



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

MARCH
2021
(UNAUDITED)

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



ALHAMRA ISLAMIC MONEY MARKET FUND
(FORMERLY : MCB PAKISTAN FREQUENT PAYOUT FUND)

TABLE OF CONTENTS

1	Fund's Information	344
2	Report of the Directors of the Management Company	345
3	Condensed Interim Statement of Assets And Liabilities	351
4	Condensed Interim Income Statement (Un-audited)	352
5	Condensed Interim Statement of Comprehensive Income (Un-audited)	353
6	Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)	354
7	Condensed Interim Cash Flow Statement (Un-audited)	355
8	Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)	356

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	Digital Custodian Company Limited (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	
Bankers	MCB Bank Limited Allied Bank Limited United Bank Limited Meezan Bank Limited Dubai Islamic Bank Limited Faysal Bank Limited National Bank Limited Askari Bank Limited	
Auditors	KPMG Chartered Accountants Sheikh Sultan Trust Building, Ground No. 2, Beaumont Road, Civil Lines, Karachi. Ph: 021-37131900	
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	AM1 Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

Dear Investor,

On behalf of the Board of Directors, we are pleased to present **Al Hamra Islamic Money Market Fund** (Formerly : MCB Pakistan Frequent Payout Fund) accounts review for the nine months ended March 31, 2021.

Economy and Money Market Review

The first nine months of fiscal year 2021 have been relatively stronger as economic activities resumed to a large extent though challenges from Covid continue to pose risks in the near term. The economic recovery has been better than expectations as stable interest rates and supportive financing schemes from SBP, amnesty to encourage construction sector, resumption in demand and continued strong inflow of remittances have supported economic growth. We therefore expect economic growth to be higher than estimates shared by multilateral agencies. 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 also 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 about 18% over last year in the first nine months of FY21. Sales of 2 and 3 wheeler units also rose at an impressive rate of near 17% over last year in the first eight months of FY21 reflecting on the resilience of economy. Similarly, the demand of petrol and diesel also increased by about 9.5% and 17% respectively over last year during the first nine months indicating a broader recovery in economy. Overall, Large Scale Manufacturing Index (LSM) has grown by about 7.9% in first seven months of the current fiscal year led by the cyclical sectors.

Current account posted a surplus of USD 881 million in the first eight months of fiscal year compared to a deficit of USD 2,741 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 about 24% during the first eight months of this fiscal year. Foreign exchange reserves of central bank saw an increase of about USD 2.2 billion during the first eight months due to improved balance of payment position. Subsequently, the PKR/USD appreciated by about 9% during the period.

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 8.4% over last year during the first nine months, with food inflation averaging about 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 6.1% for the period. Monetary Policy Committee maintained status quo throughout the year 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 well as comfort drawn from better external position.

As the economy started to open up, tax collection also improved and grew by about 10% during the first nine months of the fiscal year which exceeded the target by PKR 100 bn. Fiscal deficit for the first seven months of the period clocked in at 2.9% of GDP, compared to 3.2% of GDP last year. Primary balance was even better at a surplus of 0.9% 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 182 bps, 175 bps and 173 bps respectively during the period.

FUND PERFORMANCE

During the period under review, the fund posted a return of 6.54% compared to the benchmark return of 3.46%. On the equities front, the overall allocation in equity was 0.0%. In addition, the fund's exposure in Cash stood at 75.3%.

The Net Assets of the Fund as at March 31, 2021 stood at Rs.13,140 million as compared to Rs.152 million as at June 30, 2020 registering an increase of 8544.74%. The Net Asset Value (NAV) per unit as at March 31, 2021 was Rs.99.5100 as compared to Rs. 99.5100 at June 30, 2020.

**Converted into Islamic money market fund from 21st Aug 2020, hence this reflects performance from this date*

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

Economy & Market – Future Outlook

GDP growth for FY21 is now projected at around 3% by central bank. We expect GDP growth to be better than general consensus of government and institutions as industrial growth has revived much earlier than our anticipation. Generally, economy appears to be operating close to pre-covid levels gauged by LSM growth, cement sales, auto sales, etc.

Balance of Payment worries are at bay for the near term with current account deficit expected to be about USD 1.1 bn for this fiscal year. We expect Current Account Deficit to settle near 0.4% of GDP in FY21 which could be easily financed from foreign investments and debt flows. However, the recent surge in commodity prices and growth momentum would require better financial management to fund the current account deficit over next year. Any reversal in trend of remittances would also be a concern for Balance of Payment management next year. With Real Effective Rate for Feb-2021 at 97.1 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 the IMF program is a good omen which would allow better financial flows from various institutions allowing better financial management. We expect foreign exchange reserves to further increase by about USD 2.7 bn from current levels by year end.

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 9.1%. 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 vowed to keep the existing accommodative monetary policy stance to support recovery while keeping inflation expectations well anchored. Given the guidance by central bank, we now expect interest rates to adjust by 100-150 bps over the next fiscal year.

