



MCB-ARIF HABIB  
Savings and Investments Limited

AM1  
by PACRA

# HALF YEARLY REPORT

DECEMBER  
**2020**  
(UNAUDITED)

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

**JSAVE**  
Savings Asaan. Life Asaan.

**ALHAMRA** الحمر  
RACHAT SHARIAT KE MUTABIQ

# **ALHAMRA ISLAMIC ACTIVE ALLOCATION FUND**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	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
<b>Audit Committee</b>	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
<b>Human Resource &amp; Remuneration Committee</b>	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
<b>Chief Executive Officer</b>	Mr. Muhammad Saqib Saleem	
<b>Chief Operating Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Digital Custodian Company Limited</b> (Formerly MCB Financial Services Limited) 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.co	
<b>Bankers</b>	MCB Bank Limited Bank Islami Pakistan Limited	
<b>Auditors</b>	<b>Ernst &amp; Young Ford Rhodes</b> Chartered Accountants Progressive Plaza, Beaumont Road P.O. Box 15541, Karachi Sindh-75530 Pakistan.	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Transfer Agent</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	

# REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2020

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**Dear Investor,**

On behalf of the Board of Directors, we are pleased to present **Alhamra Islamic Active Allocation Plan II** accounts review for the half year ended December 31, 2020.

## **Economy and Money Market Review**

The first half of fiscal year 2021 has been promising, as economic activities have swung up in full throttle though challenges from Covid may continue to remain in the near term. The economic recovery has been sharper than expectations as lagged impact of monetary easing, pent up demand and higher remittances have provided impetus to economic growth. Covid-19 has not been as detrimental as initially expected and perhaps local demographics and a successful strategy by the government has been able to wither the storm. We therefore expect economic growth to be better than general estimates. Government had initial expectations of lower industrial growth (targeting a growth of 0.1% over last year) due to Covid-19, which we now believe would be better than expectations as cyclical sectors have exhibited strong demand and volumetric growth.

Cement sector saw an impressive growth in local dispatches as they witnessed a growth of ~17% over last year in the first half of FY21. Sales of 2 and 3 wheeler units rose at a more impressive rate of ~19% over last year reflecting on the vibrancy of middle class economic dynamics. Similarly, the demand of white petroleum products increased by near 10% over last year during the half implying a broad based recovery in economy. Overall, Large Scale Manufacturing Index (LSM) has grown by ~7.4% in first five months of the current fiscal year led by the cyclical sectors.

Current account posted a surplus of USD 997 million in the first half of fiscal year compared to a deficit of USD 2,032 million in the corresponding period of the last year. The improvement came in primarily on the back of higher remittances, which grew at a stupendous rate of 25% during the period. Foreign exchange reserves of central bank saw an increase of ~USD 1.3 billion during the half due to improved balance of payment position.

Inflation remained an Achilles heel for the government as rising food prices continued to create challenges for policy makers. Headline inflation represented by CPI averaged ~8.6% over last year during the first six months, with food inflation averaging ~13% during the period. The prices of perishable food items along with the price of wheat continued to advance higher as supply side disruptions and mismanagement caused the prices to soar. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged ~5.9% for the period. Monetary Policy Committee maintained status quo after successive cuts in previous meetings. While real interest rates remained negative, the central bank was cautious with regards to demand side pressures owing to Covid-19.

As the economy started to open up, tax collection also improved and grew by 5% during the first half of the fiscal year and almost met the desired target for the period. Fiscal deficit for the first five months of the period clocked in at 1.8% of GDP, compared to 1.6% of GDP last year. Primary balance was even better at a surplus of 0.5% of GDP compared to last year surplus of 0.3% of GDP.

Yield curve started to slope upward after inflation continued to disappoint investors. The central bank also raised its expectation of inflation as discussed in the minutes of MPC. It now expects it to fall in the upward range of 7-9% compared to earlier expectations of inflation falling in the lower range. 3, 5 and 10 Year bonds saw a rise of 74 bps, 114 bps and 129 bps respectively during the period.

## **Equity Market Review**

The benchmark KSE-100 Index continued on towards its positive trajectory during the second quarter of this fiscal year, after posting an incredible return of 17.9% in the first quarter. The index posted a return of 7.9% during the second quarter, taking the cumulative return of first half to 27.1%. Individual and Corporate Companies were the major buyers during the period, taking an exposure of USD 159 / 91 million in equities, while commercial banks turned out to be net sellers reducing their exposure by USD 69 million.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2020

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On the other end, Foreigners continued to offload as they sold stocks worth USD 247million. Trading activity at the bourse increased compared to the previous half as the average volumes and value traded amounted to near 448 million shares (up 116%) and about PKR 17 billion (up 109%) respectively.

Tech, Steel and Refineries were the major outperformers as they posted returns of 134% / 86% / 75% respectively during the first half of the fiscal year. Tech companies saw a massive re-rating in their valuations as investor cherished the changing landscape of tech companies post Covid. Steel sector gained traction during period after a sharp increase in construction demand and prices sent their stocks soaring. Moreover, rumors of a guaranteed rate of return for refineries drove sector returns during the period. On the other side, Oil and Gas exploration remained the major underperformer posting nominal returns of 7% only, as volatile crude oil prices along with rising circular debt kept investors at bay.

### FUND PERFORMANCE

During the period under review, the fund posted a return of 4.18% against 3.27% for the benchmark. The fund was 31.6% invested in Alhamra Islamic Stock Fund and 65.4% invested in Alhamra Islamic Income Fund as at 31<sup>st</sup> December, 2020.

The Net Assets of the Fund as at December 30, 2020 stood at Rs. 137 million as compared to Rs.177 million as at June 30, 2020 registering a decrease of 22.6%.

The Net Asset Value (NAV) per unit as at December 30, 2020 was Rs.99.6285 as compared to opening NAV of Rs. 95.6301 per unit as at June 30, 2020 a decrease of Rs. 3.9984 per unit.

### Economy & Market – Future Outlook

GDP growth for FY21 is projected at 2.1% by government and various institutions. Despite the reemergence of Covid cases in the winter season, Pakistan has resiliently kept the growth momentum going. Generally, economy appears to now operating close to pre-covid levels as cyclical sectors have geared up after record monetary easing. We expect growth to fare better than general expectations as industrial growth has revived much earlier than our anticipation. We expect economic growth to recover well above 2.1%.

Balance of Payment worries have subsided for the near term as current account deficit has adjusted to reasonable level since the policy actions taken by the central government. Global economy has started to recover and the reported data and news flow suggests that the exports are gaining momentum. Remittances have also been far above the general expectations and in fact near 25% growth over last year reported in the first half has surprised everyone. We expect Current Account Deficit to settle near 1% of GDP in the FY21, which can be easily financed via flows from foreign investments and debt flows. However, the recent spike in commodity prices from oil to iron ore, coal, etc. pose downside risks to our favorable stance. With Real Effective Rate for Nov-2020 at 99.4, any significant movement in commodities may cause relative inflation and balance of payment to weaken further and thus can cause currency to weaken swiftly. Continuation of IMF program will be a key prerequisite to keep the financial account in positive zone. With the current scenario, we expect foreign exchange reserves to further increase by about USD 550 million from current levels, which will help alleviate any pressure on currency.

