



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

SEPTEMBER
2018
(UNAUDITED)

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

ALHAMRA ISLAMIC STOCK FUND

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FUND'S INFORMATION

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| Management Company | MCB-Arif Habib Savings & Investments Limited 24th Floor, Centre Point, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi. | |
| Board of Directors | Mian Muhammad Mansha Mr. Nasim Beg Mr. Muhammad Saqib Saleem Dr. Syed Salman Ali Shah Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib Mr. Mirza Qamar Beg | Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director |
| Audit Committee | Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Mirza Qamar Beg Mr. Nasim Beg | Chairman Member Member Member |
| Risk Management Committee | Mr. Mirza Qamar Beg Mr. Ahmed Jahangir Mr. Nasim Beg | Chairman Member Member |
| Human Resource & Remuneration Committee | Dr. Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Muhammad Saqib Saleem | Chairman Member Member Member Member |
| Chief Executive Officer | Mr. Muhammad Saqib Saleem | |
| Chief Operating Officer & Company Secretary | Mr. Muhammad Asif Mehdi Rizvi | |
| Chief Financial Officer | Mr. Abdul Basit | |
| Trustee | Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com | |
| Bankers | MCB Bank Limited Habib Metropolitan Bank Limited Dubai Islamic Bank Limited Bank Islami Limited Askari Bank Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited Habib Bank Limited National Bank of Pakistan Standard Chartered Bank Limited Summit Bank Limited Al Baraka Pakistan Bank Limited Silk Bank Limited MCB Islamic Bank Limited | |
| Auditors | Deloitte Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah-e-Faisal, Karachi-75350. | |
| Legal Advisor | Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi | |
| Transfer Agent | MCB-Arif Habib Savings & Investments Limited 24th Floor, Centrepont, Off Shaheed-e-Millat Expressway Near K.P.T. Interchange, Karachi. | |
| Rating | AM2++ Asset Manager Rating assigned by PACRA | |

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2018

Dear Investor,

On behalf of the Board of Directors, we are pleased to present Alhamra Islamic Stock Fund accounts review for the First quarter ended September 30, 2018.

MARKET & ECONOMIC REVIEW

Economy and Money Market Review

First quarter of FY19 has been a run of political uncertainty, external pressures and economic slowdown. Given the uptick in oil prices, increasing trend in inflation, continuity of external worries, The Monetary Policy Committee of State Bank of Pakistan opted for 100 bps increases in each of the two meetings conducted in this quarter. The major reason was due to the emergence of inflationary pressures with core inflation expected to creep up with the advent of higher oil and gas prices. Moreover, the MPC highlighted the precarious external account position and need for slowdown in GDP growth to arrest the dwindling foreign exchange reserves.

CPI for the 1QFY19 was registered at 5.6% as the impact of low base kicked in. Higher international oil prices, weaker currency and upward revision in domestic gas prices is expected to jack up overall inflation figure in FY19, which is expected to average ~8.1% compared to last year's inflation of 3.8%. Meanwhile, core inflation is expected to jump above 8.5%.

The external account position kept on highlighting worrisome position for the economy. Current account witnessed a deficit of USD 2.7 billion in first two months of FY19 compared to USD 2.5 billion in the same period last year. A surge in international oil prices is masking the improvement in non oil imports caused by remedial measures, thus causing the current account deficit to remain high. However, the lagged impacts of currency adjustments and monetary tightening are becoming visible as reflected by balance of trade (data of Pakistan Statistical Bureau) declining by 1.6% in the quarter led by decline in non-oil imports. Despite receiving inflows from China, foreign reserves declined by an average of ~USD 115 mn per week. State Bank's foreign exchange reserves stood at USD 8.41 billion reflecting import cover based on SBP's reserves has reached an alarming level of lesser than 2 months imports.

Rising interest rates, rupee adjustment and external pressures are having impact on growth trajectory of economy as reflected by large scale manufacturing index which posted a meager increase of 0.5% YoY in the month of July'18 broadly supported by production of petroleum products.

Subsequent to monetary tightening by State Bank, bond yield curve showed an upward trajectory where most of the activity took place in floater PIBs. During 1QFY19 State Bank of Pakistan conducted 3rd Floater PIB auction which witnessed a healthy participation of PKR 151 billion out of which bids worth PKR 108 billion were accepted at a rate of benchmark + 70 bps. Concerns over external front kept market participants shy away from longer tenor Treasury bills with persistence towards accumulation in papers having maturity below or equal to 3 months.

Liquidity remained comfortable throughout 1QFY19 owing to regular OMOs conducted by SBP, while scarcity of Shariah Compliant avenues continued in period under review as there was no fresh issuance of Ijara Sukuk despite ample liquidity in the market.

Equity Market Review

The benchmark index lost ~2% during the quarter. Market witnessed a cameo, with KSE-100 Index bouncing back ~5.4%, just after 5 days of election. The rally was fueled by optimism related to strong central government rather than any tangible change in economic scorecard. Delays in taking required tangible actions by the incumbent government have fizzled out the optimism seen in the initial days after election. Foreigners kept offloading local equities, selling USD 189 mn of stocks which was mainly absorbed by Insurance companies (~USD 102 Mn) and Individuals (~USD 97 Mn). Trading volumes during the quarter averaged around ~170 mn shares depicting a meagre increase of ~0.45%. Refineries, Autos, OMCs, Power & Cements were the major contributors towards index's decline posting a negative return of ~15%/12%/8%/5%/4% respectively. Refineries dragged the index down due to below-expected earnings. OMCs declined because of massive decline in sales volumes of petroleum products which came down by ~32% YoY for the quarter. Once again, Auto sector continued the declining trend due to continued ban on non-filers for vehicle purchase. Cement sector was yet another disappointment due to higher coal prices(+2% QoQ) and concerns on development projects (due to decrease in PSDP allocation) and economic growth going forward.

The sectors that outperformed market were Textiles, Fertilizers & Banks. Textiles surged (+2.4% QoQ) due to favorable stance of the newly-elected government geared towards input cost reduction and export promotion for the sector. Moreover, better annual results supported the sector's rally. Fertilizers surged because of favorable sector dynamics (low levels of

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2018

inventory and higher international prices) resulting in increase in local fertilizer prices. Banks garnered interest on the back of monetary tightening theme.

FUND PERFORMANCE

During the period, PISF delivered a negative return of 1.86% as compared to a negative return of KMI 30 index of 2.57%. Overall equity exposure of the fund stood at 91.1% at the end of the period as compared to 85.8% at June 30, 2018. The fund changed its investment strategy several times during the quarter to cope with various sector and company level fundamental developments. During the period, the fund realigned its sector exposure by decreasing allocation in cash and increased its exposure in equities.

The Net Assets of the Fund as at September 30, 2018 stood at Rs. 3,203 million as compared to Rs. 3550 million as at June 30, 2018 registering a decrease of 9.77%.

The Net Asset Value (NAV) per unit as at September 30, 2018 was Rs.10.58 as compared to opening NAV of Rs.10.78 per unit as at June 30, 2018 registering an increase of Rs. 0.2 per unit.

MARKET & ECONOMY - FUTURE OUTLOOK

The government has announced to approach the IMF for an economic program to support the fragile external account situation. The program would lead to required remedial actions of rupee adjustment, monetary tightening, expenditure curtailment to slow down growth, control the import bill and arrest foreign reserves decline.

For the next year, the economic growth is expected to slow down as currency adjustments and tighter monetary policy will rein on the consumption patterns. However, increased power supply along with the documentation of economy will provide a respite to the economic managers during this critical juncture. We share the optimism on better governance & long term prospects for economic revival amid more focused and sincere efforts to address chronic issues on economic front by the new government; however, the path is likely to be tough and with a number of potentially un-popular policy steps. Given initial plans of PTI, some sense of policy steps can be expected but given the precarious economic conditions, we think immediate term measures to address twin deficits are critical.

Fiscal side would be difficult to manage where we expect fiscal deficit to hover around 5.5% of GDP. Expenditure constraints would lead to public sector development program curtailments amid higher domestic debt servicing cost due to interest rate increase.

Given pressures on the external front along with rising inflation, State Bank is expected to further tighten the monetary policy by at least 100 bps already increased.