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 28.6% to PKR 954 billion at the end of the first nine months 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 33% during the period to PKR 418 billion. Within the money market sphere, the conventional funds dominated as they grew by about 31% to PKR 271 billion. Equity and related funds surged rapidly by 27% from PKR 224 billion to PKR 284 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 ~29% 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 26% 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.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

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 16, 2021



Nasim Beg
Director/Vice Chairman

ڈائریکٹرز رپورٹ

پیداواری خم 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

اوپن end میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2021ء کے ابتدائی نو ماہ کے اختتام پر تقریباً 28.6 فیصد بڑھ کر 954 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 33 فیصد بڑھ کر 418 بلین روپے ہو گئے۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز حاوی رہے اور تقریباً 31 فیصد بڑھ کر 271 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز میں دوران سہ ماہی 27 فیصد کا بھرپور اضافہ ہوا اور وہ 224 بلین روپے سے 284 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 29 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 26 فیصد کے حامل تھے۔


میوچل 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۔ ہمیں اُمید ہے کہ ایکویٹی اور متعلقہ فنڈز کے شعبے میں نقدیت کی صورتحال بہتر ہوگی۔ 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 سکیں گے۔

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

16 اپریل 2021

ڈائریکٹر رپورٹ

میں آنا متوقع تھا۔ دورانِ مدت تین، پانچ اور دس سالہ بانڈز میں بالترتیب 182، 175 اور 173 بیسیس پوائنٹس (بی پی ایس) کا اضافہ ہوا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 6.54 فیصد منافع حاصل کیا جبکہ اس کے بالمقابل مقررہ معیار 3.46 فیصد تھا۔ ایکویٹیز کی جہت میں مجموعی اختصاص 0.0 فیصد تھا۔ علاوہ ازیں، فنڈ کی نقد میں شمولیت 75.3 فیصد کی سطح پر تھی۔

31 مارچ 2021ء کو فنڈ کے net اثاثہ جات 13,140 ملین روپے تھے جو کہ 30 جون 2020ء کو 152 ملین روپے تھے (یعنی net اثاثہ جات میں 8544.74 فیصد اضافہ ہوا)۔

31 مارچ 2021ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 99.5100 روپے تھی جو 30 جون 2020ء کو بھی اتنی ہی تھی۔

* 21 اگست 2020ء سے اسلامک منی مارکیٹ فنڈ میں تبدیل کر دیا گیا تھا، چنانچہ کارکردگی مذکورہ تاریخ سے ہے۔

معیشت اور بازار - مستقبل کے امکانات

مرکزی بینک کے مطابق مالی سال 2021ء کے لیے مجموعی ملکی پیداوار (جی ڈی پی) میں 3 فیصد ترقی متوقع ہے۔ ہمیں اُمید ہے کہ جی ڈی پی کی ترقی حکومت اور اداروں کے عمومی اتفاق رائے سے بہتر ہوگی کیونکہ صنعتی ترقی ہماری توقعات سے کافی قبل بحال ہوگئی ہے۔ معیشت اب عمومی طور پر قبل از کووڈ سطحوں کے قریب سرگرم عمل ہے جس کا اندازہ ایل ایس ایم کی ترقی اور سیمنٹ اور آٹو موٹائل کے شعبے کی فروخت کے ذریعے لگایا جاسکتا ہے۔

ادائیگیوں کے توازن کی پریشانیوں قریب المیہ ختم ہوگئی ہیں کیونکہ موجودہ مالی سال کے لیے کرنٹ اکاؤنٹ کا متوقع خسارہ تقریباً 1.1 بلین ڈالر ہے۔ ہم سمجھتے ہیں کہ مالی سال 2021ء میں کرنٹ اکاؤنٹ خسارہ جی ڈی پی کے تقریباً 0.4 فیصد پر ٹھہرے گا، اور اس کے لیے مالیات کی فراہمی باسانی غیر ملکی سرمایہ کاریوں اور قرض کے ذریعے ہو سکتی ہے۔ تاہم اشیاء کی قیمتوں اور ترقی کی رفتار میں حالیہ اضافے کے باعث اگلے سال کے دوران کرنٹ اکاؤنٹ خسارے کے لیے مالیات کی فراہمی کے لیے بہتر مالیاتی انتظام درکار ہے۔ ترسیلات زر کے رجحان میں ذرا بھی واپسی کے باعث اگلے سال ادائیگی کے توازن کے انتظام میں رکاوٹ حائل ہو سکتی ہے۔

فروری 2021ء کارینل افسیکٹو ریٹ 97.1 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 کا جاری رہنا اچھا شگون ہے جس کی بدولت متعدد اداروں سے بہتر مالیاتی آمدات ممکن ہوگی اور اس کے نتیجے میں بہتر مالیاتی انتظام ممکن ہوگا۔ غیر ملکی زرمبادلہ کے ذخائر میں اختتام مدت تک موجودہ سطحوں کے مقابلے میں تقریباً 2.7 بلین ڈالر کا مزید اضافہ متوقع ہے۔