Inflation has exceeded our earlier expectations as food prices have sky rocketed. We expect CPI to average near 9.1% for FY21, slightly higher than the expected range (7.0-9.0) of central bank. For the next fiscal year, we expect CPI to average close to 8.5%, slightly lesser than current run rate. Central bank for the first time has provided guidance on interest rates in the short term, which will perhaps bring more certainty in investor expectations. The central authority has vowed to keep interest rates stable in the short run and bring in mildly positive interest rates over the medium term. Given the guidance by central bank, we now expect interest rates to adjust by 100-150 bps over the next fiscal year.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2020

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From capital market perspective, particularly equities, we are getting a much clearer picture now. As growth momentum continues, the valuations are catching up with historical norms. Barring any external shock, we think equities have potential to provide decent returns to investors. Given that low interest rate environment is likely to continue for the short to medium term, we believe equities will continue to attract flows. Risk premiums vis a vis 10-year bonds is right now at 1.9%, compared to historical average of 1.0% suggesting some upside due to re-rating would be possible. Alongside, earnings growth will be a key driver for the next few years as they have lagged behind nominal GDP growth during the last couple of years. We believe a micro view of sectors, 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 the anticipated yield curve. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

### Mutual Fund Industry Review

The Net Assets of the open-end mutual fund industry increased by about 24.0% to PKR 920 billion at the end of the first half of the fiscal year. Money market funds and Fixed Income funds experienced an influx of investment as corporate liquidity swiftly moving towards mutual funds. Total money market funds grew by about 30% during the period to PKR 410 billion. Within the money market sphere, the conventional funds dominated as they grew by about 37% to PKR 281 billion. Equity and related funds surged rapidly by 24% from PKR 224 billion to PKR 278 billion over the quarter. Most of the rise in equity and equity linked fund assets can be attributed to a positive uptick in the market that was up 26% YoY owing to favorable investor sentiments.

In terms of the segment share, Money Market funds were the leader with a share of around 44%, followed by Equity and Equity related funds with a share of 30% and Income funds having a share of 24% as at the end of the calendar year.

### Mutual Fund Industry Outlook

Record decline in interest rates have reinstated the confidence in risk asset classes. We expect liquidity to gear up towards equity and related funds. The sustainability of liquidity will however depend on how the economy transitions through this phase of pandemic. Our operations remained seamless and given our competitive edge due to aggressive investment in digital access and online customer experience, the environment provides an opportunity with growing number of investors available online.

### 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  
February 08, 2021



**Nasim Beg**  
Director / Vice Chairman

### میو چل فنڈ صنعت کے مستقبل کے امکانات

سود کی شرحوں میں اب تک کی سب سے زیادہ کمی کی بدولت خطرات کے حامل اثاثہ جات میں اعتماد بحال ہوا ہے۔ ایکویٹی اور متعلقہ فنڈز میں نقدیت کی صورتحال بہتر ہونے کے امکانات ہیں۔ تاہم نقدیت کی پائیداری کا انحصار اس بات پر ہوگا کہ معیشت اس وباء کے مرحلے سے کس طرح گزرتی ہے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کر سکے۔

### اظہار تشکر

بورڈ آف ڈائریکٹرز فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور حمایت کے لیے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز انتظامیہ ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

من جانب ڈائریکٹرز



نسیم بیگ  
ڈائریکٹر /وائس چیئرمین



محمد ثاقب سلیم  
چیف ایگزیکٹو آفیسر  
08 فروری 2021ء

تاہم تیل سے لے کر خام لوہے اور کونکے تک اشیاء کی قیمتوں میں حالیہ اضافہ ہماری خوش آئند صورتحال کے لیے خطرہ ثابت ہو سکتا ہے۔ نومبر 2020ء کا ریئل افیکٹو ریٹ 99.4 فیصد تھا، اور اشیاء میں کسی بھی قابل ذکر حرکت کے باعث افراط زر اور ادائیگیوں کے توازن کی نسبتاً صورتحال مزید خراب ہو سکتی ہے اور اس کے نتیجے میں روپے کی قدر تیزی سے گر سکتی ہے۔ آئی ایم ایف پروگرام پر عمل درآمد کا سبب رفتاری کے ساتھ جاری رہنا مالیاتی گوشوارے کو مثبت حد میں رکھنے کے لیے کلیدی عامل ثابت ہوگا۔ موجودہ صورتحال میں غیر ملکی زرمبادلہ کے ذخائر کی موجودہ سطحوں میں مزید 550 ملین ڈالر کا اضافہ متوقع ہے جس کی بدولت روپے پر کسی قسم کے دباؤ کو کم کرنے میں مدد ملے گی۔

افراط زر ہماری سابقہ توقعات سے آگے نکل گئی ہے کیونکہ اشیائے خورد و نوش کی قیمتیں آسمان سے باتیں کر رہی ہیں۔ ہمارے نزدیک مالی سال 2021ء کے لیے سی پی آئی کا اوسط 9.1 فیصد ہوگا جو مرکزی بینک کی متوقع حد (7.0 سے 9.0) سے تھوڑا زیادہ ہے۔ اگلے مالی سال کے لیے افراط زر کا اوسط تقریباً 8.5 فیصد رہے گا جو موجودہ سطح سے کچھ کم ہے۔ مرکزی بینک نے پہلی مرتبہ قریب المیاد میں سود کی شرحوں سے متعلق راہنمائی فراہم کی ہے جس کی بدولت سرمایہ کاروں کی توقعات میں مزید یقینی صورتحال پیدا ہوگی۔ مرکزی مختار ادارے نے سود کی شرحوں کو مختصر مدت میں مستحکم رکھنے اور درمیانی مدت میں کچھ مثبت کرنے کا عزم کیا ہے۔ اب مرکزی بینک کی راہنمائی کے پیش نظر ہمیں امید ہے کہ سود کی شرحوں میں اگلے مالی سال کے دوران 100 سے 150 بیسیس پوائنٹس تک ترمیم ہوگی۔

کیپیٹل مارکیٹ کے نقطہ نظر سے، خصوصاً ایکویٹیز کے تناظر میں ہمیں اب کافی واضح صورتحال نظر آرہی ہے۔ ترقی کی رفتار تیز تر ہونے کے ساتھ valuations بتدریج پرانے رجحانات کے ساتھ ہم آہنگ ہو رہی ہیں۔ ہمارے مطابق کوئی خارجی دھچکہ نہ لگے تو ایکویٹیز میں سرمایہ کاروں کو اچھا منافع دینے کی استعداد موجود ہے۔ اگر سود کی پست شرحوں کا ماحول مختصر اور درمیانی مدت کے دوران قائم رہے تو ہم سمجھتے ہیں کہ ایکویٹیز کا آمدات کو مائل کرنے کا سلسلہ جاری رہے گا۔ دس سالہ بانڈز سے متعلق خطرات کے پرمیئم فی الوقت 1.9 فیصد پر ہیں، اور قدیم اوسط 1.0 فیصد کے ساتھ تقابلی سے پتہ چلتا ہے کہ ری ریٹنگ کی بدولت کچھ فائدہ متوقع ہے۔ ساتھ ساتھ آمدنیوں میں اضافہ اگلے کچھ برسوں کے لیے کلیدی محرک ہوگا کیونکہ گزشتہ کچھ برسوں کے دوران یہ معمولی جی ڈی پی سے پیچھے رہی ہیں۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاک کی خورد و 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۔