The equity market would follow developments on the economic front. Swift economic policy actions would be required to arrest the precarious economic standing and would guide market towards better multiples. In broader terms, we believe, the last two years market performance (down approx. 20% from peak levels) has reflected the concerns on political and economic direction & also reflected in performance of cyclical stocks where correction in stock prices is even sharper. We continue to reiterate our stance that current market multiples (~7.5x) offer little downside potential which puts in a lot of comfort for long term investors. We believe upside in stocks shall unveil only gradually as confidence reigns back and economic policies shape the outlook in the expected manner. Therefore, going forward, stocks offer long term investment opportunity with rewards for patient investors. We continue to track trends in the economic indicators of the country and adjust our portfolio accordingly. Our Top-Down analysis favors sectors that benefit from currency depreciation and higher interest rates; however, we cannot ignore the individual company dynamics along with their prices that can play an important role in security selection.

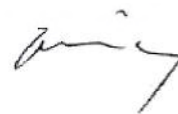
ACKNOWLEDGMENT

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

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
October 22, 2018



Nasim Beg
Vice Chairman / Director

کارکردگی (چوٹی کی سطح سے تقریباً 20 فیصد) نے سیاسی اور معاشی سمت پر خدشات کی عکاسی کی ہے اور یہ بھی سائیکل اسٹاک کی کارکردگی میں عکاسی کرتا ہے جہاں اسٹاک کی قیمتوں میں اصلاح بھی تیز ہے۔ ہم اپنے موقف کو دوبارہ جاری رکھنا چاہتے ہیں کہ موجودہ مارکیٹ کے ملزمان (7.5) کی پیشکش تھوڑی دیر سے ممکنہ صلاحیت ہے جو طویل مدتی سرمایہ کاروں کے لئے بہت آرام دہ ہے۔ ہم یقین رکھتے ہیں کہ اسٹاک میں اسٹیٹس صرف آہستہ آہستہ انکشاف کریں گے جیسے اعتماد اعتماد میں آئیں گے اور اقتصادی پالیسیوں کو متوقع طور پر انداز نظر آتے ہیں۔ لہذا! آگے آگے، اسٹاک مریض سرمایہ کاروں کے لئے انعامات کے ساتھ طویل مدتی سرمایہ کاری کا موقع پیش کرتے ہیں۔ ہم ملک کے اقتصادی اشارے میں رجحانات کو ٹریک کرتے ہیں اور اس کے مطابق اپنے پورٹ فولیو کو ایڈجسٹ کرتے ہیں۔ ہمارے اوپر کے نیچے کا تجزیہ شعبوں سے فائدہ اٹھاتا ہے جو کرنسی کی قیمتوں میں اضافے اور اعلیٰ سود کی شرح سے فائدہ اٹھائے جاتے ہیں؛ تاہم، ہم انفرادی کمپنی کی متحرک نظر انداز نہیں کر سکتے ہیں ان کی قیمتوں کے ساتھ جو سیکورٹی انتخاب میں اہم کردار ادا کر سکتا ہے۔

اعتراف:

بورڈ کو اس فنڈ کی قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایڈجسٹنگ کمیشن پاکستان وائمن اپنی مسلسل تعاون اور مدد کے لئے فنڈ کے قیام کا شکر گزار ہے۔ ڈائریکٹرز بھی مینجمنٹ ٹیم کی طرف سے میں ڈال دیا کی کوششوں کی تعریف کرتے ہیں۔

ڈائریکٹرز کی جانب سے،



نسیم بیگ

ڈائریکٹر/نائب چیئرمین

22 اکتوبر، 2018ء



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

22 اکتوبر، 2018ء

واپسی کے مقابلے میں 30 جون، 2018ء میں 85.8 فیصد کے مقابلے میں اس فنڈ کے مجموعی طور پر انوائٹڈ نمائش 91.1 فیصد تھی۔ اس فنڈ میں کئی سینڈ اور کمپنی کی سطح کے بنیادی ترقیات سے نمٹنے کے لئے سہ ماہی کے دوران اس کی سرمایہ کار کی حکمت عملی کئی بار تبدیل ہوئی۔ اس عرصے کے دوران فنڈ نے نقد رقم میں مختص کم کر کے اس کے شعبے کی نمائش کو مسترد کر دیا اور اس کی نمائش میں اضافہ کیا۔

ستمبر 30، 2018ء کے طور پر فنڈ کے نیٹ اثاثے 3.203 ملین روپے کے مقابلے میں جون 30، 2018ء کے مطابق 3550 ملین 9.77 فیصد کمی۔

30 جون، 2018ء میں اے این او کو کھولنے کے مقابلے میں ستمبر 30، 2018ء کو ہر یونٹ کے مطابق نیٹ اسٹیٹ ویلیو (این اے اے) فی یونٹ 2 بلین روپے تھا۔ 0.2 فی یونٹ فی یونٹ میں اضافہ ہوا۔

مارکیٹ اور معیشت - مستقبل کے نقطہ نظر:

حکومت نے بین الاقوامی بیرونی صورتحال کی صورت حال کی حمایت کرنے کے لئے اقتصادی پروگرام کے لئے آئی ایم ایف سے گفتگو کرنے کا اعلان کیا ہے۔ پروگرام کو روپیہ ایڈجسٹمنٹ، مالیاتی سختی، اور اخراجات میں کمی کی ضرورت ہوتی ہے، ترقی کو سست کرنے، درآمد بل کو کنٹرول کرنے اور غیر ملکی ذخائر کو کم کرنے میں کمی کی ضرورت ہوتی ہے۔

اگلے سال کے لیا اقتصادی ترقی میں کمی کی توقع کی جاتی ہے کیونکہ کرنسی کی ایڈجسٹمنٹ اور سخت پیسہ پالیسیاں کھپت کے نمونے پر مل جائے گی۔ تاہم، معیشت کی دستاویزات کے ساتھ ساتھ بجلی کی فراہمی میں اضافے کو اس اہم مرحلے کے دوران معاشی مینجمنٹ کو ایک مہلت فراہم ہوگی۔ ہم نئی حکومت کی طرف سے اقتصادی محاذ پر دائمی مسائل کو حل کرنے کے لئے زیادہ توجہ مرکوز اور مخلص کوششوں کے درمیان اقتصادی اصلاح کے لئے بہتر حکومتی نظام اور طویل مدتی امکانات پر خوشگوار اشتراک کرتے ہیں؛ تاہم، یہ راستہ سخت اور ممکنہ غیر مقبول پالیسی کے اقدامات کے امکانات کا امکان ہے۔ پی ٹی آئی کی ابتدائی منصوبہ بندی کو دیکھتے ہوئے، کچھ ساری پالیسی اقدامات کی توقع کی جاسکتی ہے لیکن غیر معمولی معاشی حالات کو پورا کرنے کے لئے، ہم سوچتے ہیں کہ جڑواں خسارے کو حل کرنے کے فوری طور پر اقدامات کیے جاتے ہیں۔

مالیاتی ادارے کو یہ انتظام کرنا مشکل ہوگا کہ ہم جی ڈی پی کے 5.5 فیصد کے قریب مالیاتی خسارے کی امید کرتے ہیں۔ اخراجات میں اضافے کی وجہ سے اخراجات میں اضافے کی وجہ سے اخراجات میں اضافے کی وجہ سے عوامی شعبے کی ترقی کے پروگرام میں کمی کا سبب بن جائے گا۔

بڑھتی ہوئی افراط زر کے ساتھ ساتھ بیرونی محاذ پر دیئے گئے دباؤ پر توقع ہے کہ کم از کم 100 بی پی ایس کی طرف سے ریاستی بینک کو مالیاتی پالیسی کو مزید مضبوطی سے آگے بڑھایا جائے۔

ایونٹ مارکیٹ میں اقتصادی محاذ پر پیش رفت کی پیروی کرے گی۔ فوری معیشت کے اقدامات کو ناقابل اعتماد اقتصادی موقف کو روکنے کے لئے ضروری ہوگی اور مارکیٹ میں بہتر لمحہ کی راہنمائی کرے گی۔ وسیع تر شرائط میں، ہم یقین رکھتے ہیں کہ گزشتہ دو سال کی مارکیٹ کی