افراط زر ہماری سابقہ توقعات سے آگے نکل گئی ہے کیونکہ اشیاء 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 9.1 فیصد متوقع ہے۔ مرکزی بینک نے پہلی مرتبہ قریب المیہ ختم 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 گنجائش پیدا کرنے والی موجودہ مالیاتی پالیسی کا موقف برقرار رکھنے کا عزم کیا تا کہ وصولی کے لیے معاونت فراہم ہو، جبکہ افراط زر کی توقعات کو قابو میں رکھا۔ مرکزی بینک کی راہنمائی کے پیش نظر اب ہمیں اُمید ہے کہ سود کی شرحوں میں اگلے مالی سال کے دوران 100 سے 150 بیسیس پوائنٹس تک ترمیم ہوگی۔

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

بورڈ آف ڈائریکٹرز کی جانب سے اسلامی منی مارکیٹ فنڈ (سابقہ: ایم سی بی پاکستان فریکوینٹ پے آؤٹ فنڈ) کے اکاؤنٹس کا جائزہ برائے نومبر 2021ء پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

مالی سال 2021ء کے ابتدائی نو ماہ مستحکم رہے کیونکہ معاشی سرگرمیاں کافی حد تک بحال ہوئیں اگرچہ قریب المیاد میں کووڈ کے باعث پیدا ہونے والی مشکلات کے باعث خطرات ابھی بھی لاحق ہیں۔ معاشی بحالی توقعات سے بہتر رہی کیونکہ سود کی مستحکم شرحوں اور اسٹیٹ بینک آف پاکستان (ایس بی پی) کی معاونتی مالیاتی اسکیموں، تعمیرات کے شعبے کی حوصلہ افزائی کے لیے رعایات، مانگ میں بحالی، اور ترسیلات زر کی مسلسل اور مستحکم آمد سے معاشی ترقی کو سہارا ملا ہے۔ چنانچہ ہمیں اُمید ہے کہ معاشی ترقی کثیر الجہتی ایجنسیوں کے پیش کردہ تخمینوں سے بلند تر ہوگی۔ 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۔

سیمنٹ کے شعبے میں مقامی فروخت میں متاثر کن ترقی ہوئی جو مالی سال 2021ء کے ابتدائی نو ماہ میں سال گزشتہ سے 18 فیصد زیادہ تھی۔ 2 اور 3 پہیوں والے یونٹس کی فروخت میں بھی مزید متاثر کن ترقی ہوئی جو مالی سال 2021ء کے ابتدائی آٹھ ماہ میں سال گزشتہ سے تقریباً 17 فیصد زیادہ تھی جس سے معیشت کی چمک کی عکاسی ہوتی ہے۔ اسی طرح ابتدائی نو ماہ کے دوران پٹرول اور ڈیزل کی طلب میں بھی سال گزشتہ کے مقابلے میں بالترتیب تقریباً 9.5 فیصد اور 17 فیصد اضافہ ہوا جس سے معیشت میں وسیع تر بحالی کی ترجمانی ہوتی ہے۔ مجموعی طور پر بڑے پیمانے پر ہونے والی مینوفیکچرنگ (ایل ایس ایم) میں موجودہ مالی سال کے ابتدائی سات ماہ میں 7.9 فیصد ترقی ہوئی ہے جس میں گردش شعبے سب سے آگے رہے ہیں۔

مالی سال کے ابتدائی آٹھ ماہ میں کرنٹ اکاؤنٹ میں 881 ملین ڈالر منافع ہوا جبکہ اس کے بالمقابل سال گزشتہ کی مماثل مدت میں 2,741 ملین ڈالر خسارہ ہوا تھا۔ اس بہتری کی بنیادی وجہ ترسیلات زر میں اضافہ تھا جن میں مالی سال کے ابتدائی آٹھ ماہ کے دوران 24 فیصد کی زبردست شرح سے ترقی ہوئی۔ مرکزی بینک کے زرمبادلہ کے ذخائر میں ابتدائی آٹھ ماہ کے دوران تقریباً 2.2 بلین ڈالر اضافہ ہوا جس کی وجہ ادائیگی کے توازن کی صورتحال میں بہتری ہے۔ بعد ازاں، پاکستانی روپے / امریکی ڈالر میں دوران مدت تقریباً 9 فیصد ترقی ہوئی۔

افراط زر حکومت کی دکھتی 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 صارفین کی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط ابتدائی نو ماہ کے دوران 8.4 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 جلد خراب ہو جانے والی اشیائے خورد و نوش اور گندم 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 6.1 فیصد تھا۔ مانیٹری پالیسی کمیٹی (ایم پی سی) نے گزشتہ اجلاسوں میں پے در پے کٹوتیوں کے بعد صورتحال کو برقرار رکھا۔ اگرچہ حقیقی سود کی شرح منفی رہی لیکن مرکزی بینک کووڈ کے باعث طلب کی جہت پر پڑنے والے دباؤ اور بہتر خارجی صورتحال کی بدولت پیدا ہونے والی سہولت کے حوالے سے محتاط تھا۔