قرض حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ دوسری جانب حکومتی بانڈز متوقع پیداواری ختم میں شامل ہو 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۔

### میوچل فنڈ صنعت کا جائزہ

اپن اینڈ میوچل فنڈ صنعت کے inet اثاثہ جات مالی سال 2021ء کے نصف اول کے اختتام پر تقریباً 24.0 فیصد بڑھ کر 920 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز اور فیکسڈ انکم فنڈز میں خطیر سرمایہ کاری ہوئی کیونکہ کارپوریٹ نقدیت تیزی سے میوچل فنڈز کی جانب بڑھ رہی ہے۔ منی مارکیٹ کے مجموعی فنڈز دوران مدت تقریباً 30 فیصد بڑھ کر 410 بلین روپے ہو گئے۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور تقریباً 37 فیصد بڑھ کر 281 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں دوران سرمایہ 24 فیصد کا بھرپور اضافہ ہوا اور وہ 224 بلین روپے سے 278 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز کے اثاثہ جات میں اضافے کا بڑا سبب سرمایہ کاروں کے مثبت جذبات کی بدولت مارکیٹ میں 26 فیصد سال در سال ترقی کو قرار دیا جاسکتا ہے۔

کیلنڈر سال کے اختتام پر شعبہ جاتی سرمایہ کاری کے اعتبار سے منی مارکیٹ فنڈز تقریباً 44 فیصد کے ساتھ سب سے آگے تھے، جبکہ ایکویٹی اور متعلقہ فنڈز تقریباً 30 فیصد، اور انکم فنڈز تقریباً 24 فیصد کے حامل تھے۔

## ایکویٹی مارکیٹ کا جائزہ

بچ مارک KSE-100 انڈیکس نے موجودہ مالی سال کی پہلی سہ ماہی میں 17.9 فیصد زبردست منافع حاصل کرنے کے بعد دوسری سہ ماہی کے دوران اپنی مثبت رفتار جاری رکھی۔ انڈیکس نے دوسری سہ ماہی کے دوران 7.9 فیصد منافع پوسٹ کیا جس کی بدولت نصف اوّل کا مجموعی منافع 27.1 فیصد تک پہنچ گیا۔ افراد اور کارپوریٹ کمپنیاں دوران مدت سب سے بڑے خریدار تھے جنہوں نے 159/91 ملین ڈالر سرمایہ کاری کی، جبکہ کمرشل بینک net فروخت کا ثبات ہوئے جنہوں نے اپنی سرمایہ کاری میں 69 ملین ڈالر کی کمی کی۔ دوسری جانب غیر ملکیوں نے اپنے حصے میں کمی کرنے کا سلسلہ جاری رکھا اور 247 ملین ڈالر مالیت کے اسٹاکس فروخت کیے۔ اسٹاک مارکیٹ کی تجارتی سرگرمی میں گزشتہ ششماہی کے مقابلے میں اضافہ ہوا کیونکہ اوسط حجم تقریباً 448 ملین حصص، یعنی 116 فیصد زیادہ، اور تجارت شدہ قدر تقریباً 17 بلین روپے، یعنی 109 فیصد زیادہ تھی۔

ٹیکنالوجی، اسٹیل اور ریفرنسز ہدف سے بہتر کارکردگی کا مظاہرہ کرنے والے بڑے شعبے تھے جنہوں نے مالی سال کے نصف اوّل کے دوران بالترتیب 134 فیصد، 86 فیصد اور 75 فیصد منافع پوسٹ کیا۔ ٹیکنالوجی کمپنیوں کی قدر کی بڑے پیمانے پر تشکیل ہوئی کیونکہ سرمایہ کاروں نے ٹیکنالوجی کمپنیوں کی بدلتی ہوئی صورتحال بعد از کووڈ کا خیر مقدم کیا۔ اسٹیل کے شعبے نے رفتار پکڑی کیونکہ تعمیراتی مانگ اور قیمتوں میں تیزی سے اضافے کے بعد ان کے اسٹاکس نے بھرپور ترقی کی۔ علاوہ ازیں، ریفرنسز کے لیے یقینی شرح منافع کی افواہوں نے دوران مدت اس شعبے کے منافع کو محرک فراہم کیا۔ دوسری جانب تیل اور گیس کی دریافت کا شعبہ ہدف سے کم کارکردگی کا مظاہرہ کرنے والا بڑا شعبہ تھا جس نے صرف 7 فیصد معمولی منافع پوسٹ کیا کیونکہ خام تیل کی غیر مستحکم قیمتوں اور بڑھتے ہوئے گردش قرضوں سے سرمایہ کاروں کی حوصلہ شکنی ہوئی۔

## فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 4.18 فیصد منافع پوسٹ کیا جبکہ اس کے بالمقابل مقررہ معیار 3.27 فیصد تھا۔ 31 دسمبر 2021ء کو فنڈ کی سرمایہ کاری 31.6 فیصد الحمراء اسلامک اسٹاک فنڈ میں اور 65.4 فیصد الحمراء اسلامک انکم فنڈ میں تھی۔ 31 دسمبر 2020ء کو فنڈ کے net اثاثہ جات 137 ملین روپے تھے جو 30 جون 2020ء (177 ملین روپے) کے مقابلے میں 22.6 فیصد کی ہے۔

31 دسمبر 2020ء کو فنڈ کی net اثاثہ جاتی قدر (این اے وی) فی یونٹ 99.6285 روپے تھی جو 30 جون 2020ء کو ابتدائی این اے وی 95.6301 روپے فی یونٹ کے مقابلے میں 3.9984 روپے فی یونٹ کمی ہے۔

## معیشت اور بازار - مستقبل کے امکانات

حکومت اور متعدد اداروں کے مطابق مالی سال 2021ء کے لیے مجموعی ملکی پیداوار (جی ڈی پی) میں 2.1 فیصد ترقی متوقع ہے۔ موسم سرما میں کووڈ کے دوبارہ ظہور پذیر ہونے کے باوجود پاکستان نے لچک کا مظاہرہ کرتے ہوئے ترقی کی رفتار برقرار رکھی۔ معیشت اب عمومی طور پر قبل از کووڈ سطحوں پر سرگرم عمل ہے کیونکہ گردش شعبوں نے ریکارڈ مالیاتی تسہیل کے بعد رفتار پکڑ لی ہے۔ ہم سمجھتے ہیں کہ ترقی عمومی توقعات سے بہتر ہوگی کیونکہ صنعتی ترقی ہماری اُمید سے جلد بحال ہوگئی ہے۔ ہمیں اُمید ہے کہ معاشی ترقی 2.1 فیصد سے کافی بلند سطح پر بحال ہوگی۔

ادائیگیوں کے توازن کی پریشانیاں فی الوقت ختم ہوگئی ہیں کیونکہ مرکزی حکومت کی جانب سے پالیسی اقدامات کے بعد کرنٹ اکاؤنٹ خسارہ معقول سطح پر آگیا ہے۔ عالمی معیشت میں بحالی کے عمل کا آغاز ہوگیا ہے اور برآمدات میں بتدریج بہتری کی خبریں گردش میں ہیں۔ ترسیلات زر بھی توقعات سے بہت بلند ہوئی ہیں اور نصف اوّل میں سال گزشتہ کے مقابلے میں 25 فیصد ترقی نے سب کو حیران کر دیا ہے۔ ہم سمجھتے ہیں کہ مالی سال 2021ء میں کرنٹ اکاؤنٹ خسارہ جی ڈی پی کے تقریباً 1 فیصد پر ٹھہرے گا، اور اس کے لیے مالیات کی فراہمی بآسانی غیر ملکی سرمایہ کاروں اور قرض کے ذریعے ہو سکتی ہے۔

