

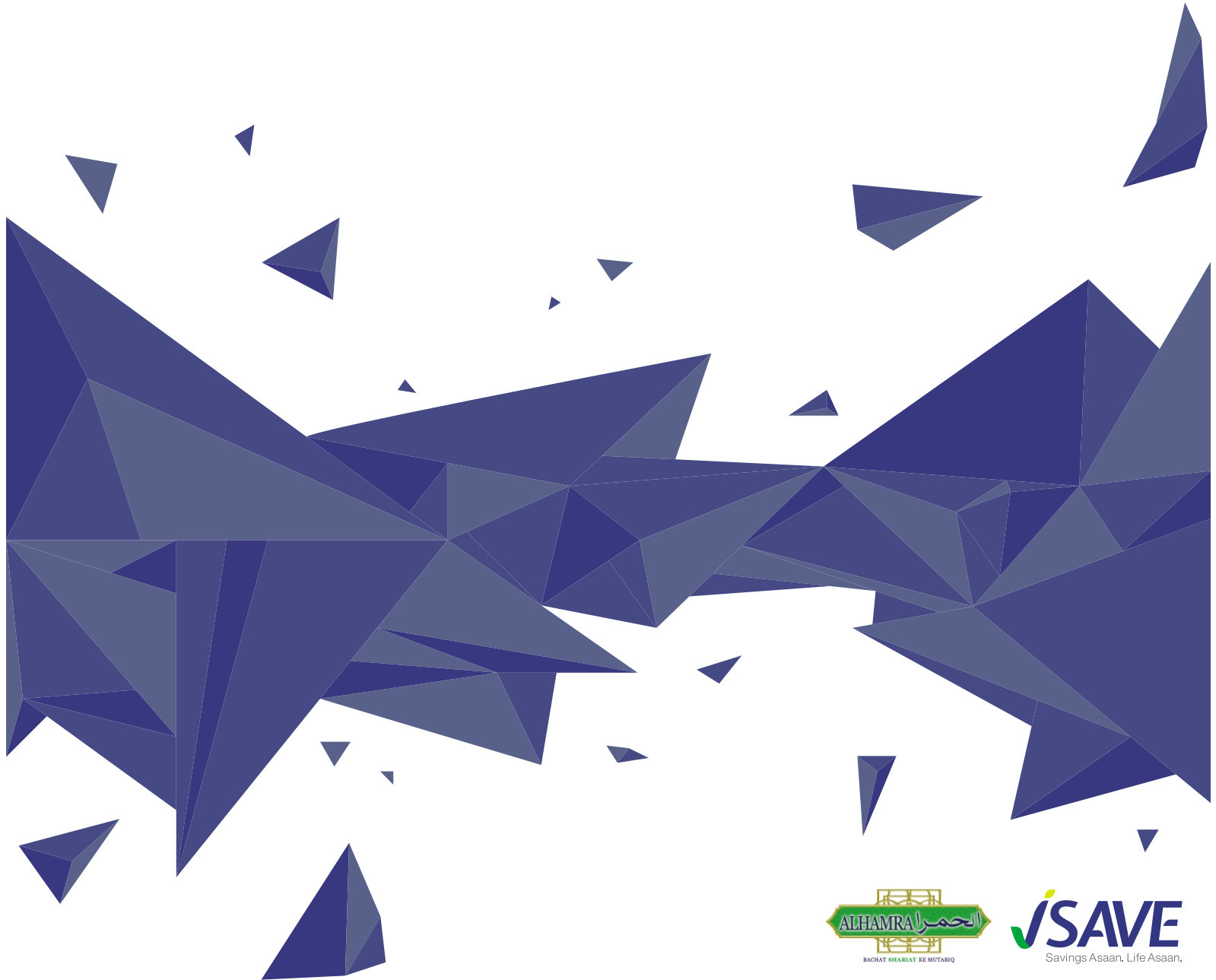


MCB FUNDS
Investments for Life

QUATERLY REPORT

MARCH
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



ALHAMRA ISLAMIC ASSET ALLOCATION FUND

TABLE OF CONTENTS

1	Fund's Information	276
2	Report of the Directors of the Management Company	277
3	Condensed Interim Statement of Assets And Liabilities	287
4	Condensed Interim Income Statement (Un-audited)	288
5	Condensed Interim Statement of Comprehensive Income (Un-audited)	289
6	Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)	290
7	Condensed Interim Cash Flow Statement (Un-audited)	291
8	Notes to and forming part of the Condensed Interim Financial Statements (Unaudited)	292

FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Syed Savail Meekal Hussain Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Shoaib Mumtaz Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited Faysal Bank Limited United Bank Limited Allied Bank Limited Silk Bank Limited Bank Al-Habib Limited Habib Bank Limited National Bank of Pakistan	Meezan Bank Limited Dubai Islamic Bank Pakistan Limited MCB Islamic Bank Limited Bank Islami Pakistan Limited Askari Bank Limited Soneri Bank Limited Al Baraka Bank Pak Limited Allied Bank Limited The Bank of Khyber
Auditors	BDO Ibrahim & Co. Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed Road, Karachi	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Asset Allocation Fund** accounts review for the nine months ended March 31, 2024.