معیشت کے مستحکم ہونے کے آغاز کے ساتھ ٹیکس وصولی بھی بہتر ہوئی اور اس میں مالی سال کے ابتدائی نو ماہ کے دوران 10 فیصد اضافہ ہوا جو ہدف سے 100 بلین روپے زیادہ تھا۔ ابتدائی سات ماہ کا مالیاتی خسارہ مجموعی ملکی پیداوار (جی ڈی پی) کا 2.9 فیصد تھا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 3.2 فیصد تھا۔ بنیادی توازن جی ڈی پی (GDP) کے 0.9 فیصد کے ساتھ مزید بہتر رہا جبکہ اس کے بالمقابل سال گزشتہ جی ڈی پی کا 0.3 فیصد تھا۔

مہنگائی کے بعد سرمایہ کاروں کو مایوس کرنے کے بعد پیداوار کی قیمت میں اضافی ہونا شروع ہوا۔ 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 چٹائی سطح

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

		31 March 2021 (Unaudited) ----- (Rupees in '000) -----	30 June 2020 (Audited)
	Note		
Assets			
Bank balances	5	9,910,227	43,747
Investments	6	3,182,533	104,843
Profit receivable on investments and bank balances		60,712	2,973
Advances and deposits		4,164	4,311
Preliminary expenses and floatation costs		-	54
Receivable from National Clearing Company of Pakistan Limited		-	5,180
Total assets		13,157,636	161,108
Liabilities			
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	7	1,046	539
Payable to Digital Custodian Company (formerly MCB Financial Services Limited) - Trustee		794	46
Payable to the Securities and Exchange Commission of Pakistan		545	36
Dividend payable		4,107	-
Accrued expenses and other liabilities	8	11,169	8,144
Total liabilities		17,662	8,765
CONTINGENCIES AND COMMITMENTS			
	10		
NET ASSETS		13,139,974	152,343
Unit Holders' Fund		13,139,974	152,343
		(Number of units)	
Number Of Units In Issue		132,046,753	1,530,931
		(Rupees)	
Net Asset Value Per Unit		99.5100	99.5100

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

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, 2021

	Nine months ended March 31,		Quarter ended March 31,	
	2021	2020	2021	2020
	(Rupees in '000)			
Income				
Income on investments	33,806	5,891	32,266	2,884
Income from term finance certificates	7,032	4,433	4,650	148
(Loss) / gain on sale of investments classified as 'at fair value through profit or loss' - net	(1,922)	(3,126)	-	(3,253)
Profit on bank deposit	144,491	8,432	123,566	2,146
Unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss' - net	-	897	-	1,006
Other income	25	324	-	130
Total income	183,433	16,851	160,483	3,061
Expenses				
Remuneration of MCB-Arif Habib Savings and Investments Limited - Management Company	1,581	2,337	1,315	765
Sindh Sales Tax on remuneration of the Management Company	205	304	171	100
Allocated expenses	21	141	-	41
Remuneration of Digital Custodian Company (Formerly MCB Financial Services Limited) - Trustee	1,097	377	1,019	125
Sindh Sales Tax on remuneration of trustee	143	49	133	16
Annual fee of Securities and Exchange Commission of Pakistan	318	28	311	8
Provision against Sindh Workers' Welfare Fund	3,583	227	3,141	25
Selling and marketing expenses	165	911	-	329
Securities transaction cost	109	84	91	39
Settlement and bank charges	152	362	114	135
Fees and subscriptions	83	209	45	69
Legal and professional charges	46	43	16	(49)
Amortization of preliminary expenses and formation costs	20	110	-	36
Auditors' remuneration	200	505	115	154
Shariah advisory fee	97	-	97	-
Printing and related costs	32	46	18	29
Total expenses	7,852	5,733	6,586	1,822
Net income for the period before taxation	175,581	11,118	153,897	1,239
Taxation	-	-	-	-
Net gain for the period after tax	175,581	11,118	153,897	1,239
Allocation of Net Income For the period				
Net income for the period	175,581	11,118		
Income already paid on units redeemed	(5,309)	(77)		
Accounting income available for distribution	170,272	11,041		
Relating to Capital gains-net	-	-		
Excluding capital gains	170,272	11,041		
Earnings per unit				

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

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, 2021**

	Nine months ended March 31,		Quarter ended March 31,	
	2021	2020	2021	2020
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Net Income for the period after taxation	175,581	11,118	153,897	1,239
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	175,581	11,118	153,897	1,239