اسٹیٹ بینک کی جانب سے مالیاتی تنصیب کے بعد، بانڈ کی پیداوار کی وکرا ایک ایسی پیش رفت ظاہر کرتا ہے جہاں پی ٹی آئی کے فراہم میں زیادہ سے زیادہ سرگرمی ہوئی۔ 1QFY19 کے دوران، اسٹیٹ بینک آف پاکستان نے تیسرے فلوٹر پی آئی بی کی نیلامی کا اہتمام کیا جس میں 151 ارب روپے کی صحت مند شرکت کی 151 ارب روپے کی مانند ہوئی۔ خارجہ محاذ کے بارے میں خدشات نے مارکیٹ کے شرکاء کو طویل عرصے سے خزانہ بلوں سے لے کر رکھا ہے جس میں جمع ہونے والی کاغذات میں 3 مہینے کے برابر یا مساوی ہونے کے سلسلے میں مسلسل اضافہ ہوتا ہے۔

ایس بی پی کی جانب سے منظم باقاعدہ OMO کی وجہ سے 11QFY کے دوران لچکدار آرام دہ اور پرسکون رہے، جبکہ مارکیٹ میں کافی مانع کی کمی کے باوجود شرعی مطابقت پذیر سٹرکوں کی کمی کا جائزہ لینے کے دوران جاری رہا۔

مساوات مارکیٹ کا جائزہ:

سہ ماہی کے دوران بیج مارک انڈیکس 2 فیصد کم کر دیا۔ مارکیٹ میں آنے والے ایس ای ایس 100 انڈیکس کے ساتھ 55 دن کے بعد، صرف 5 دنوں کے بعد بازار میں آنے والی آمدنی کا سامنا ہوا تھا۔ اقتصادی سکور کارڈ میں کسی بھی زبردست تبدیلی کے بجائے ریلی کو مضبوط مرکزی حکومت سے متعلق امید سے آگاہ کیا گیا تھا۔ موجودہ حکمرانوں کی طرف سے ضروری ٹھوس اقدامات کرنے میں تاخیر، انتخابات کے بعد ابتدائی دنوں میں دیکھے جانے والی امید کا مظاہرہ کیا ہے۔ غیر ملکوں نے مقامی اقوام متحدہ کو بند کر دیا، 189 ملین امریکی اسٹاک فروخت کرتے ہوئے بنیادی طور پر انشورنس کمپنیاں (102 ایم ایم امریکی ڈالر) اور افراد (MN97USD) کی طرف سے جذب کیا۔ سہ ماہی کے دوران ٹریڈنگ کے حجم تقریباً MN170 حصوں میں 0.45 فیصد کی معمولی اضافہ کی نمائش کر رہے ہیں۔

ریفائنریٹس، آٹو، اوائیم سیزر، پاور اور سیٹیز میں انڈیکس کی کمی کی وجہ سے بالترتیب 15 فیصد/12 فیصد/8 فیصد/5 فیصد/4 فیصد/4 فیصد کی منفی واپسی کی اہمیت میں اہم شراکت دار تھے۔ ذیل میں متوقع آمدنی کی وجہ سے ریفائنریٹس نے انڈیکس کو ڈرا دیا۔ پیٹرولیم کی مصنوعات کی فروخت کے اعداد و شمار میں بڑے پیمانے پر کمی کی وجہ سے OMCs میں کمی کی وجہ سے کمی ہوئی۔ ایک بار پھر، گاڑی کی خریداری کے لئے غیر فلموں پر مسلسل پابندیوں کی وجہ سے آٹو سیکٹر نے کمی کی رجحان کو جاری رکھا۔ کونسل کی قیمتوں میں زیادہ مایوسی تھی کیونکہ کونسل کی قیمتیں (2 فیصد فوق) اور ترقیاتی منصوبوں پر تشویش (پی ایس ڈی ڈی مختص میں کمی کی وجہ سے) اور اقتصادی ترقی آگے بڑھتی ہے۔

ایسے شعبوں جو بازار سے باہر تھے، ٹیکسٹائل، اور راتر اور بینکوں تھے۔ ٹیکسٹائل (2.4 فیصد QoQ) کی وجہ سے علاقے کے لئے ان پٹ لاگت میں کمی اور برآمد فروغ کی طرف سے تیار کردہ نئی منتخب کردہ حکومت کے سازگار موقف کے مطابق اس کے علاوہ، بہتر سالانہ نتائج نے سیکٹر کی ریلی کی حمایت کی۔ کھاد، مقامی شعبوں کی قیمتوں میں اضافہ (انویسٹری کی کم سطح اور اعلیٰ بین الاقوامی قیمتوں) کی وجہ سے سردیوں میں اضافے کی وجہ سے مقامی کھاد کی قیمتوں میں اضافہ ہوا۔ بینکوں نے مالیاتی مرکزی خیال کے موضوع کے پیچھے دلچسپی حاصل کی۔

فنانس کی کارکردگی:

اس مدت کے دوران، پی ایس ایف نے 1.8 فیصد کی منفی واپسی کی توثیق کی ہے کیونکہ کلومیٹر 30 کلومیٹر کا 2.57 فیصد انڈیکس کی منفی

عزیز سرمایہ کار!

بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 ستمبر، 2018ء کو ختم ہونے والی پہلی سہ ماہی کے لئے الہمرا اسلامی اسٹاک فنڈ اکاؤنٹس کے جائزہ لینے کے لئے خوش ہیں۔

مارکیٹ اور اقتصاد کی جائزہ:

معیشت اور کرنسی مارکیٹ جائزہ:

مالی سال 19 کی پہلی سہ ماہی سیاسی بے یقینی، بیرونی دباؤ اور اقتصادی سستے کا ایک حصہ رہا ہے۔ تیل کی قیمتوں میں اضافہ، بیرونی افواج کی مسلسل تسلسل، افراط زر میں بڑھتی ہوئی رجحان، اسٹیٹ بینک آف پاکستان آف اسٹیٹ بینک کی کمیٹی نے اس سہ ماہی میں منعقد ہونے والی دونوں ملاقاتوں میں 100 بی پی ایس اضافہ کی۔ اہم وجہ یہ تھا کہ انفراسٹرکچر کے دباؤ کے نتیجے میں بنیادی افراط زر کے ساتھ اعلیٰ تیل اور گیس کی قیمتوں کی آمد کے ساتھ پیدا ہونے کی امید ہے۔ اس کے علاوہ، MPC نے غیر معمولی خارجہ اکاؤنٹ کی حیثیت پر روشنی ڈالی ہے اور اس سے کم غیر ملکی کرنسی کے ذخائر کو گرفتار کرنے کے لئے جی ڈی پی کی ترقی میں کمی کی ضرورت ہے۔

1QFY19 کے لئے پی پی پی آئی 5.6 فیصد کم ہیں کے اثرات کے طور پر رجسٹر کیا گیا تھا۔ گھریلو گیس کی قیمتوں میں زیادہ بین الاقوامی تیل کی قیمتیں، کمزور کرنسی اور تیز تر نظر ثانی کی توقع ہے کہ اس سے مالیاتی معاہدے کے اعداد و شمار میں مالی سال 19 میں اضافہ ہوگا، جس میں اوسط 8.1 گزشتہ سال کی شرح میں 3.8 فیصد کی شرح کے مقابلے میں دریں اثنا، بنیادی افراط زر کی شرح 8.5 فیصد سے زائد ہے۔

معیشت کے لئے تشویشناک پوزیشن کو نمایاں کرنے پر بیرونی اکاؤنٹ کی حیثیت رکھتی ہے۔ موجودہ اکاؤنٹ FY19 کے پہلے دو مہینوں میں 2.7 ارب امریکی ڈالر کا خسارہ دیکھا گیا تھا گزشتہ سال اسی مدت میں 2.5 بلین ڈالر۔ بین الاقوامی آئل کی قیمتوں میں اضافے کی وجہ سے نجی درآمدات کی وجہ سے غیر تیل کی درآمد میں بہتری آرہی ہے، اس وجہ سے موجودہ اکاؤنٹ کے خسارے کو زیادہ رہنے کا باعث بنتا ہے۔ تاہم، کرنسی کے ایڈجسٹمنٹ کے غیر معمولی اثرات اور مالیاتی سختی کی وجہ سے تجارت کی توازن (پاکستان کے اعداد و شمار بیورو کے اعداد و شمار) کی طرف سے ظاہر ہوتا ہے ظاہر ہوتا ہے کہ غیر تیل درآمد میں کمی کی وجہ سے سہ ماہی میں 1.6 فیصد کمی آئی ہے۔ چین سے آمدنی حاصل کرنے کے باوجود، غیر ملکی ذخائر فی اوسط امریکی ڈالر 115 ایم ایم فی ہفتہ سے کم ہو گئی۔ اسٹیٹ بینک کے غیر ملکی کرنسی کے ذخائر ایس بی پی کے ذخائر کی بنیاد پر درآمد کا احاطہ کرتے ہوئے 8.41 بلین امریکی ڈالر پر کھڑے ہو گئے ہیں، اس سے دو مہینے کے مقابلے میں کم سے زیادہ خطرناک سطح پر پہنچ گئی ہے۔