Economy and Money Market Review

Macroeconomic indicators have been on an improving path since the start of the fiscal year. The government secured a much-needed Stand-by Arrangement (SBA) facility of USD 3 billion from the IMF in June 23, and managed to receive timely rollovers from friendly countries. It also showed unwavering commitment to remain compliant with the IMF targets and as a result government was able to successfully reach staff level agreement with IMF in the first and second reviews. After formation of new cabinet, the government has also publicly announced its intention to seek a new IMF program of at least USD 6.0 billion after the current program expires.

The caretaker government, after facing speculative pressure on currency, took decisive steps against smuggling of dollar and abuse of Afghan Transit in September 2023, which spurred a rapid recovery in the exchange rate. This led to the reduction of the difference between open market and interbank rates, which consequently improved remittances and export proceeds. The government has been running a subdued current account balance, which along with increased clarity on the external front has led the local currency to depict strength. The USD PKR close the period at 277.9 appreciating by 2.9% since the start of the year.

Country posted a current account deficit (CAD) of USD 1.0 billion in the first eight months of the fiscal year 2024 (8MFY24) declining by 74% YoY compared to a deficit of USD 3.8 billion in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as 10.2% increase in exports coupled with an 8.8% drop in imports led to a 27.6% contraction in the trade deficit. The country's external position improved with SBP's foreign exchange reserves increasing to USD 8.0 billion as of March 2024 compared to USD 4.4 billion at the end of last fiscal year. This was on account of flows from the IMF, friendly countries and multilateral sources.

Headline inflation represented by CPI averaged 27.1% during first nine months of the fiscal year compared to 27.3% in the corresponding period last year. Inflation remained on the higher side as massive currency depreciation in the prior periods led to surge in food and energy prices. The government also hiked electricity base tariff and gas prices to comply with the IMF conditions, which led to further inflationary pressures. The SBP maintained status quo in the monetary policy held on March 18, 2024. The Committee assessed that the level of inflation remains high and its outlook is susceptible to risks amidst elevated inflation expectations which warranted a cautious approach in the near term.

The country's GDP grew by 1.0% in the second quarter of the financial year 2023-24 as compared to 2.2% in the same period last year. Agriculture grew by 5.0%, Services remained flattish at 0.01% while industrial sector witnessed a decline of -0.84%. Historic high interest rates coupled with political uncertainty were the major culprits behind the fall in industrial output. On the fiscal side, FBR tax collection increased by 30.1% in 9MFY24 to PKR 6,709 billion, outpacing the target by a modest PKR 1bn.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

Equity Market Review

The stock market witnessed exuberance in the first nine months of fiscal year 2024, as the benchmark KSE-100 increased by 61.6%, or 25,552 points, to close at all time high of 67,005 points. The bullish momentum was on account of improvements in macroeconomic indicators after Pakistan entered into the new IMF program. Market participants also cheered the successful completion of all IMF reviews under SBA. Moreover, the successful conclusion of elections in February 2024 brought long due clarity amongst investors. In addition, reaffirmation by the incumbent government to continue structural reforms, along with the intention to enter a longer IMF program, further uplifted sentiment. Lastly, the strength of the local currency post-crackdown on currency smuggling and hoarding, strong corporate profitability, and market expectations of monetary easing towards the end of the second half of the fiscal year, all contributed to the sustainable rally.

During 9MFY24, Foreign investors, Insurance, and Corporates were net buyers with an inflow of USD 75 million, USD 121 million and USD 31 million, respectively. While major selling was witnessed from Banks and Mutual Funds with outflow of USD 113 million and USD 55 million, respectively. During 9MFY24, average trading volumes for KSE-All Index saw an increase of 121.8% to 452 million shares compared to about 204 million shares in the same period last year. Similarly, the average trading value during the period saw a rise of 81% over the last 9M to near USD 51 million.

Banking, Fertilizer, and E&P sector were the major contributors to the index gain adding 8,799/3,504/3,350 points, respectively. Banking sector witnessed broad based rally as entry into the IMF program diminished the probability of local debt restructuring besides strong profitability. Fertilizer sector performed due to better than expected dividends while E&P rallied due to the news of clearance of gas circular debt, which would improve the sector cash flows.

FUND PERFORMANCE

During the period under review, the fund delivered a return of 55.33% as against its benchmark return of 56.33%.

On the equities front, the overall allocation was 88.5% at the end of the period under review. The fund was mainly invested in Cement, Commercial Banks, and Oil & Gas Exploration Companies significantly during the period.

Rest of the fund was invested in cash, amounting to 10.5%.