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

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, 2021

	31 March 2021			31 March 2020		
	(Rupees in '000)			(Rupees in '000)		
	Capital value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
Net assets at beginning of the period	141,325	11,018	152,343	238,536	14,975	253,511
Issue of 254,736,690 units (2020: 15,203 units)						
- Capital value	25,348,848	-	25,348,848	1,552	-	1,552
- Element of income	6,277	-	6,277	1	-	1
Total proceeds on Issuance of units	25,355,125	-	25,355,125	1,553	-	1,553
Redemption of 124,220,867 units (2020: 1,032,410 units)						
- Capital value	(12,361,219)	-	(12,361,219)	(105,412)	-	(105,412)
- Element of loss	(5,783)	(5,309)	(11,092)	219	(77)	142
Total payments on redemption of units	(12,367,002)	(5,309)	(12,372,311)	(105,193)	(77)	(105,270)
Total comprehensive income for the period	-	175,581	175,581	-	11,118	11,118
Distribution made during the period (Note 19)	(492)	(170,272)	(170,764)	-	(12,642)	(12,642)
Net income for the period less distribution	(492)	5,309	4,817	-	(1,524)	(1,524)
Net assets as at the end of the period	13,128,956	11,018	13,139,974	134,896	13,374	148,270
Undistributed income brought forward						
- Realized income at the beginning of the period		10,647			14,941	
- Unrealized income at the beginning of the period		371			34	
		11,018			14,975	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		170,272			11,041	
		170,272			9,802	
Distributions during the period		(170,272)			(12,642)	
Undistributed income carried forward		11,018			13,374	
Undistributed income carried forward						
- Realized income at the end of the period		11,018			12,477	
- Unrealized income/ (loss) at the end of period		-			897	
		11,018			13,374	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		99.5100			102.1021	
Net assets value per unit at end of the period		99.5100			101.1588	

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

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



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

Note	31-March 2021	31-March 2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	175,581	11,118
Adjustments for:		
Unrealised diminution in value of investments classified as 'at fair value through profit or loss' - net	-	(897)
Provision for Sindh Workers' Welfare Fund	3,583	227
	<u>179,164</u>	<u>10,448</u>
<i>(Increase) / decrease in assets</i>		
Investments	(3,077,689)	(30,651)
Profit receivable	(57,739)	(456)
Advances, deposit and prepayments	147	(198)
Preliminary expenses and floatation costs	54	201
Receivable against sale of investments	5,180	-
	<u>(3,130,047)</u>	<u>(31,104)</u>
<i>Increase / (decrease) in liabilities</i>		
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	507	285
Payable to Digital Custodian Company - Trustee (Formerly MCB Financial Services Limited)	748	1
Payable to the Securities and Exchange Commission of Pakistan	509	(284)
Dividend payable	4,107	(1,905)
Accrued expenses and other liabilities	(558)	1,229
	<u>5,313</u>	<u>(674)</u>
Net cash flows from operating activities	<u>(2,945,570)</u>	<u>(21,330)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	25,354,633	1,553
Payments on redemption of units	(12,372,311)	(105,270)
Distribution during the period	(170,272)	(12,642)
Net cash flows from financing activities	<u>12,812,050</u>	<u>(116,359)</u>
Increase / (decrease) in cash and cash equivalents during the period	<u>9,866,480</u>	<u>(137,689)</u>
Cash and cash equivalents at beginning of the period	43,747	186,929
Cash and cash equivalents at end of the period	<u><u>9,910,227</u></u>	<u><u>49,240</u></u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

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 (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Money Market Fund (Formerly MCB Pakistan Frequent Payout Fund) ("the Fund") was established under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) as an open-end unit trust scheme. The Fund is governed under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008. MCB Arif Habib Savings and Investments Limited is the Management Company of the Fund, and Digital Custodian Company (formerly MCB Financial Services Limited) is the Trustee. The Trust Deed was executed on 22 July 2015 (modified & restated on 17 July 2020 for changing the name & category of the fund) and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 16 July 2015.
- 1.2 Being an Islamic Fund, all the activities of the Fund are undertaken in accordance with the Islamic Shariah rules and principles. The Management Company has appointed a Shariah Supervisory Council whose advice is followed to ensure that activities of the Fund are in compliance with Shariah.
- 1.3 The Fund was an open-end collective investment scheme categorized as an "Asset Allocation" scheme by the Board of Directors of the Management Company pursuant to Circular 7 of 2009 dated 6 March 2009 issued by the SECP. Securities and Exchange Commission of Pakistan (SECP) vide its letter # SCD / AMCW / MCB AHSIL / MCBPFPF /03/2020 dated July 14, 2020, has approved the conversion of MCB Pakistan Frequent Payout Fund renamed as Alhamra Islamic Money Market Fund from Asset Allocation Scheme to Islamic Money Market Scheme. The Fund was converted from forward pricing fund to backward pricing fund and NAV of 20 August 2020 is applicable NAV of 21 August 2020. The Fund offers units for public subscription on a continuous basis. The units of the Fund can be transferred to / from the funds managed by the Management Company and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.5 The title to the assets of the Fund is held in the name of Digital Custodian Company (Formerly: MCB Financial Services Limited) as the Trustee of the Fund.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) has maintained an asset manager rating of 'AM1' dated 6 October 2020 to the Management Company and stability rating of "AA(f)" dated 09 March 2021 to the Fund.
- 1.7 During the current period, the Trust Act, 1882 has been repealed and provincial trust acts have been issued in consequence to the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements 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 Statement of compliance

These condensed interim financial information 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 comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

- 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.

