As at July 01, 2018	Issued for cash	Redeemed	As at March 31, 2019
	----- Units -----				----- (Rupees in '000) -----			
Group / Associated Companies								
D.G Khan Cement Company Limited - Employees' Provident Fund Trust	111,064		-	111,064	7,780	-	-	7,642
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	-	431,441	-	431,441	-	30,000	-	29,687
Adamjee Life Assurance Company Limited - Investment secure fund	-	143,814		143,814	-	10,000	-	9,896
Nishat Power Limited Employees								

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020**

	March 31, 2019 (Un-Audited)							
	As at July 01, 2018	Issued for cash	Redeemed	As at March 31, 2019	As at July 01, 2018	Issued for cash	Redeemed	As at March 31, 2019
	Units				(Rupees in '000)			
Provident Fund Trust	-	-	-	-	-	-	-	-
Adamjee Life Assurance Company Limited - (MAZAAF)	919,634	-	565,230	354,404	64,420	-	40,000	24,386
Key management personnel	12,157	18,673	1,373	29,457	852	1,313	95	2,027
Mandate under Discretionary Portfolio Services *	1,216,366	7,335	1,031,227	192,474	85,205	505	70,843	13,244

----- (Un-Audited) -----	
Nine months ended	
March 31, 2020	March 31, 2019
----- (Rupees in '000) -----	

11.2 Transactions during the period:

MCB Arif Habib Savings and Investments Limited - Management Company

Remuneration (including indirect taxes)	42,496	63,634
Expenses allocated by the Management Company	1,880	3,123
Selling and marketing expenses	19,617	11,263
Shariah advisory fee	676	675

Central Depository Company of Pakistan Limited - Trustee

Remuneration including indirect taxes	2,974	4,030
Settlement charges	133	128

Group / Associated Companies:

MCB Bank Limited

Bank charges	11	9
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MCB Islamic Bank Limited

Bank charges	-	-
Profit on bank deposits	5,126	-

Arif Habib Limited

Brokerage expense *	487	256
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**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020**

Next Capital Limited

Brokerage expense *	106	106
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Nishat Mills Limited

Purchase of 250,000 (2019: Nil) shares	27,580	-
Sale of 413,600 (2019: 413,400) shares	37,450	56,117
Dividend income	-	2,696

D.G. Khan Cement Company Limited

Purchase of 825,500 (2019:225,000) shares	62,194	20,751
Sale of 155,000 (2019: 848,000) shares	10,266	96,129

Fatima Fertilizer Company Limited

Purchase of Nil (2019:1,680,500) shares	-	55,928
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(Un-Audited) (Audited)
March 31, June 30,
2020 2019

11.3 Balances outstanding at period / year end:

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

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

Remuneration payable	3,164	5,024
Sindh sales tax payable on management remuneration	411	653
Allocated expenses payable	158	251
Selling and marketing expenses payable	7,400	3,144
Sales load payable	516	226
Back end load payable	461	502
Shariah advisory fee payable	76	75

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable	243	334
Sales tax on remuneration payable	32	43
Security deposit	200	200

Group / Associated Companies:

MCB Bank Limited

Balance with bank	18,937	12,592
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MCB Islamic Bank Limited

Balance with bank	596	14
Profit Receivable	1,764	-

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020**

	(Un-Audited) March 31, 2020	(Audited) June 30, 2019
	----- (Rupees in '000) -----	
Arif Habib Limited Brokerage payable *	184	38
Next Capital Limited Brokerage payable *	-	62
Nishat Mills Limited Nil shares held (June 30, 2019: 163,600 shares)	-	15,270
Fatima Fertilizer Company Limited 2,080,500 shares held (June 30, 2019: 2,080,500 shares)	44,564	62,103
Packages Limited 344 shares held (June 30, 2019: 350 shares)	79	105

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

12 TOTAL EXPENSE RATIO

The Annualized total expense ratio of the Fund is 4.1% as on March 31, 2020 (March 31, 2019: 3.21%) and this includes 0.29% (March 31, 2019: 0.35%) representing Government Levy, Sindh Workers' Welfare Fund (SWWF) and SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorized as a "Shariah Compliant Asset Allocation Scheme".

13 GENERAL

13.1 Figures have been rounded off to the nearest thousand rupees.

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

14 DATE OF AUTHORISATION

14.1 These condensed interim financial statements were authorised for issue on 20 April, 2020 by the Board of Directors of the Management Company.

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



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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

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