بڑھتی ہوئی سود کی شرح، روپیہ ایڈجسٹمنٹ اور بیرونی دباؤ معیشت کی ترقی کی ترقی پر اثر انداز ہو رہی ہے، جس میں بڑے پیمانے پر مینوفیکچرنگ انڈیکس کی طرف اشارہ کیا گیا ہے جس نے جولائی 18 کے مہینے میں 0.5 ÷ اضافی اضافہ میں پٹرولیم مصنوعات کی پیداوار کی

حمایت کی۔

CONDENSED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2018

| | | Unaudited September 30, 2018 | Audited June 30, 2018 |
|--|------|------------------------------------|-----------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| ASSETS | | | |
| Balances with banks | 4 | 240,705 | 515,013 |
| Investments | 6 | 2,959,550 | 3,144,338 |
| Receivable against sale of investment | | 356 | - |
| Dividend, profit and other receivables | | 43,532 | 4,123 |
| Advance, deposits and prepayment | | 3,582 | 3,226 |
| Total assets | | <u>3,247,725</u> | <u>3,666,700</u> |
| LIABILITIES | | | |
| Payable to the Management Company | | 10,264 | 10,535 |
| Payable to the Trustee | | 409 | 419 |
| Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP) | | 827 | 3,060 |
| Unclaimed dividend | | 12,400 | 12,400 |
| Payable against purchase of investments | | - | 69,158 |
| Accrued and other liabilities | 7 | 20,850 | 20,972 |
| Total liabilities | | <u>44,749</u> | <u>116,544</u> |
| NET ASSETS | | <u>3,202,977</u> | <u>3,550,156</u> |
| Unit holders' fund (as per statement attached) | | <u>3,202,977</u> | <u>3,550,156</u> |
| Contingencies and commitments | | | |
| | | ----- (Number of units) ---- | |
| NUMBER OF UNITS IN ISSUE | | <u>302,607,564</u> | <u>329,449,289</u> |
| | | ----- (Rupees) ----- | |
| NET ASSETS VALUE PER UNIT | | <u>10.58</u> | <u>10.78</u> |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

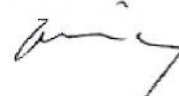
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

| | September 30, 2018 | September 30, 2017 |
|--|------------------------------|-----------------------|
| | ----- (Rupees in '000) ----- | |
| INCOME | | |
| Profit on bank deposits | 8,637 | 7,557 |
| Net unrealised loss on revaluation of investments classified as at fair value through profit or loss' | (73,274) | (220,888) |
| Dividend income on investments | 39,979 | 23,290 |
| Net loss on sale of investments | (9,747) | (110,153) |
| Total (loss) / income | (34,406) | (300,194) |
| EXPENSES | | |
| Remuneration of the Management Company | 17,408 | 14,795 |
| Sales tax on remuneration of the Management Company | 2,263 | 1,923 |
| Expenses allocated by the Management Company and related taxes | 983 | 836 |
| Selling and marketing expenses | 3,481 | 2,959 |
| Remuneration of the Trustee | 1,122 | 992 |
| Sales tax on remuneration of the Trustee | 146 | 129 |
| Annual fee to SECP | 827 | 703 |
| Auditors' remuneration | 149 | 135 |
| Brokerage, settlement and bank charges | 2,733 | 4,492 |
| Fees and subscription | 23 | 66 |
| Legal and professional charges | 45 | 54 |
| Shariah advisory fee | 225 | 225 |
| Printing and related costs | 25 | 40 |
| Donation / charity | 346 | 229 |
| Total expenses | 29,777 | 27,578 |
| Net loss for the period from operating activities | (64,182) | (327,772) |
| Taxation | 9 | - |
| Net loss for the period after taxation | (64,182) | (327,772) |
| <i>Allocation of net income for the period:</i> | | |
| Net income for the period after taxation | - | - |
| Income already paid on units redeemed | - | - |
| <i>Accounting income available for distribution:</i> | | |
| - Relating to capital gains | - | - |
| - Excluding capital gains | - | - |

The annexed notes from 1 to 13 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 OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

| | September 30, 2018 | September 30, 2017 |
|---|------------------------------|-------------------------|
| | ----- (Rupees in '000) ----- | |
| Net loss for the period after taxation | (64,182) | (327,772) |
| Net unrealised diminution on re-measurement of investments previously classified as 'available-for-sale' | | (28,325) |
| | | - |
| Total comprehensive loss for the period | <u>(64,182)</u> | <u>(356,097)</u> |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

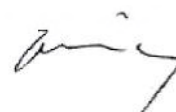
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

| | September 30, 2018 | | | September 30, 2017 | |
|--|--------------------|----------------------|---|--------------------|------------------|
| | Capital value | Undistributed income | Unrealised appreciation / (diminution) on FVTOCI (Previously: AFS) (Rupees in '000) | Total | Total |
| Net assets at beginning of the year | 3,440,214 | 31,452 | 78,490 | 3,550,156 | 2,914,957 |
| Issuance of 66,548,891 (2017: 333,204,107) units | | | | | |
| - Capital value (at net assets value per unit at beginning of the year) | 717,397 | - | - | 717,397 | - |
| - Element of Income | (10,669) | - | - | (10,669) | - |
| | 706,728 | - | - | 706,728 | 1,310,754 |
| Redemption of 93,390,616 (2017: 201,035,204) units | | | | | |
| - Capital value (at net assets value per unit at beginning of the year) | 1,006,751 | - | - | 1,006,751 | - |
| - Element of Income | (17,026) | - | - | (17,026) | - |
| | 989,725 | - | - | 989,725 | 931,226 |
| Total comprehensive loss for the year | - | (64,182) | - | (64,182) | (356,097) |
| Re-designation of Equity investment at the beginning of period previously classified as Available for sale | 78,490 | - | (78,490) | - | - |
| | 78,490 | (64,182) | (78,490) | (64,182) | (356,097) |
| Net assets at end of the period | 3,235,707 | (32,730) | - | 3,202,977 | 2,938,388 |
| Undistributed income brought forward | | | | | |
| - Realised | | 281,264 | | | 483,316 |
| - Unrealised | | (249,812) | | | (41,361) |
| | | 31,452 | | | 441,955 |
| Net loss for the year after taxation | | (64,182) | | | (327,772) |
| Undistributed (loss) / income carried forward | | (32,730) | | | 114,183 |
| Undistributed (loss) / income brought forward | | | | | |
| - Realised | | 40,544 | | | 335,071 |
| - Unrealised | | (73,274) | | | (220,888) |
| | | (32,730) | | | 114,183 |
| ----- (Rupees) ----- | | | | | |
| Net assets value per unit at beginning of the year | 10.78 | | | 12.25 | |
| Net assets value per unit at the end of period | 10.58 | | | 10.88 | |

The annexed notes from 1 to 13 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 QUARTER ENDED SEPTEMBER 30, 2018

September 30, September 30,
2018 2017

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

CASH FLOW FROM OPERATING ACTIVITIES

Net loss for the period after taxation (64,182) (327,772)

Adjustments for :

Net unrealised loss on revaluation of investments classified as
at fair value through profit or loss'

Dividend income on investments 73,274 220,888
(39,979) (23,290)

Decrease / (Increase) in assets

Investments 111,512 (451,774)
Receivable against sale of investments (356) 2,137
Profit and other receivables 570 325
Advances, deposits and prepayments (356) (85)

(Decrease) in liabilities

Payable to the Management Company (271) 3,508
Payable to the Trustee (10) 22
Annual fee payable to SECP (2,233) (1,092)
Payable against purchase of investments (69,158) (78,640)
Payable against redemption of units - (52,000)
Accrued and other liabilities (122) 166