- 2.2** 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 2020. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2021 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2020, 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 2020.
- 2.3** 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.
- 2.4** 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.
- 2.5** This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

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, 2020.

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, 2020.

4 FINANCIAL RISK MANAGEMENT

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

5 BANK BALANCES	<i>Note</i>	31 March 2021 (Unaudited)	30 June 2020 (Audited)
		---- (Rupees in '000) ----	
Current accounts		-	41,238
Profit and loss sharing accounts (PLS accounts)	5.1	9,910,227	2,509
		9,910,227	43,747

5.1 These carry profit rates ranging from 5.5% to 6.5% (30 June 2020: 5.5% to 7.83%) per annum. These balances include Rs. 3.147 million (30 June 2020: Rs. 2.509 million) maintained with MCB Bank Limited (a related party).

6 INVESTMENTS	<i>Note</i>	31 March 2021 (Unaudited)	30 June 2020 (Audited)
		---- (Rupees in '000) ----	
At fair value through profit or loss			
- Sukuk Certificates - Unlisted	6.1	218,000	585
- Government securities - Market Treasury Bills	6.2	-	-
- Government securities - Pakistan Investment Bonds	6.3	-	104,258
- Term Deposit Receipts	6.5	350,000	
- Bi Muajjal	6.6	1,601,132	
- Commercial Paper	6.4	1,013,401	-
		3,182,533	104,843

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

6.1 Sukuk Certificates - Unlisted

Name of investee company	As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at 31 March 2021	31 March 2021			Investment as a percentage of total issue size
					Carrying value before revaluation	Market value (Revised carrying value)	Unrealised appreciation / (diminution)	
Note								
Hub Power Company Limited - Sukuk	218,000	-	-	218,000	218,000	218,000	-	5%
As at 31 March 2021					218,000	218,000	-	
As at 30 June 2020					578	585	-	

* Certificates having a face value of Rs. 100,000 each)

6.1.1 The terms and conditions of the sukuk certificates outstanding as at 31 March 2021 are as follows:

Name of investee company	Rating	Tenure	Profit payments / principal redemptions	Secured / unsecured	Issue date	Maturity date	Rate of return
Hub Power Company Limited - Sukuk	AA+	6 Months	Semi-Annually	Unsecured	16 November 2020	16 May 2021	6 months KIBOR +1.5% (8.65%)

6.2 Government securities - Market treasury bills

Tenor	Issue date	Face value			As at 31 March 2021	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at 1 July 2020	Purchased during the period	Sold / matured during the period	Market value	Unrealised appreciation / (diminution)	
Market treasury bills - 3 months	2-Jul-20	-	75,000	(75,000)	-	-	-
Market treasury bills - 6 months	16-Jul-20	-	75,000	(75,000)	-	-	-
Market treasury bills - 6 months	2-Jul-20	-	75,000	(75,000)	-	-	-
Market treasury bills - 3 months	16-Jul-20	-	75,000	(75,000)	-	-	-
Total as at March 2021		-	-	-	-	-	-
Total as at 30 June 2020		-	-	-	-	-	-

6.3 Government securities - Pakistan Investment Bonds

Particulars	Issue Date	Face value			As at 31 March 2021	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2020	Purchased during the period	Sold / matured during the period	Market value	Unrealised appreciation / (diminution)	
Pakistan Investment Bond - 3 Years	19-Sep-19	50,000	-	(50,000)	-	-	-
Pakistan Investment Bond - 5 Years	19-Sep-19	50,000	-	(50,000)	-	-	-
Pakistan Investment Bond - 5 Years	19-Sep-19	-	50,000	(50,000)	-	-	-
Pakistan Investment Bond - 3 Years	19-Sep-19	-	50,000	(50,000)	-	-	-
Pakistan Investment Bond - 3 Years	18-Jun-20	-	125,000	(125,000)	-	-	-
Total as at 31 March 2021		-	-	-	-	-	-
Total as at 30 June 2020		-	-	-	-	-	-

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

6.4 Commercial paper

Name Of Security	Issue Rating	Profit rate	Issue date	Maturity date	Face value	Carrying value	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
K Electric ICP 14	AAA	7.16%	10-Feb-2021	10-Aug-2021	649,368	656,448	5.00%	20.63%
K Electric ICP 15	AAA	8.25%	02-Mar-2021	02-Sep-2021	492,014	193,316	1.47%	6.07%
K Electric ICP 16	AA	8.48%	16-Mar-2021	16-Sep-2021	163,031	163,637	1.25%	5.14%
Total as at 31 March 2021 (Un-Audited)					1,304,413	1,013,401	7.71%	31.84%
Total as at 30 June 2020 (Audited)					-	-	-	-