الحمد للہ اسلامک ایکٹیو ایلوکیٹن پلان-II کے بورڈ آف ڈائریکٹرز کی جانب سے 31 دسمبر 2020ء کو اختتام پذیر ہونے والی ششماہی کے گوشواروں کا جائزہ پیش خدمت ہے۔

### معیشت اور بازار کا جائزہ

مالی سال 2021ء کا نصف اول اُمید افزا رہا کیونکہ معاشی سرگرمیوں نے پوری قوت کے ساتھ سر اُٹھایا ہے اگرچہ کووڈ کے باعث پیدا ہونے والی مشکلات قریب المیعا میں برقرار رہیں گی۔ معاشی بحالی توقعات سے تیز تر رہی ہے کیونکہ مالیاتی تسہیل، طلب کی محدودیت اور بہتر ترسیلات نے معاشی ترقی کو محرک فراہم کیا۔ کووڈ-19 اتنا نقصان دہ ثابت نہیں ہوا جتنا اس بارے میں ابتدائی امکانات تھے، اور شاید مقامی آبادی کے اعداد و شمار اور حکومت کے کامیاب لائحہ عمل کی بدولت یہ طوفان پسپا ہو گیا۔ چنانچہ ہم سمجھتے ہیں کہ معاشی ترقی عمومی تخمینوں کے مقابلے میں بہتر رہے گی۔ حکومت کی ابتدائی توقعات کے مطابق صنعتی ترقی (جس کا ہدف سال گزشتہ کے مقابلے میں 0.1 فیصد ترقی تھا) کووڈ-19 کے باعث پست تر ہوگی، لیکن اب ہم سمجھتے ہیں کہ یہ توقعات سے بہتر ہوگی کیونکہ گردش شعبوں میں بھرپور طلب اور حجم کے اعتبار سے ترقی کا مظاہرہ ہوا ہے۔

مالی سال 2021ء کی پہلی ششماہی میں سیمنٹ کے شعبے میں مقامی فروخت میں متاثر کن ترقی ہوئی جو سال گزشتہ سے 17 فیصد زیادہ تھی۔ 2 اور 3 پہیوں والے یونٹس کی فروخت میں مزید متاثر کن ترقی ہوئی جو سال گزشتہ سے 19 فیصد زیادہ تھی جس سے متوسط طبقے کی محرک مالی صورتحال کی عکاسی ہوتی ہے۔ اسی طرح سفید پٹرولیم مصنوعات کی طلب میں سال گزشتہ کے مقابلے میں تقریباً 10 فیصد اضافہ ہوا جس سے معیشت میں وسیع البندیا بحالی کی ترجمانی ہوتی ہے۔ مجموعی طور پر بڑے پیمانے پر ہونے والی مینیفیکچرنگ (ایل ایس ایم) کے انڈیکس میں موجودہ مالی سال کے پہلے پانچ ماہ میں 7.4 فیصد ترقی ہوئی ہے۔

مالی سال کے نصف اول میں کرنٹ اکاؤنٹ میں 997 ملین ڈالر منافع ہوا جبکہ اس کے بالمقابل سال گزشتہ کی مماثل مدت میں 2,032 ملین ڈالر خسارہ ہوا تھا۔ اس بہتری کی بنیادی وجہ ترسیلات میں اضافہ تھا جن میں دوران مدت 25 فیصد ترقی ہوئی۔ سینٹرل بینک کے زیر مبادلہ کے ذخائر میں 1.3 بلین ڈالر اضافہ ہوا جس کی وجہ ادائیگی کے توازن کی صورتحال میں بہتری ہے۔

افراط زر حکومت کی دھکتی رگ بنی رہی کیونکہ اشیائے خورد و نوش کی بڑھتی ہوئی قیمتوں کے باعث پالیسی ساز افراد مشکلات کا شکار رہے۔ مجموعی افراط زر، جس کی ترجمانی صارفی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط پہلے چھ ماہ کے دوران 8.6 فیصد تھا، جبکہ اشیائے خورد و نوش کے افراط زر کا اوسط دوران مدت 13 فیصد تھا۔ رسد کی جہت میں مسائل اور بدانتظامی کے باعث گندم اور جلد خراب ہو جانے والی اشیائے خورد و نوش کی قیمتوں میں اضافہ جاری رہا۔ بہر حال بنیادی افراط زر، جس کی پیمائش اشیائے خورد و نوش اور توانائی کے علاوہ سے ہوتی ہے، قابو میں تھی اور اس کا اوسط برائے مدت 5.9 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے گزشتہ اجلاسوں میں پے درپے کٹوتیوں کے بعد صورتحال کو برقرار رکھا۔ اگرچہ حقیقی سود کی شرح منفی رہی، مرکزی بینک کووڈ-19 کے باعث طلب کی جہت پر پڑنے والے دباؤ کے حوالے سے محتاط تھا۔

معیشت کے مستحکم ہونے کے آغاز کے ساتھ ٹیکس وصولی بھی بہتر ہوئی اور اس میں مالی سال کے نصف اول کے دوران 5 فیصد اضافہ ہوا جو ہدف برائے مدت کے تقریباً قریب تھا۔ پہلے پانچ ماہ کا مالیاتی خسارہ مجموعی ملکی پیداوار (جی ڈی پی) کا 1.8 فیصد تھا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 1.6 فیصد تھا۔ بنیادی توازن جی ڈی پی (GDP) کے 0.5 فیصد کے ساتھ مزید بہتر رہا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 0.3 فیصد تھا۔

افراط زر نے سرمایہ کاروں کو مایوس کرنے کا سلسلہ جاری رہا جس کے باعث پیداواری خم بلندی کی طرف جانا شروع ہو گیا۔ مرکزی بینک نے بھی افراط زر سے متعلق اپنی توقع کو بڑھایا جیسا کہ ایم پی سی کے منٹس میں مذکور ہے۔ اب مرکزی بینک کو توقع ہے کہ افراط زر 7 سے 9 فیصد کی اوپری سطح میں پہنچ جائے گا، جبکہ پہلے اس کا چلنی سطح میں آنا متوقع تھا۔ دوران مدت تین، پانچ اور دس سالہ بانڈز میں بالترتیب 74، 114 اور 129 بیسیس پوائنٹس (بی پی ایس) کا اضافہ ہوا۔

# TRUSTEE REPORT TO THE UNIT HOLDERS



## REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

### ALHAMRA ISLAMIC ACTIVE ALLOCATION FUND

#### Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

Al-Hamra Islamic Active Allocation Fund, an open-end Scheme established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited as Management Company and MCB Financial Services Limited as Trustee on November 25, 2016.. The scheme was approved by Securities & Exchange Commission of Pakistan on December 02, 2016.