Dividend received - 6,794
Net cash generated / (used in) operating activities **8,689** (700,813)

CASH FLOW FROM FINANCING ACTIVITIES

Receipts from issuance of units 706,728 1,310,754
Payments on redemption of units (989,725) (931,226)
Net cash (used in) / generated from financing activities **(282,997)** 379,528

Net (decrease) in cash and cash equivalents during the period **(274,308)** (321,285)

Cash and cash equivalent at beginning of the year 515,013 777,425

Cash and cash equivalent at end of the period **240,705** 456,140

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

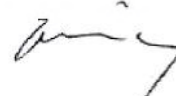
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Stock Fund (formerly: MCB Pakistan Islamic Stock Fund) (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (AHIL) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee on May 26, 2004.
- 1.2 Pursuant to the merger of MCB Asset Management Company Limited with and into Arif Habib Investments Limited (AHIL), the name of AHIL has been changed to MCB-Arif Habib Savings and Investments Limited.
- 1.3 Formation of the Fund as a closed-end fund was authorized by SECP on May 13, 2004, however with effect from November 11, 2010 the Fund was converted into open-end fund. The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Management Company is situated at 24th Floor, Centre Point, Off. Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi, Pakistan.
- 1.4 The Fund is categorised as "Shariah compliant Islamic Equity Scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in listed equity securities. It also invests in cash instruments and treasury bills not exceeding 90 days maturity.
- 1.5 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.6 The Pakistan Credit Rating Agency (PACRA) Limited has assigned an asset manager rating of AM2++ dated October 08, 2018 to the Management Company and has assigned performance ranking of 4-Star dated May 24, 2018 to the Fund.
- 1.7 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This Condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. 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
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the 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 IFRS Standards, 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 the requirements of the Trust Deed have been followed.

- 2.2 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 does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.
- 2.3 In compliance with schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2018.
- 2.4 These condensed interim financial statements are unaudited. Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency and rounded to the nearest thousand rupees, unless otherwise specified.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

2.5 The date of initial application" of IFRS 9 is the date when the entity first applies its requirements. Therefore, the beginning of an interim or annual reporting period i.e July 01, 2018 is the date of initial application and applied prospectively because it is not possible to do so with out the use of hindsight and is impracticable, therefore comparative figures are not restated. The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial information as at September 30, 2018 have been extracted from the audited financial statements of the Fund for the year ended June 30, 2018, whereas the comparatives in the condensed interim income statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial information of the Fund for the quater ended September 30, 2017.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS AND CHANGES THEREIN

3.1 The accounting policies, financial risk management objectives & policies, basis of accounting estimates applied & methods of computation adopted in the preparation of the condensed interim financial statement and all standards, interpretations and amendments to publised approved accounting standards are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2018, except with respect to of adoption of IFRS- 9 as explained in detail in note 3.2.

3.2 In July 2014 IASB issued a revised version of IFRS 9 'Financial Instruments' which supersedes all its previous versions and is mandatorily effective for periods beginning on or after January 1, 2018. The SECP has adopted the IFRS 9 effectively from July 1, 2018 and will be applicable for the Fund as well. Further, the SECP through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Therefore the Fund will not be subject to the impairment provisions of IFRS 9. From July 01, 2018 the Fund has adopted IFRS-9 as per approved accounting and reporting standards as applicable in Pakistan.

Key requirements of IFRS 9:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt and equity instruments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election at initial recognition to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognised by an acquirer in a business combination) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised. However, the SECP through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds.
- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Classification and measurement:

- Classification and Measurement of Financial Assets and Finalcial Liabilities after the adoption of IFRS-9 is discussed as under:

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

- Listed equity securities classified as 'at Fair value through Profit or Loss' investments carried at fair value will continue to be subsequently measured at Fair value through Profit or Loss upon the application of IFRS 9, and the fair value gains or losses and gains or losses on derecognition of such investments will be recognised in profit or loss;
- Listed equity securities classified as 'at Available for sale' investments carried at fair value have been re-designated & will be measured at Fair value through Profit or Loss upon the application of IFRS 9, and the fair value gains or losses and gains or losses on derecognition of such investments will be recognised in profit or loss;
- Debt securities (Listed / Unlisted) and government securities classified as 'at Fair value through Profit or Loss' investments carried at fair value will continue to be subsequently measured at Fair value through Profit or Loss upon the application of IFRS 9, and the fair value gains or losses and gains or losses on derecognition of such investments will be recognised in profit or loss;
- All financial assets classified as Loans and receivable as on June 30, 2018 have now been re-classified as Amortized cost. These assets under IFRS - 9 will continue to be measured on the same bases as was adopted under IAS 39.
- All other financial assets and financial liabilities under IFRS - 9 will continue to be measured on the same bases as was adopted under IAS 39.

| 4. BALANCES WITH BANKS | Note | Unaudited September 30, 2018 ----- (Rupees in '000) ----- | Audited June 30, 2018 |
|------------------------|------|--|-----------------------------|
| In current accounts | | 6,578 | 16,608 |
| In deposit accounts | | <u>234,127</u> | <u>498,405</u> |
| | | <u>240,705</u> | <u>515,013</u> |

5. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund is 0.86% as on September 30, 2018 (Jun 2018: 3.68%) and this includes 0.09% (Jun 2018: 0.38%) representing Government Levy, Sindh Worker's Welfare Fund and SECP Fee. This ratio is within the maximum limit of 4% prescribed under the NBFC Regulation 60 (5) for a collective investment scheme categorised as a shariah compliant islamic equity scheme.

| 6. INVESTMENTS | | Unaudited September 30, 2018 ----- (Rupees in '000) ----- | Audited June 30, 2018 |
|---|-----|--|-----------------------------|
| At fair value through profit or loss | | | |
| Listed equity securities | 6.1 | 2,959,550 | 2,901,124 |
| Previously classified as available-for-sale - under IAS 39 | | | |
| Listed equity securities | 6.2 | <u>-</u> | <u>243,214</u> |
| | | <u>2,959,550</u> | <u>3,144,338</u> |