6.5 Term deposit receipt - at fair value through profit and loss

Name Of The Investee Company	Rate Per Annum	Issued Date	Maturity	Face Value	
				Purchased during the period	Matured during The Period
				(Rupees in 000)	
Faysal Bank Limited	6.70%	10/6/2020	12/30/2020	33,000	33,000
FAYSAL BANK LIMITED ISLAMIC BANKING	6.70%	12/21/2020	3/19/2021	150,000	150,000
FAYSAL BANK LIMITED ISLAMIC BANKING	6.70%	12/30/2020	3/30/2021	40,000	40,000
FAYSAL BANK LIMITED ISLAMIC BANKING	6.70%	12/30/2020	3/30/2021	50,000	50,000
ASKARI BANK LIMITED ISLAMIC BANKING	6.70%	2/25/2021	3/29/2021	500,000	500,000
FAYSAL BANK LIMITED ISLAMIC BANKING	7.00%	3/25/2021	4/9/2021	100,000	100,000
FAYSAL BANK LIMITED ISLAMIC BANKING	7.00%	3/25/2021	4/9/2021	100,000	100,000
FAYSAL BANK LIMITED ISLAMIC BANKING	7.00%	3/25/2021	4/9/2021	100,000	100,000
FAYSAL BANK LIMITED ISLAMIC BANKING	7.00%	3/25/2021	4/9/2021	50,000	50,000
Total as at 31 March 2021 (Un-Audited)					350,000
Total as at 30 June 2020 (Audited)					-

6.6 Bai Muajjal Receivable

Opening Balance	As At March 31 2021
Transaction Executed During the Year	(Rupees in 000)
Profit Accrued during the year	1,586,782
Closing balance	14,350
	1,601,132

Name Of Counter Party	Issue date	Maturity Date	Profit Rate	Total Transactions	Deferred Profit	Accrued profit	Carrying Value
(Rupees in 000)							
BANK OF PUNJAB	9/2/2021	10/5/2021	7.00%	403,198	6,841	3,877	400,233
BANK OF PUNJAB	11/2/2021	10/5/2021	7.00%	403,218	6,692	3,726	400,252
SAMBA BANK LIMITED	15/02/2021	18/05/2021	7.05%	403,917	7,052	3,449	400,314
SAMBA BANK LIMITED	17/02/2021	18/05/2021	7.05%	403,936	6,902	3,298	400,332

* These Bai-Muajjal are carried out against K-Electric Commercial Paper.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

7	PAYABLE TO MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED - MANAGEMENT COMPANY	<i>Note</i>	31 March	30 June
			2021	2020
			(Unaudited)	(Audited)
			---- (Rupees in '000) ----	
	Management remuneration payable		816	196
	Sindh Sales Tax payable on management remuneration		106	26
	Sales load payable		27	15
	Payable against allocated expenses		-	12
	Payable against selling and marketing expenses		-	290
	Shariah Advisory Fee Payable		97	-
			1,046	539
8	ACCRUED EXPENSES AND OTHER LIABILITIES	<i>Note</i>	31 March	30 June
			2020	2020
			(Unaudited)	(Audited)
			---- (Rupees in '000) ----	
	Provision for Sindh Workers' Welfare Fund	8.1	6,329	2,745
	Provision for Federal Excise Duty relating to:	8.2		
	- Management fee		841	841
	- Sales load		3,625	3,625
	Brokerage payable		10	50
	Auditors' remuneration		198	432
	Other		167	451
			11,169	8,144

8.1 Provision against Sindh Workers' Welfare Fund (SWWF)

The status of chargeability of SWWF is the same as disclosed in the audited annual financial statements for the year ended 30 June 2020. 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 31 March 2021 would have been higher by Rs 0.0479 per unit (30 June 2020: 1.7931 per unit).

8.2 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 Honourable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the audited annual financial statements of the Fund for the year ended 30 June 2020. 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 31 March 2021 would have been higher by Re. 0.0338 per unit (30 June 2020: Rs 0.5494 per unit).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the half year ended 31 March 2021 is 0.29% YTD in which includes 0.16% representing government levies on the Fund such as federal excise duties and sales taxes, Workers' Welfare Fund, annual fee payable to the SECP, etc.

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at 31 MARCH 2021 (30 June 2020: Nil).

11 TAXATION

The Fund's income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. For the Nine months period ended 31 March 2021, the fund has already distributed the entire income earned during the period, including through redemption during the period.

12 EARNINGS PER UNIT

Earnings 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.

13 TRANSACTIONS WITH CONNECTED PERSONS

Related parties / Connected persons of the Fund include the Management Company, other collective investment schemes being managed by the Management Company, MCB Bank Limited being the holding company of the Management Company, the Trustee, directors and key management personnel, other associated undertaking and unit holders holding more than 10% units of the Fund.

Remuneration to the Management Company and Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed of the Fund. Dividend payable / payouts are recorded on the dates declared by the Fund / Management Company. Units issued / redeemed are recorded at the rates applicable on the date of issuance / redemption. All other transactions with connected persons (related parties) are in the normal course of business and are carried out on agreed terms.