1. MCB Arif Habib Savings and Investments Limited, the Management Company of Al-Hamra Islamic Active Allocation Fund has, in all material respects, managed Al-Hamra Islamic Active Allocation Fund during the period ended 31<sup>st</sup> December 2020 in accordance with the provisions of the following:
  - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
  - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
  - (iii) the creation and cancellation of units are carried out in accordance with the deed;
  - (iv) and any regulatory requirement

Khawaja Anwar Hussain  
Chief Executive Officer

Digital Custodian Company Limited  
Formerly MCB Financial Services Limited

Karachi: January 29, 2021

# AUDITOR'S REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS



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## INDEPENDENT AUDITORS' REVIEW REPORT

To the Unit holders of Alhamra Islamic Active Allocation Fund

Report on review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim Statement of Assets and Liabilities of **Alhamra Islamic Active Allocation Fund** (the Fund) as at **31 December 2020**, and the related condensed interim Income Statement, condensed interim Statement of Comprehensive Income, condensed interim Cash Flow Statement and condensed interim Statement of Movement in Unit Holders' Fund, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2020 and 31 December 2019 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-months period ended 31 December 2020.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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# AUDITOR'S REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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The engagement partner on the review resulting in this independent auditors' review report is Shaikh Ahmed Salman.

**Chartered Accountants**

**Date:** 18 February 2021

**Karachi**

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

		(Un-audited)			(Audited)		
		December 31, 2020			June 30, 2020		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
Note		(Rupees in '000)					
<b>ASSETS</b>							
	4	175,197	4,033	179,230	19,166	11,444	30,610
	5	-	133,937	133,937	322,630	166,072	488,702
		-	50	50	95	46	141
	6	-	6	6	60	-	60
<b>Total assets</b>		<b>175,197</b>	<b>138,026</b>	<b>313,223</b>	<b>341,951</b>	<b>177,562</b>	<b>519,513</b>
<b>LIABILITIES</b>							
		-	18	18	40	21	61
		-	24	24	28	25	53
	7	-	16	16	87	65	152
	8	175,197	1,136	176,333	1,004	888	1,892
<b>Total liabilities</b>		<b>175,197</b>	<b>1,194</b>	<b>176,391</b>	<b>1,159</b>	<b>999</b>	<b>2,158</b>
<b>NET ASSETS</b>		<b>-</b>	<b>136,832</b>	<b>136,832</b>	<b>340,792</b>	<b>176,563</b>	<b>517,355</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>-</b>	<b>136,832</b>	<b>136,832</b>	<b>340,792</b>	<b>176,563</b>	<b>517,355</b>
<b>Contingencies and commitments</b>	9						
		--- (Number of units) ---			--- (Number of units) ---		
<b>NUMBER OF UNITS IN ISSUE</b>		<b>-</b>	<b>1,373,423</b>		<b>3,774,078</b>	<b>1,846,316</b>	
		----- (Rupees) -----			----- (Rupees) -----		
<b>NET ASSET VALUE PER UNIT</b>		<b>-</b>	<b>99.6285</b>		<b>90.2980</b>	<b>95.6301</b>	

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

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



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020

	Half year ended December 31, 2020				Half year ended December 31, 2019				Quarter ended December 31, 2020				Quarter ended December 31, 2019			
	Alhamra	Islamic Active	Allocation	Total	Alhamra	Islamic Active	Allocation	Total	Alhamra	Islamic Active	Allocation	Total	Alhamra	Islamic Active	Allocation	Total
	Plan - I	Plan - II			Plan - I	Plan - II			Plan - I	Plan - II			Plan - I	Plan - II		
<b>INCOME</b>																
Gain on redemption of investments - net	10,750	1,357		12,107	24,952	18,721		43,673	10,142	950		11,092	23,160	14,227		37,387
Net unrealised gain on re-measurement of investments classified as 'fair value through profit or loss' 5.1	-	5,508		5,508	5,852	4,604		10,456	(4,323)	3,507		(816)	20,493	18,173		38,666
Profit on bank balances	337	279		616	1,043	685		1,728	151	130		281	631	353		984
Dividend income	-	-		-	-	-		-	-	-		-	-	-		-
Other income	-	-		-	-	-		-	-	-		-	-	-		-
<b>Total income</b>	<b>11,087</b>	<b>7,144</b>		<b>18,231</b>	<b>31,847</b>	<b>24,010</b>		<b>55,857</b>	<b>5,970</b>	<b>4,587</b>		<b>10,557</b>	<b>44,284</b>	<b>32,753</b>		<b>77,037</b>
<b>EXPENSES</b>																
Remuneration of the Management Company	34	27		61	103	69		172	15	12		28	62	36		98
Sindh sales tax on remuneration of the Management Company	4	4		8	13	9		22	2	2		4	8	5		13
Remuneration of the Trustee	137	124		261	223	206		429	65	61		126	104	72		176
Sindh sales tax on remuneration of the Trustee	18	16		34	29	27		56	9	8		16	14	10		24
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	30	17		47	50	45		95	14	8		22	24	15		39
Allocated expenses	148	82		230	248	227		475	68	39		106	116	78		194
Auditors' remuneration	62	208		270	66	63		129	(4)	172		169	30	24		54
Printing charges	3	37		40	13	13		26	-	33		33	1	-		1
Settlement and bank charges	16	2		18	14	28		42	3	2		5	4	8		12
Listing fee	16	6		22	7	7		13	13	4		17	3	3		6
Legal and professional charges	18	40		58	46	45		91	2	29		31	25	22		47
Provision against Sindh Workers' Welfare Fund (SWWF)	212	132		344	621	465		1,086	115	85		200	621	465		1,086
<b>Total expenses</b>	<b>687</b>	<b>695</b>		<b>1,382</b>	<b>1,432</b>	<b>1,204</b>		<b>2,636</b>	<b>302</b>	<b>455</b>		<b>757</b>	<b>1,012</b>	<b>738</b>		<b>1,750</b>
<b>Net income for the period before taxation</b>	<b>10,400</b>	<b>6,449</b>		<b>16,849</b>	<b>30,415</b>	<b>22,806</b>		<b>53,221</b>	<b>5,668</b>	<b>4,132</b>		<b>9,800</b>	<b>43,272</b>	<b>32,015</b>		<b>75,287</b>
Taxation	-	-		-	-	-		-	-	-		-	-	-		-
<b>Net income for the period</b>	<b>10,400</b>	<b>6,449</b>		<b>16,849</b>	<b>30,415</b>	<b>22,806</b>		<b>53,221</b>	<b>5,668</b>	<b>4,132</b>		<b>9,800</b>	<b>43,272</b>	<b>32,015</b>		<b>75,287</b>
<i>Allocation of net income for the period:</i>																
Net income for the period	10,400	6,449		16,849	30,415	22,806		53,221								
Income already paid on units redeemed	(4,373)	(959)		(5,332)	(1,844)	(6,070)		(7,914)								
	<b>6,027</b>	<b>5,490</b>		<b>11,517</b>	<b>28,571</b>	<b>16,736</b>		<b>45,307</b>								
<i>Accounting income available for distribution:</i>																
- Relating to capital gains	6,027	5,490		11,517	28,571	16,736		45,307								
- Excluding capital gains	-	-		-	-	-		-								
<b>Earnings per unit</b>	<b>6,027</b>	<b>5,490</b>		<b>11,517</b>	<b>28,571</b>	<b>16,736</b>		<b>45,307</b>								