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

6.1 Listed equities securities - 'at fair value through profit or loss'

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

| Name of the Investee Company | As at June 30, 2018 | Re-designated * | Number of shares | | | | | Balance as at September 30, 2018 | | | | Market value | | Paid-up value of shares held as a percentage of total paid-up capital of the investee company | |
|---|---------------------|-----------------|---------------------|---------------------------|-------------------------------------|----------------------|--------------------------|----------------------------------|--------------|--------------------------|-------------------------------|--------------------------------------|-------|---|---|
| | | | As at July 01, 2018 | Purchased during the year | Bonus / right issue during the year | Sold during the year | As at September 30, 2018 | Carrying value | Market Value | Unrealised (loss) / gain | As a percentage of net assets | As a percentage of total investments | | | |
| | | | | | | | | | | | | | | | |
| (Rupees in '000) | | | | | | | | | | | | | | | |
| AUTOMOBILE ASSEMBLER | | | | | | | | | | | | | | | |
| Ghandhara Industries Limited | 23,050 | - | 23,050 | - | - | 23,050 | - | - | - | - | - | - | - | - | - |
| Millat Tractors Limited | 56,620 | - | 56,620 | - | - | 4,520 | 52,100 | 61,898 | 52,837 | (9,061) | 1.65% | 1.79% | 0.12% | 0.12% | |
| AUTOMOBILE PARTS & ACCESSORIES | | | | | | | | | | | | | | | |
| Agriauto Industries Limited | 104,300 | 21,200 | 125,500 | - | - | - | 125,500 | 37,023 | 29,554 | (7,469) | 0.92% | 1.00% | 0.44% | 0.44% | |
| General Tyre & Rubber Company Limited | 169,300 | - | 169,300 | - | - | 169,300 | - | - | - | - | - | - | - | - | |
| CABLE & ELECTRICAL GOODS | | | | | | | | | | | | | | | |
| Pak Elektron Limited | 480,000 | - | 480,000 | 165,000 | - | 480,000 | 165,000 | 5,221 | 5,072 | (149) | 0.16% | 0.17% | 0.03% | 0.03% | |
| CEMENT | | | | | | | | | | | | | | | |
| Cherat Cement Company Limited | 414,400 | - | 414,400 | - | - | - | 414,400 | 40,292 | 33,380 | (6,912) | 1.04% | 1.13% | 0.23% | 0.23% | |
| D.G. Khan Cement Company Limited | 600,000 | - | 600,000 | - | - | 600,000 | - | - | - | - | - | - | - | - | |
| Devan Cement Limited | 350,000 | - | 350,000 | - | - | - | 350,000 | 6,300 | 4,946 | (1,355) | 0.15% | 0.17% | 0.07% | 0.07% | |
| Kohat Cement Limited | 472,300 | - | 472,300 | - | - | 108,800 | 363,500 | 44,736 | 45,488 | 752 | 1.42% | 1.54% | 0.24% | 0.24% | |
| Lucky Cement Limited | 318,400 | - | 318,400 | 152,800 | - | 148,400 | 322,800 | 170,156 | 165,577 | (4,579) | 5.17% | 5.59% | 0.10% | 0.10% | |
| Maple Leaf Cement Factory Limited | 1,899,300 | - | 1,899,300 | - | - | 1,899,300 | - | - | - | - | - | - | - | - | |
| Thatta Cement | 621,500 | - | 621,500 | - | - | 19,500 | 602,000 | 13,075 | 10,914 | (2,161) | 0.34% | 0.37% | 0.60% | 0.60% | |
| CHEMICALS | | | | | | | | | | | | | | | |
| Archroma Pakistan Limited | 19,700 | 18,950 | 38,650 | 1,000 | - | - | 39,650 | 20,015 | 20,412 | 397 | 0.64% | 0.69% | 0.12% | 0.12% | |
| Engro Polymer and Chemicals Limited | 3,055,000 | - | 3,055,000 | 3,213,114 | - | 1,730,000 | 4,538,114 | 141,628 | 131,787 | (9,841) | 4.11% | 4.45% | 0.50% | 0.50% | |
| ICI Pakistan Limited | 8,100 | 16,800 | 24,900 | - | - | 24,900 | - | - | - | - | - | - | - | - | |
| Lotte Chemical Pakistan Limited | 3,121,000 | - | 3,121,000 | 1,469,500 | - | 2,150,000 | 2,440,500 | 30,677 | 32,922 | 2,245 | 1.03% | 1.11% | 0.16% | 0.16% | |
| COMMERCIAL BANKS | | | | | | | | | | | | | | | |
| Meezan Bank Limited | 345,090 | - | 345,090 | - | 34,509 | - | 379,599 | 28,201 | 33,853 | 5,652 | 1.06% | 1.14% | 0.04% | 0.04% | |
| ENGINEERING | | | | | | | | | | | | | | | |
| International Industries Limited | 388,900 | - | 388,900 | - | - | 35,800 | 353,100 | 82,022 | 75,987 | (6,034) | 2.37% | 2.57% | 0.29% | 0.29% | |
| Ittefaq Iron Industries Limited | 17,500 | - | 17,500 | - | - | - | 17,500 | 245 | 260 | 16 | 0.01% | 0.01% | 0.01% | 0.01% | |
| FERTILIZER | | | | | | | | | | | | | | | |
| Dawood Hercules Corporation | 395,700 | - | 395,700 | - | - | 395,000 | 700 | 78 | 75 | (3) | 0.00% | 0.00% | 0.00% | 0.00% | |
| Engro Corporation Limited | 476,100 | - | 476,100 | 189,500 | - | 132,000 | 533,600 | 168,014 | 166,286 | (1,728) | 5.19% | 5.62% | 0.10% | 0.10% | |
| Engro Fertilizer Limited | 1,933,500 | - | 1,933,500 | 1,857,000 | - | 52,000 | 3,738,500 | 284,236 | 282,219 | (2,017) | 8.81% | 9.54% | 0.28% | 0.28% | |
| Fatima Fertilizer Company Limited | 409,000 | - | 409,000 | 2,474,500 | - | - | 2,893,500 | 96,296 | 107,872 | 11,576 | 3.37% | 3.64% | 0.14% | 0.14% | |
| FOOD & PERSONAL CARE PRODUCTS | | | | | | | | | | | | | | | |
| Al-Shaheer Corporation | 1,286,000 | - | 1,286,000 | - | - | - | 1,286,000 | 35,044 | 35,365 | 322 | 1.10% | 1.19% | 0.90% | 0.90% | |
| National Foods Limited | - | - | - | 127,000 | - | - | 127,000 | 36,195 | 36,830 | 635 | 1.15% | 1.24% | 0.12% | 0.12% | |
| GLASS & CERAMICS | | | | | | | | | | | | | | | |
| Tariq Glass Industries | 38,500 | - | 38,500 | 11,700 | - | - | 50,200 | 5,209 | 4,757 | (452) | 0.15% | 0.16% | 0.07% | 0.07% | |