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 information, are as follows:

13.1 Transactions during the period with connected persons / related parties in the units of the Fund:

For the Nine Month Ended March 2021									
As at July 01, 2020	Issued for cash	Bonus	Redeemed	As at 31 March 2021	As at July 01, 2020	Issued for cash	Bonus	Redeemed	As at 31 March 2021
(Units)				(Rupees in '000)					
Associated company									
MCB Arif Habib savings and Investments Limited - 8.2% of the units as at the period end	-	18,763,729	18,763,729	-	-	1,867,665		1,867,632	-
Adamjee Insurance Company									
Limited Employees Gratuity Fund	-	198,378	198,378	-	-	19,741		19,741	-
Adamjee Insurance Company									
Limited Employees Provident Fund	-	396,424	396,424	-	-	39,448		39,448	-
Adamjee Life Assurance Company Limited - Tameem									
	-	1,158,878	1,158,878	-	-	115,320		115,320	-
Hyundai Nishat Motor Private Limited Employees Provident Fund									
	-	533,188	-	533,188	-	53,058		-	53,058
Key management personnel*									
	-	354,950	347,406	7,544	-	35,273		34,632	751
Mandate under discretionary portfolio services*									
	-	82,578,990	82,578,990	-	-	8,223,601		8,227,994	-
Unitholders holding 10% or more*									
	-	91,416,063	-	91,416,063	-	9,096,812		-	9,096,812

* This reflects the position of related party / connected persons status as at March 31, 2021.

For the nine months ended March 31, 2020										
As at July 01, 2019	Issued for cash	Bonus	Redeemed	As at March 31, 2020	As at July 01, 2019	Issued for cash	Bonus	Redeemed	As at March 31, 2020	
(Units)				(Rupees in '000)						
Unitholders holding 10% or more*	541,619	-	-	-	541,619	55,821	-	-	-	55,273
Mandate under discretionary portfolio services *	3	-	-	-	3	304	-	-	-	307

* This reflects the position of related party / connected persons status as at March 31, 2020.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021**

13.2 Details of transactions with the connected persons / related parties during the period are as follows:

	31 March 2021 (Unaudited) ----- (Rupees in '000) -----	31 March 2020 (Unaudited)
MCB-Arif Habib Savings and Investments Limited - Management Company		
Remuneration including indirect taxes	1,786	2,641
Marketing and selling expense	165	911
Allocated expenses	21	141
Dividend distribution	-	-
Digital Custodian Company (formerly MCB Financial Services Limited) - Trustee		
Remuneration of Digital Custodian Company - Trustee (formerly MCB Financial Services Limited)	1,097	377
Sindh Sales Tax on remuneration of the Trustee	143	49
MCB Bank Limited - Holding Company of the Management Company		
Profit on bank deposits	-	214
Bank charges	-	25
Next Capital Limited - Joint Venture of MCB Bank Limited & Arif Habib Corporation Limited		
Brokerage expense	-	31

13.3 Amount outstanding as at period end / year end

	31 March 2021 (Unaudited) ----- (Rupees in '000) -----	30 June 2020 (Audited)
MCB-Arif Habib Savings and Investments Limited - Management Company		
Management remuneration payable	816	196
Sindh sales tax payable on management remuneration	106	26
Payable against allocated expenses	-	12
Payable against marketing and selling expense	-	290
Sales and load payable	27	15
Shahriah Fee Payable	97	-
Digital Custodian Company - Trustee (Formerly MCB Financial Services Limited)	-	
Remuneration of Digital Custodian Company - Trustee (Formerly MCB Financial Services Limited)	703	32
Sindh Sales Tax payable on Trustee remuneration	91	5
MCB Bank Limited - Parent of the Management Company		
Bank balances	4,680	2,509

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

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 close of trading i.e., period end. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognized at fair value 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).

15 DISTRIBUTIONS MADE DURING THE PERIOD

	Refund of capital	Distribution from income	Total distribution
	(Rupees in '000)		
Distribution up to 22 November 2020	492	4,505	4,997
Daily distribution from 23 November 2020 till 31 March 2021*	-	165,767	165,767
	492	170,272	170,764

* The Fund makes distribution on daily basis as per clause 5.1 of the Offering Document from 23 November 2020.

16 GENERAL

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

16.2 Figures have been rounded off to the nearest thousand Rupees unless otherwise stated. Certain prior period's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, stay-at-home or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic.

The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic activity and continuity of business operations. However, to reduce the impact on the economy and business, regulators / government across the country have introduced a host of measures on both the fiscal and economic fronts from time to time.

The management of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021

The Management Company of the Fund expects that going forward these uncertainties would reduce as the impact of COVID-19 on overall economy subsides and have concluded that there is no impact on current financial statements of the Fund.

18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information was authorised for issue on April 16, 2021 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

UAN: (+92-21) 11-11-622-24 (11-11-MCB-AH)

URL: www.mcbah.com, **Email:** info@mcbah.com