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

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



Chief Executive Officer



Chief Financial Officer



Director



# CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	Alhamra Islamic Active Allocation Plan - I			Alhamra Islamic Active Allocation Plan - II			Alhamra Islamic Active Allocation Plan - I			Alhamra Islamic Active Allocation Plan - II		
	Half Year Ended December 31, 2020			Half Year Ended December 31, 2019			Half Year Ended December 31, 2020			Half Year Ended December 31, 2019		
	Capital Value	Undistributed (loss) / income	Total	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
(Rupees in '000)												
<b>Net assets at the beginning of the period</b>	472,874	(132,082)	340,792	211,921	(35,358)	176,563	759,234	(131,902)	627,332	743,249	(35,278)	707,971
Issuance of units:												
Alhamra Islamic Active Allocation Plan - I (2020: 91,000 and 2019: Nil units)												
- Capital value (at net assets value per unit at the beginning of the period)	20,516	-	20,516	-	-	-	-	-	-	-	-	-
- Element of income	71	-	71	-	-	-	-	-	-	-	-	-
Alhamra Islamic Active Allocation Plan - II (2020: 331 and 2019: Nil units)												
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	22	-	22	-	-	-	-	-	-
- Element of income	-	-	-	10	-	10	-	-	-	-	-	-
	20,587	-	20,587	32	-	32	-	-	-	-	-	-
Redemption of units:												
Alhamra Islamic Active Allocation Plan - I (2020: 1,895,691 and 2019: 2,458,018 units)												
- Capital value (at net assets value per unit at the beginning of the period)	(183,476)	-	(183,476)	-	-	-	(219,254)	-	(219,254)	-	-	-
- Amount paid out of element of income	-	(4,376)	(4,376)	-	-	-	-	(1,844)	(1,844)	-	-	-
- Relating to 'Net income for the period after taxation'	(246)	-	(246)	-	-	-	4,270	-	4,270	-	-	-
- Refund / (adjustment) on units as element of income												
Alhamra Islamic Active Allocation Plan - II (2020: 473,224 and 2019: 4,720,758 units)												
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	(45,254)	-	(45,254)	-	-	-	(443,139)	-	(443,139)
- Amount paid out of element of income	-	-	-	-	(959)	(959)	-	-	-	-	(6,070)	(6,070)
- Relating to 'Net income for the period after taxation'	-	-	-	1	-	1	-	-	-	(43,777)	-	(43,777)
- Refund / (adjustment) on units as element of income	(183,722)	(4,376)	(188,098)	(45,253)	(959)	(46,212)	(214,984)	(1,844)	(216,828)	(486,916)	(6,070)	(492,986)
Total comprehensive income for the period	-	10,400	10,400	-	6,449	6,449	-	30,415	30,415	-	22,806	22,806
Distribution during the period	-	(9,646)	(9,646)	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	754	754	-	6,449	6,449	-	30,415	30,415	-	22,806	22,806
<b>Net assets at end of the maturity/period</b>	309,739	(135,704)	174,035	166,700	(29,868)	136,832	544,250	(103,331)	440,919	256,333	(18,542)	237,791
<b>Payable to unit holders on maturity (Refer note 8.2)</b>	(309,739)	135,704	(174,035)	-	-	-	-	-	-	-	-	-
<b>Net assets at end of the period</b>	-	-	-	166,700	(29,868)	136,832	544,250	(103,331)	440,919	256,333	(18,542)	237,791
<b>Undistributed (loss) / income brought forward comprising of:</b>												
- Realised					(36,374)			(74,751)			10,065	
- Unrealised					1,016			(57,151)			(45,343)	
					(35,358)			(131,902)			(35,278)	
Accounting income available for distribution:												
- Relating to capital gains					5,862			28,571			16,736	
- Excluding capital gains					(372)			-			-	
					5,490			28,571			16,736	
Distribution during the period					-			-			-	
Undistributed loss carried forward					(29,868)			(103,331)			(18,542)	
<b>Undistributed (loss) / income carried forward comprising of:</b>												
- Realised					(35,376)			(109,183)			(23,146)	
- Unrealised					5,508			5,852			4,604	
					(29,868)			(103,331)			(18,542)	
	-- (Rupees) --				-- (Rupees) --			-- (Rupees) --			-- (Rupees) --	
Net assets value per unit at beginning of the period	90.2980			95.6301			89.1993			93.8703		
Net assets value per unit at end of the period	-			99.6285			96.3779			102.8437		

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

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



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	Half year ended December 31, 2020			Half year ended December 31, 2019		
	Islamic Active Allocation Plan - I	Islamic Active Allocation Plan - II	Total	Islamic Active Allocation Plan - I	Islamic Active Allocation Plan - II	Total
Note	----- (Rupees in '000) -----					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income for the period	10,400	6,449	16,849	30,415	22,806	53,221
<b>Adjustments for non cash and other items:</b>						
Net unrealised gain on re-measurement of investments classified as 'fair value through profit or loss'	-	(5,508)	(5,508)	(5,852)	(4,604)	(10,456)
	-	(5,508)	(5,508)	(5,852)	(4,604)	(10,456)
<b>Decrease / (increase) in assets</b>						
Investments	322,633	37,643	360,276	185,048	477,279	662,327
Profit receivable	140	(4)	136	-	(39)	(39)
Advance and other receivables	60	(6)	54	(6)	(7)	(13)
	322,833	37,633	360,466	185,042	477,233	662,275
<b>(Decrease) / increase in liabilities</b>						
Payable to MCB Arif Habib Savings and Investments - Management Company	(40)	(3)	(43)	(15)	(28)	(43)
Payable to Digital Custodian Company Limited (Formerly MCB Financial Services Limited - Trustee)	(28)	(1)	(29)	(16)	(35)	(51)
Payable to the Securities and Exchange Commission of Pakistan (SECP)	(87)	(49)	(136)	(1,048)	(680)	(1,728)
Accrued expenses and other liabilities	110	248	358	589	498	1,087
	(45)	195	150	(490)	(245)	(735)
<b>Net cash generated from operating activities</b>	<b>333,188</b>	<b>38,769</b>	<b>371,957</b>	<b>209,115</b>	<b>495,190</b>	<b>704,305</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Amount received on issuance of units	20,587	32	20,619	-	-	-
Amount paid on redemption of units	(188,098)	(46,212)	(234,310)	(216,828)	(492,986)	(709,814)
Cash distribution	(9,646)	-	(9,646)	-	-	-
<b>Net cash used in financing activities</b>	<b>(177,157)</b>	<b>(46,180)</b>	<b>(223,337)</b>	<b>(216,828)</b>	<b>(492,986)</b>	<b>(709,814)</b>
<b>Net increase/ (decrease) in cash and cash equivalents during the period</b>	<b>156,031</b>	<b>(7,411)</b>	<b>148,620</b>	<b>(7,713)</b>	<b>2,204</b>	<b>(5,509)</b>
Cash and cash equivalents at the beginning of the period	19,166	11,444	30,610	21,062	7,530	28,592
<b>Cash and cash equivalents at the end of the period</b>	<b>175,197</b>	<b>4,033</b>	<b>179,230</b>	<b>13,349</b>	<b>9,734</b>	<b>23,083</b>

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

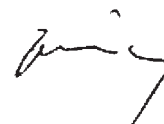
For MCB-Arif Habib Savings and Investments Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

## 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 Digital Custodian Company Limited (Formerly: 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 has been changed from 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi, Pakistan to 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund commenced its operations from December 29, 2016. The Fund is an open-end Shariah Compliant Fund of Funds that shall invest in other Shariah compliant Collective Investment Schemes as specified in the Investment Policy contained in the offering document and SECP circular No. 7 of 2009, as may be amended or substituted from time to time. 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). On June 16, 2017, the Fund launched Allocation Plan-II. 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. 7 of 2009 dated March 06, 2009 issued by the SECP. The maturity of Allocation Plan I was two years from the close of the initial offer period of December 29, 2016 (i.e. maturing on December 28, 2018), however, the said maturity has been extended for another two years (i.e. maturing on December 28, 2020). The maturity of Allocation Plan II was two years from the close of the initial offer period of June 16, 2017 (i.e. maturing on June 16, 2019) however, the said maturity has been extended by two year (i.e. maturing on June 16, 2021). Accordingly, Plan-I matured on December 28, 2020 and its net asset value as at said date was Rs.174.035 million and Rs.88.3577 per unit.