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

| Name of the Investee Company | Number of shares | | | | | Balance as at September 30, 2018 | | | Market value | | Paid-up value of shares held as a percentage of total paid-up capital of the investee company | | |
|---------------------------------------|---------------------|-----------------|---------------------|---------------------------|-------------------------------------|----------------------------------|--------------------------|----------------|--------------|--------------------------|---|-------------------------------|--------------------------------------|
| | As at June 30, 2018 | Re-designated * | As at July 01, 2018 | Purchased during the year | Bonus / right issue during the year | Sold during the year | As at September 30, 2018 | Carrying value | Market Value | Unrealised (loss) / gain | | As a percentage of net assets | As a percentage of total investments |
| | | | | | | | | | | | | | |
| (Rupees in '000) ----- % ----- | | | | | | | | | | | | | |
| LEATHER & TANNERIES | | | | | | | | | | | | | |
| Service Industries | 34,250 | - | 34,250 | - | - | - | - | - | - | - | - | - | - |
| MISCELLANEOUS | | | | | | | | | | | | | |
| Shifa International Hospitals | - | 520 | 520 | - | - | - | 520 | 140 | 142 | 2 | 0.00% | 0.00% | 0.00% |
| ** Synthetic Products Limited | 644,000 | - | 644,000 | - | - | - | 644,000 | 32,908 | 24,472 | (8,436) | 0.76% | 0.83% | 0.76% |
| | | | | | | | | 33,049 | 24,614 | (8,434) | | | |
| OIL & GAS EXPLORATION COMPANIES | | | | | | | | | | | | | |
| Mari Petroleum Company Limited | 20,200 | 49,050 | 69,250 | - | - | - | 69,250 | 104,303 | 107,914 | 3,611 | 3.37% | 3.65% | 0.06% |
| Oil & Gas Development Company Limited | 1,959,500 | 160,100 | 2,119,600 | - | - | 119,900 | 1,999,700 | 311,193 | 305,934 | (5,259) | 9.55% | 10.34% | 0.05% |
| Pakistan Oilfields Limited | 311,050 | 44,700 | 355,750 | 35,400 | 72,220 | 95,000 | 368,370 | 205,215 | 202,301 | (2,913) | 6.32% | 6.84% | 0.16% |
| ** Pakistan Petroleum Limited | 781,100 | 142,100 | 923,200 | 342,700 | - | 56,300 | 1,209,600 | 258,054 | 258,129 | 75 | 8.06% | 8.72% | 0.06% |
| | | | | | | | | 878,764 | 874,279 | (4,486) | | | |
| OIL AND GAS MARKETING COMPANIES | | | | | | | | | | | | | |
| Attock Petroleum Limited | 300 | - | 300 | - | 60 | - | 360 | 177 | 160 | (17) | 0.00% | 0.01% | 0.00% |
| Hascof Petroleum Limited | - | 1,390 | 1,390 | - | - | - | 1,390 | 436 | 379 | (58) | 0.01% | 0.01% | 0.00% |
| Hi-Tech Lubricants Limited | 712,800 | - | 712,800 | - | - | - | 712,800 | 72,221 | 59,483 | (12,738) | 1.86% | 2.01% | 0.06% |
| Pakistan State Oil Company Limited | - | - | - | 347,700 | - | - | 347,700 | 117,134 | 110,861 | (6,274) | 3.48% | 3.75% | 0.11% |
| Sui Northern Gas Pipelines Limited | 1,653,700 | - | 1,653,700 | 96,500 | - | 1,175,000 | 575,200 | 56,961 | 51,262 | (5,700) | 1.60% | 1.73% | 0.09% |
| | | | | | | | | 246,930 | 222,144 | (24,786) | | | |
| PAPER AND BOARD | | | | | | | | | | | | | |
| Century Paper & Board Mills Limited | 187,400 | - | 187,400 | 310,000 | - | 11,500 | 485,900 | 32,052 | 30,364 | (1,688) | 0.95% | 1.03% | 0.33% |
| Cherat Packaging Limited | - | - | - | 27,300 | - | - | 27,300 | 4,142 | 4,724 | 582 | 0.15% | 0.16% | 0.08% |
| Packages Limited | 800 | 400 | 1,200 | - | - | - | 1,200 | 588 | 537 | (51) | 0.02% | 0.02% | 0.00% |
| | | | | | | | | 36,782 | 35,625 | (1,158) | | | |
| PHARMACEUTICALS | | | | | | | | | | | | | |
| Agp Limited | 372,205 | - | 372,205 | 88,000 | - | - | 460,205 | 41,613 | 39,706 | (1,906) | 1.24% | 1.34% | 0.16% |
| The Searle Company Limited | 97,150 | 783 | 97,933 | 55,000 | - | 97,000 | 55,933 | 19,127 | 17,671 | (1,456) | 0.55% | 0.60% | 0.03% |
| | | | | | | | | 60,740 | 57,377 | (3,362) | | | |
| POWER GENERATION & DISTRIBUTION | | | | | | | | | | | | | |
| Hub Power Company Limited | 2,499,432 | 77,000 | 2,576,432 | - | - | 1,076,500 | 1,499,932 | 138,234 | 131,199 | (7,035) | 4.10% | 4.43% | 0.13% |
| *** K-Electric Limited | 10,800,000 | - | 10,800,000 | - | - | - | 10,800,000 | 61,344 | 57,780 | (3,564) | 1.80% | 1.95% | 0.04% |
| | | | | | | | | 199,578 | 188,979 | (10,599) | | | |
| SUGAR & ALLIED INDUSTRIES | | | | | | | | | | | | | |
| Faran Sugar Mills Limited | 101,500 | - | 101,500 | - | - | - | 101,500 | 8,435 | 7,613 | (822) | 0.24% | 0.26% | 0.41% |
| | | | | | | | | 8,435 | 7,613 | (822) | | | |
| TECHNOLOGY & COMMUNICATIONS | | | | | | | | | | | | | |
| Avanceon Limited | 364,500 | - | 364,500 | - | - | 160,000 | 204,500 | 13,546 | 16,965 | 3,419 | 0.53% | 0.57% | 0.15% |
| Netsol Technologies | 3,500 | 235,500 | 239,000 | - | - | 239,000 | - | - | - | - | - | - | - |
| Systems Limited | 426,000 | 6,000 | 432,000 | 100,000 | - | - | 532,000 | 56,013 | 64,047 | 8,034 | 2.00% | 2.16% | 0.48% |
| | | | | | | | | 69,559 | 81,013 | 11,454 | | | |
| TEXTILE COMPOSITE | | | | | | | | | | | | | |
| Kohinoor Textile Mills Limited | 432,480 | 314,820 | 747,300 | - | - | - | 747,300 | 41,094 | 40,534 | (560) | 1.27% | 1.37% | 0.25% |
| ** Nishat Mills Limited | 1,073,900 | - | 1,073,900 | - | - | - | 1,073,900 | 151,334 | 150,980 | (354) | 4.71% | 5.10% | 0.31% |
| | | | | | | | | 192,428 | 191,513 | (915) | | | |
| Total as at September 30, 2018 | | | | | | | | 3,032,824 | 2,959,550 | (73,274) | | | |
| | | | | | | | | 3,150,936 | 2,901,124 | (249,812) | | | |
| Total as at June 30, 2018 | | | | | | | | | | | | | |

** These represent related party transactions

*** These have a face value of Rs.3.5 per share

**** These have a face value of Rs.5 per share

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

6.2 Listed equities securities (Previous measurement category: 'available for sale' - under IAS 39)

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

Total as at September 30, 2018

Total as at June 30, 2018

| | | |
|---------|---------|--------|
| - | - | - |
| 164,724 | 243,214 | 78,490 |

* On July 01, 2018 (date of adoption of IFRS) the carrying value of Rs. 164.724 Million as on June 30, 2018 classified as "Available for Sale" category under IAS 39 is redesignated as "Fair Value through Profit and Loss" having fair value of Rs. 243.214 million on June 30, 2018. This redesignation doesnot have any effect/impact on Statement of Financial Position and NAV per unit of the Fund.

---- Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margining:

| Name of security | September 30, 2018 --- (Number of shares) --- | June 30, 2018 | September 30, 2018 ----- (Rupees in '000) ----- | June 30, 2018 |
|---------------------------------------|---|------------------|---|------------------|
| The Hub Power Company Limited | 650,000 | 650,000 | 56,856 | 59,904 |
| Oil & Gas Development Company Limited | 200,000 | 200,000 | 30,598 | 31,124 |
| | 850,000 | 850,000 | 87,454 | 91,028 |

| Note | Unaudited September 30, 2018 ----- (Rupees in '000) ----- | Audited June 30, 2018 |
|------|--|-----------------------------|
|------|--|-----------------------------|

7. ACCRUED AND OTHER LIABILITIES

| | | | |
|---|-----|--------|--------|
| Provision for Sindh Workers' Welfare Fund (SWWF) | 7.1 | 9,948 | 9,948 |
| Federal Excise Duty payable on management fee | 7.2 | 5,689 | 5,689 |
| Federal Excise Duty and related taxes payable on sales load | | 125 | 125 |
| Sale load Payable to MCB Bank Limited | | - | - |
| Auditors' remuneration | | 163 | 290 |
| Brokerage payable | | 1,399 | 1,775 |
| Withholding tax payable | | 13 | 76 |
| Charity / donation payable | | 2,394 | 2,049 |
| Other payables | | 1,119 | 1,020 |
| | | 20,850 | 20,972 |

7.1 Provision for Sindh Workers' Welfare Fund (SWWF)

There is no change in the status of the SWWF as reported in the annual financial statements of the Fund for the year ended June 30, 2018. 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 September 30, 2018 would have been higher by Re. 0.03 per unit (June 30, 2018 Re. 0.03 per unit).

7.2 Federal Excise Duty on remuneration to the Management Company

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2018. 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 September 30, 2018 would have been higher by Re. 0.02 per unit (June 30, 2018: Re 0.02 per unit).

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as September 30, 2018 and June 30, 2018

9. TAXATION

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

10. EARNINGS / (LOSS) 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.

11. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, its parent and the related subsidiaries of the parent, associated companies / undertakings of the Management Company, its parents and the related subsidiaries, other funds managed by the Management Company, post employment benefit funds of the Management Company, employment funds of the parent, subsidiaries and its associated undertakings. It also includes the Central Depository Company of Pakistan Limited being the Trustee of the Fund, the directors and officers of the Management Company and any person or Company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

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

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

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the period end, other than those which have been disclosed elsewhere in this condensed interim financial information, are as follows:

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

11.1 Unit Holders' Fund

| | September 30, 2018 | | | | | |
|--|------------------------|--------------------|------------|--------------------------------|------------------------|--------------------------------|
| | As at July 01, 2018 | Issued for cash | Redeemed | As at September 30, 2018 | As at July 01, 2018 | As at September 30, 2018 |
| | | Units | | | | |
| Group / associated companies | | | | | | |
| Nishat Mills Limited | 1,108,715 | - | - | 1,108,715 | 11,948 | 11,741 |
| Adamjee Life Assurance Company Limited - Null Fund | 6,355,054 | - | 2,327,747 | 4,027,307 | 68,482 | 42,649 |
| Adamjee Life Assurance Company Limited - Investment Multiplier Fund | 66,136,949 | - | 26,536,313 | 39,600,636 | 712,694 | 419,371 |
| Adamjee Life Assurance Company Limited - Investment Amanat Fund | 14,762,954 | 1,870,907 | - | 16,633,861 | 159,086 | 176,153 |
| D.G. Khan Cement Company Limited - Employees Provident Fund | 456,190 | - | - | 456,190 | 4,916 | 4,831 |
| Adamjee Life Assurance Company Limited - ISF | 3,864,958 | - | 3,864,958 | - | 41,649 | - |
| Adamjee Life Assurance Company Limited - MAZAAF | 8,522,504 | - | - | 8,522,504 | 91,839 | 90,253 |
| Alhamra Islamic Active Allocation Plan I | 55,988,653 | 9,615,385 | 9,532,888 | 56,071,149 | 603,336 | 593,793 |
| Alhamra Islamic Active Allocation Plan II | 32,195,678 | - | - | 32,195,678 | 346,942 | 340,952 |
| Key management personnel | 1,239,107 | 289,124 | 253,067 | 1,275,164 | 13,353 | 13,504 |
| Mandate under discretionary portfolio services | 23,995,206 | 4,135,115 | 11,258,300 | 16,872,021 | 258,573 | 178,675 |
| | | Units | | | | |
| | As at July 01, 2017 | Issued for cash | Redeemed | As at September 30, 2017 | As at July 01, 2017 | As at September 30, 2017 |
| | | | | | | |
| Group / associated companies | | | | | | |
| Nishat Mills Limited | 1,108,715 | - | - | 1,108,715 | 13,582 | 12,063 |
| Adamjee Life Assurance Company Limited - Null Fund | 6,355,054 | - | - | 6,355,054 | 77,849 | 69,143 |
| Adamjee Life Assurance Company Limited - Investment Multiplier Fund | 42,703,159 | 415,282 | - | 43,118,441 | 523,114 | 469,129 |
| Adamjee Life Assurance Company Limited - Investment Amanat Fund | 9,828,699 | 781,536 | - | 10,610,235 | 120,401 | 115,439 |
| D.G. Khan Cement Company Limited - Employees Provident Fund | 456,190 | - | - | 456,190 | 5,588 | 4,963 |
| Adamjee Life Assurance Company Limited - ISF | 3,449,676 | 415,282 | - | 3,864,958 | 42,259 | 42,051 |
| Adamjee Life Assurance Company Limited - ISF -II | 3,043,831 | 415,282 | - | 3,459,113 | 37,287 | 37,635 |
| Adamjee Life Assurance Company Limited - MAZAAF | 829,753 | 5,656,109 | - | 6,485,862 | 10,164 | 70,566 |
| Alhamra Islamic Active Allocation Plan I | 71,103,336 | 47,034,607 | 34,000,521 | 84,137,422 | 871,016 | 915,415 |
| Alhamra Islamic Active Allocation Plan II | 2,029,220 | 23,234,714 | 18,570,102 | 6,693,832 | 24,858 | 72,829 |
| Key management personnel | 379,456 | 599,913 | 451,129 | 528,240 | 8,280 | 5,747 |
| Mandate under discretionary portfolio services | 12,092,047 | 1,546,913 | 1,734,772 | 11,904,188 | 152,185 | 129,518 |
| | | | | | | |

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

| Unaudited September 30, 2018 | Unaudited September 30, 2017 |
|------------------------------------|------------------------------------|
| ----- (Rupees in '000) ----- | |

11.2 Transactions during the period:

Management Company

MCB Arif Habib Savings and Investment Limited

| | | |
|--|--------|--------|
| Remuneration (including indirect taxes) | 19,671 | 16,718 |
| Expenses allocated by the Management Company and related taxes | 983 | 3,699 |
| Shariah advisory fee | 225 | 225 |
| Selling and marketing expenses | 3,481 | 2,959 |

Central Depository Company of Pakistan Limited - Trustee

| | | |
|---|-------|-------|
| Remuneration (including indirect taxes) | 1,268 | 1,121 |
| Central Depository Service (CDS) settlement charges | 88 | 221 |

Group / Associated Companies

Arif Habib Limited - Brokerage house

| | | |
|---------------------|-----|-----|
| Brokerage expense * | 125 | 224 |
|---------------------|-----|-----|

Next Capital Limited - Brokerage house

| | | |
|---------------------|----|----|
| Brokerage expense * | 15 | 48 |
|---------------------|----|----|

MCB Bank Limited

| | | |
|--------------|---|---|
| Bank charges | 8 | 7 |
|--------------|---|---|

MCB Islamic Bank Limited

| | | |
|-------------------------|---|---|
| Profit on bank deposits | 3 | - |
|-------------------------|---|---|

Aisha Steels Mills Limited

| | | |
|--|---|--------|
| Purchase of Nil (2017: 203,000) shares | - | 23,658 |
| Sale of Nil (2017: 450,000) shares | - | 48,963 |

Synthetic Products Enterprises Limited

| | | |
|--|---|-------|
| Purchase of Nil (2017: 147,000) shares | - | 8,849 |
| Dividend income | - | 270 |

Thatta Cement Company Limited

| | | |
|---------------------------------------|-----|-------|
| Sale of 19,500 (2017: 38,500) shares | 380 | 1,117 |
| Dividend income | - | 1,788 |

Mughal Iron & Steel Limited

| | | |
|--|---|--------|
| Purchase of Nil (2017: 734,500) shares | - | 54,621 |
| Sale of Nil (2017: 650,000) shares | - | 46,092 |

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

| | Unaudited September 30, 2018 ----- (Rupees in '000) ----- | Unaudited September 30, 2017 |
|---|--|---|
| Pakgen Power Limited | | |
| Purchase of 1,392,500 (2017: 598,800) shares | 102,206 | 104,007 |
| Sale of 603,500 (2017: 220,000) shares | 42,559 | 38,914 |
| Dividend income | - | 1 |
| Nishat Mills Limited | | |
| Purchase of Nil (2017: 773,200) shares | - | 119,736 |
| Fatima Fertilizer Company Limited | | |
| Purchase of 2,474,500 (2017: 1,500,500) shares | 83,044 | 48,406 |
| Sale of Nil (2017: 825,000) shares | - | 24,528 |
| D.G. Khan Cement Company Limited | | |
| Purchase of Nil (2017: 73,000) shares | - | 14,066 |
| Sale of 600,000 (2017: 514,700) shares | 69,249 | 84,565 |
| 11.3 Balances outstanding: | | |
| Management Company | Unaudited September 30, 2018 | Audited June 30, 2018 ----- (Rupees in '000) ----- |
| MCB-Arif Habib Savings and Investments Limited | | |
| Remuneration payable | 5,598 | 5,781 |
| Sales tax payable on Management remuneration | 728 | 752 |
| Expense allocated by the Management Company | 235 | 289 |
| Sales load payable | 130 | 16 |
| Sales tax payable on sales load | 17 | 2 |
| Shariah advisory fee payable | 75 | 75 |
| Selling and marketing expenses payable | 3,481 | 3,620 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration payable (including indirect taxes) | 409 | 419 |
| Security deposit | 300 | 300 |
| Group / Associated Companies: | | |
| Arif Habib Limited - Brokerage house | | |
| Brokerage payable * | 34 | - |
| Next Capital Limited - Brokerage house | | |
| Brokerage payable * | 3 | 13 |
| MCB Bank Limited | | |
| Balances with bank | 5,119 | 857 |
| Sales load payable | - | 18 |

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

| | Unaudited September 30, 2018 ----- (Rupees in '000) ----- | Audited June 30, 2018 |
|---|--|-----------------------------|
| MCB Islamic Bank Limited | | |
| Balances with bank** | 662 | 616 |
| Profit receivable | - | 45 |
| Silk Bank Limited | | |
| Balances with bank** | 56 | 429 |
| Profit receivable | 1,081 | 1 |
| D.G. Khan Cement Company Limited | | |
| Nil (2018: 600,000) shares held | - | 68,694 |
| Nishat Mills Limited | | |
| 1,073,900 (2018: 1,073,900) shares held | 150,980 | 151,334 |
| Synthetic Products Enterprises Limited | | |
| 644,000 (2018: 644,000) shares held | 24,472 | 32,908 |
| Thatta Cement Company Limited | | |
| 602,000 (2018: 621,500) shares held | 10,914 | 13,499 |
| Fatima Fertilizer Limited | | |
| 3,738,500 (2018: 409,000) shares held | 107,872 | 13,252 |

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

12. GENERAL

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and disclosure. No significant rearrangement or reclassification has been made in this condensed interim financial information, except for the impacts of change in accounting policies as disclosed in note 3.2.

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 22, 2018 by the Board of Directors of the Management Company.

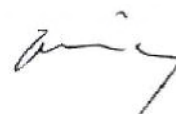
For MCB-Arif Habib Savings and Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB-Arif Habib Savings and Investments Limited

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