The Management Company intends to launch Alhamra Islamic Active Allocation Fund-Plan III during the current period.

- 1.5 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 06, 2020 to the Management Company.
- 1.6 The title to the assets of the Fund is held in the name of Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) as Trustee of the Fund.
- 1.7 During the current period, The Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirement under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

## 2. BASIS OF PREPARATION

- 2.1 These condensed interim financial statements of the Fund have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Such standards 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;

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

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- 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 IAS 34, 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.

- 2.2** The disclosures made in these condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3** In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2020.
- 2.4** These condensed interim financial statements are presented in Pakistani Rupee, which is the functional and presentation currency of the Fund.

### **3. ACCOUNTING POLICIES AND ESTIMATES**

- 3.1** The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting 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.

#### **3.2 New / Revised Standards, Interpretations and Amendments**

The Fund has adopted the following standards and amendment to IFRSs which became effective for the current period:

IFRS 3 – Amendments to Definition of a Business

IFRS 9 – Interest Rate Benchmark Reform

IAS 1 – Definition of Material

IFRS 16 – COVID-19 Rent Related Concessions

The Conceptual Framework for Financial Reporting

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the year ended June 30, 2020.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

		(Un-audited)		
		December 31, 2020		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
Note		----- (Rupees in '000) -----		
<b>4. BALANCES WITH BANKS</b>				
In current accounts	4.1	175,197	656	175,853
In saving accounts	4.2	-	3,377	3,377
		<b>175,197</b>	<b>4,033</b>	<b>179,230</b>

		(Audited)		
		June 30, 2020		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
		----- (Rupees in '000) -----		
In current account		3,024	3,492	6,516
In saving accounts		16,142	7,952	24,094
		<b>19,166</b>	<b>11,444</b>	<b>30,610</b>

**4.1** Current accounts are maintained with MCB Bank Limited, a related party.

**4.2** These carry profit at the rate ranging from 6.50% to 6.75% (June 30, 2020: 7.25% to 7.50%) per annum.

		(Un-audited)		
		December 31, 2020		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
Note		----- (Rupees in '000) -----		
<b>5. INVESTMENTS</b>				
<b>At fair value through profit or loss</b>				
- Units of open-end mutual funds	5.1	-	133,937	133,937

		(Audited)		
		June 30, 2020		
		Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
		----- (Rupees in '000) -----		
- Units of open-end mutual funds		322,630	166,072	488,702

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

**5.1 Units of open-end mutual funds**

Name of the fund	Number of units			Balances as at December 31, 2020			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 01, 2020	Purchased during the period	Redemption during the period	As at December 31, 2020	Carrying value	Market value		
								%
								(Rupees in '000)
Alhamra Islamic Active Allocation Plan - I - related parties								
Alhamra Islamic Stock Fund	-	3,075,397	3,075,397	-	-	-	0.00%	0.00%
Alhamra Islamic Income Fund	3,167,846	315,918	3,483,764	-	-	-	0.00%	0.00%
Total as at December 31, 2020 (Un-audited)								
Total as at June 30, 2020 (Audited)								
Alhamra Islamic Active Allocation Plan - II - related parties								
Alhamra Islamic Stock Fund	-	4,028,447	-	4,028,447	41,000	43,628	31.88%	32.57%
Alhamra Islamic Income Fund	1,630,629	-	772,180	858,449	87,429	90,309	66.00%	67.43%
Total as at December 31, 2020 (Un-audited)								
Total as at June 30, 2020 (Audited)								

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

**6. ADVANCE, DEPOSITS AND OTHER RECEIVABLES**

Prepayment

<b>(Un-audited)</b>		
<b>December 31, 2020</b>		
Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	<b>Total</b>
<b>----- (Rupees in '000) -----</b>		
-	6	6
-	6	6

Advance tax deducted at source

<b>(Audited)</b>		
<b>June 30, 2020</b>		
Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	<b>Total</b>
<b>----- (Rupees in '000) -----</b>		
60	-	60

**7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)**

SECP fee has been charged at the rate of annual fee at 0.02% (2019: 0.02%) of net assets on all categories of collective investment schemes as per the SRO no. 685(I)/2019 dated June 2019.

**8. ACCRUED EXPENSES AND OTHER LIABILITIES**

Auditors' remuneration  
Provision for Sindh Workers' Welfare Fund (SWWF) 8.1  
Payable to legal advisor  
Withholding Tax Payable  
Payable to unit holders 8.2  
Others

<b>Note</b>	<b>(Un-audited)</b>		
	<b>December 31, 2020</b>		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	<b>Total</b>
	<b>----- (Rupees in '000) -----</b>		
	70	190	260
	982	857	1,839
	-	27	27
	21	25	46
	174,035	-	174,035
	89	37	126
	175,197	1,136	176,333

Auditors' remuneration  
Provision for Sindh Workers' Welfare Fund (SWWF)  
Payable to legal advisor  
Others

<b>(Audited)</b>		
<b>June 30, 2020</b>		
Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	<b>Total</b>
<b>----- (Rupees in '000) -----</b>		
197	122	319
769	725	1,494
13	8	21
25	33	58
1,004	888	1,892

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

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**8.1** There is no change in the status of the SWWF as reported in note 11.1 to the annual financial statements of the Fund for the year ended June 30, 2020. Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund, the net assets value of the plan I and II as at December 31, 2020 would have been higher by Re.0.498 and Re.0.623 (June 30, 2020: Re.0.2038 and Re.0.3926) per unit respectively.

**8.2** This represents amount payable to unit holders on maturity of Plan-I calculated on the basis of NAV as at December 28, 2020.

### **9. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at December 31, 2020 (June 30, 2020: Nil)

### **10. ALLOCATED EXPENSES**

The Management Company has charged actual expenses related to registrar services, accounting, operations and valuation services to the CIS as per SECP vide SRO 639 dated June 20, 2019.

### **11. TAXATION**

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. 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. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

### **12. EARNINGS / (LOSSES) PER UNIT**

Earnings / (losses) per unit (EPU) 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.

### **13. TRANSACTIONS AND BALANCES OUTSTANDING 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.

Remuneration payable to the Management Company is determined in accordance with the provision of the NBFC Regulations and constitutive documents of the Fund respectively.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

Details of transactions and balances at period end with related parties / connected persons are as follows:

For the half year ended December 31, 2020 (Un-audited)						
	As at July 01, 2020	Issued for cash / conversion in out / transfer in	Redeemed / conversion out / transfer out	As at December 31, 2020	As at July 01, 2020 / transfer in	Issued for cash / conversion in out / transfer out
<b>13.1 Unit Holders' Fund</b>						
<b>Alhamra Islamic Active Allocation Plan - I</b>						
<b>Group / associated companies</b>						
MCB Employees' Pension Fund*	616,472	35,831	-	652,303	55,666	-
						56,528
<b>Alhamra Islamic Active Allocation Plan - II</b>						
<b>Group / associated companies</b>						
MCB Employees' Pension Fund*	825,997	-	-	825,997	78,990	-
						82,293
<b>Unit holders holding 10% or more units</b>	680,074	-	680,074	-	61,409	-
						61,409
<b>Alhamra Islamic Active Allocation Plan - I</b>						
<b>Group / associated companies</b>						
MCB Employees' Pension Fund*	586,520	-	-	586,520	52,317	-
						56,528
<b>Unit holders holding 10% or more units</b>	1,234,415	-	-	1,234,415	110,109	-
						118,970
<b>Alhamra Islamic Active Allocation Plan - II</b>						
<b>Group / associated companies</b>						
MCB Employees' Pension Fund*	752,862	-	-	752,862	70,671	-
						77,427

\* The unit holder also holds 10% or more of the units in the Funds.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	(Un-audited)		
	For half year ended December 31, 2020		
	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
	----- (Rupees in '000) -----		
<b>13.2 Transactions during the period:</b>			
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>			
Remuneration of the Management Company	34	27	61
Sindh sales tax on remuneration of the Management Company	4	4	8
Allocated expense	148	82	230
<b>Digital Custodian Company Limited (Formerly MCB Financial Services Limited - Trustee)</b>			
Remuneration of the Trustee	137	124	261
Sindh sales tax on remuneration of Trustee	18	16	34
<b>Alhamra Islamic Stock Fund</b>			
Purchase of 3,075,397 units and 4,028,447 units by the Fund	31,000	41,000	72,000
Redemption of 3,075,397 units and nil units by the Fund	33,153	-	33,153
<b>Alhamra Islamic Income Fund</b>			
Purchase of 315,918 units and nil units by the Fund	33,153	-	33,153
Redemption of 3,483,764 units and 772,180 units by the Fund	364,381	80,000	444,381
<b>MCB Bank Limited - Parent of the Management Company</b>			
Bank charges	4	2	6
	(Un-audited)		
	For half year ended December 31, 2019		
	----- (Rupees in '000) -----		
<b>MCB-Arif Habib Savings and Investments Limited - Management Company</b>			
Remuneration of the Management Company	103	69	172
Sindh sales tax on remuneration of the Management Company	13	9	22
Allocated expense (including indirect taxes)	248	227	475
<b>Digital Custodian Company Limited (Formerly MCB Financial Services Limited - Trustee)</b>			
Remuneration of the Trustee	223	206	429
Sindh sales tax on remuneration of Trustee	29	27	56
<b>Alhamra Islamic Stock Fund</b>			
Purchase of 12,865,497 units and Nil units by the Fund	132,000	-	132,000
Redemption of 45,329,805 units and 42,329,805 units by the Fund	408,997	364,460	773,457
<b>Alhamra Islamic Income Fund</b>			
Purchase of 3,877,358 units and 2,743,505 units by the Fund	408,997	289,460	698,457
Redemption of 3,260,419 units and 3,943,263 units by the Fund	342,000	410,000	752,000
<b>MCB Bank Limited - Parent of the Management Company</b>			
Bank charges	3	6	9

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
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**13.3 Balances outstanding at period end:**

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

	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
Management remuneration payable	5	5	10
Sindh sales tax payable on management company remuneration	1	1	2
Payable against allocated expenses	19	12	31

**Digital Custodian Company Limited  
(Formerly MCB Financial Services Limited - Trustee)**

Trustee remuneration payable	19	21	40
Sindh sales tax payable on trustee remuneration	3	3	6

**MCB Bank Limited -**

**Parent of the Management Company**

Balances with bank - current account	175,197	656	175,853
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**Alhamra Islamic Stock Fund -  
Fund under common management**

Outstanding Nil and 4,028,447 units (investments made by the Fund)	-	43,628	43,628
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**Alhamra Islamic Income Fund -  
Fund under common management**

Outstanding Nil and 858,449 units (investments made by the Fund)	-	90,309	90,309
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**MCB-Arif Habib Savings and Investments Limited -  
Management Company**

	Alhamra Islamic Active Allocation Plan - I	Alhamra Islamic Active Allocation Plan - II	Total
Management remuneration payable	10	5	15
Management company remuneration	1	1	2
Payable against allocated expenses	29	15	44

**Digital Custodian Company Limited  
(Formerly MCB Financial Services Limited - Trustee)**

Trustee remuneration payable	25	22	47
Sindh sales tax payable on Trustee remuneration	3	3	6

**MCB Bank Limited - Parent of the Management Company**

Balances with bank - current account	3,024	3,492	6,516
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**Alhamra Islamic Income Fund -  
Fund under common management**

Outstanding 3,167,846 and 1,630,629 units (investments made by the Fund)	322,630	166,072	488,702
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# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

## 14. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

**Level 1:** quoted prices in active markets for identical assets or liabilities;

**Level 2:** those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

**Level 3:** those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 31, 2020 and June 30, 2020, the Fund held the following instruments measured at fair values:

		December 31, 2020 (Un-audited)			
		Level 1	Level 2	Level 3	Total
		(Rupees in '000)			
	Note				
<b>Alhamra Islamic Active Allocation Plan - I</b>					
At fair value through profit or loss	14.1	-	-	-	-
<b>Alhamra Islamic Active Allocation Plan - II</b>					
At fair value through profit or loss	14.1	-	133,937	-	133,937
		-	133,937	-	133,937
		June 30, 2020 (Audited)			
		(Rupees in '000)			
<b>Alhamra Islamic Active Allocation Plan - I</b>					
At fair value through profit or loss		-	322,630	-	322,630
<b>Alhamra Islamic Active Allocation Plan - II</b>					
At fair value through profit or loss		-	166,072	-	166,072
		-	488,702	-	488,702

**14.1** Fair values of investments in units of mutual funds are determined based on net asset value disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.

During the period ended December 31, 2020, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

The Fund has not disclosed the fair values of other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of their fair values.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

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**15. TOTAL EXPENSE RATIO**

Total Expense Ratio of Alhamra Islamic Active Allocation Plan II is 0.83% respectively as on December 31, 2020 (December 31, 2019: 0.54%) and these include 0.20% (December 31, 2019: 0.24%) representing Government Levy, Sindh Workers' Welfare Fund (SWWF) and SECP fee respectively. The ratio of is within the maximum limit of 2.5% as prescribed under the NBFC Regulations 60(5) for a collective investment scheme categorised as a Shariah Compliant Fund of Fund scheme.

**16. GENERAL**

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

**17. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company in the meeting held on February 08, 2021.

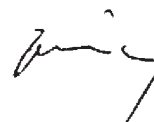
For MCB-Arif Habib Savings and Investments Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

## **MCB Arif Habib Savings and Investments Limited**

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