The Net Assets of the Fund as at March 31, 2024 stood at Rs. 1,381 million as compared to Rs. 1,289 million as at June 30, 2023 registering an increase of 7.14%.

The Net Asset Value (NAV) per unit as at March 31, 2024 was Rs. 99.2206 as compared to opening NAV of Rs. 65.3123 per unit as at June 30, 2023 registering an increase of Rs. 33.9083 per unit.

Economy & Market – Future Outlook

Pakistan GDP is expected to rebound to 2.7% in FY24 after a dismal performance last year where the GDP contracted by 0.17%. The outlook for agricultural output is optimistic, with an expected increase of 6.1%. This growth is attributed to rebound in production compared to the previous year, which was marred by heavy floods affecting crops like rice and cotton. Particularly encouraging is the notable increase in cotton

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

arrivals, rising by 71% year-on-year to reach 8.4 million bales in the fiscal year 2024. However Industrial and services sector growth is likely to remain lackluster and will clock at 1.1% and 1.8% respectively due to overall economic slowdown amid all time high interest rates.

We expect government to enter a new long-term IMF program worth atleast USD 6 billion, after the current program expires. Successful continuation of the IMF program will be a key positive as it will allow us to tap funding from bilateral and multilateral sources. However, our external position still remains precarious as we are unlikely to issue international Eurobond or Sukuk owing to the challenging global conditions. The proceeds from FDI and RDA are also likely to remain muted owing to the current economic challenges. Thus, we would have to ensure a sustainable current account this year to stave off external concerns. We expect a CAD of USD 1.4 billion (0.4% of GDP) in FY24 and USD 3.2bn (0.8% of GDP) in FY25 as policy of consolidation is likely to continue under the IMF umbrella.

The USD PKR is expected to remain stable as the government is focusing on improving current account deficit on the back of recovery in export and remittances. Entry into the new IMF program will also increase visibility on the external funding. We expect USD/PKR to close the fiscal year around PKR 300.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in March 2024 clocked of 20.7% which was the lowest since May 2022. The core inflation also registered a significant slowdown, clocking at 15.7% which is a low of 18 months. The inflation reading is expected to decline to 18-19% by June 2024 and 13-14% by December 2024. This will allow Monetary Policy Committee to cut interest by 2% till June 2024 and around 5-6% by December 2024.

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 9.4%, a discount of 51% from its historical average of 19.1%. Similarly, Earning Yield minus Risk Free Rate is close to 9.0%, compared to the historical average of 3.0% signifying a deep discount at which the market is trading. The resolution of challenges on external account will help to unlock market potential. We believe a micro view of sectors and stocks will remain important and investment selection should focus on companies, which trade at a deep discount to their intrinsic value. The market is currently trading at PER of 4.3x, while offering a dividend yield of 11.9%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. Investors with a mid to long term view can benefit from Bond and Income Funds where higher duration will create opportunities for capital gains in the wake of Interest rate outlook. We have added government bonds in Income Funds to benefit from the expected monetary easing in the near term.

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 48.3% during 9MFY24 to PKR 2,319 billion. Total money market funds grew by about 30.0% since June 2023. Within the money market sphere, conventional funds showed a growth of 17.4% to PKR 556 billion while Islamic funds increased by 43.9% to PKR 618 billion. In addition, the total fixed Income funds increased by about 93.2% since June 2023 to PKR 714 billion while Equity and related funds increased by 35.3% to PKR 227 billion.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

In terms of the segment share, Money Market funds were the leader with a share of around 50.6%, followed by Income funds with 30.8% and Equity and Equity related funds having a share of 9.8% as at the end of March 2024.

Mutual Fund Industry Outlook

Both Bonds and Equities are likely to do well in the next year on the back of cut in interest rates. During the year, significant interest of investors is already visible in Income Funds while equity fund is likely to see inflows post new IMF agreement. Relatively High interest rates during the period would encourage sustained flows in the money market funds as they are ideal for investors with a short-term horizon and low risk profile. Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the growing number of investors available online.

ACKNOWLEDGMENT

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

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
April 22, 2024



Manzar Mushtaq
Director
April 22, 2024

ڈائریکٹرز رپورٹ

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 کرنے کے لیے تیار ہیں۔

اظہار تشکر

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کا اُن کے مسلسل تعاون اور حمایت کے لیے شکر گزار ہے۔ علاوہ ازیں، ڈائریکٹرز مینجمنٹ ٹیم کو اُن کی محنت کے لیے خراج تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز

Manzoor Mushtaq

منظر مشتاق

ڈائریکٹر

کراچی، 22 اپریل 2024ء

خواجہ خلیل شاہ

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

کراچی، 22 اپریل 2024ء

ڈائریکٹرز رپورٹ

کیپیٹل مارکیٹ، خصوصاً ایکویٹیز، کے نقطہ نظر سے مارکیٹ میں سستی valuations پر کاروبار ہو رہا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 9.4 فیصد ہے جو اس کے قدیم اوسط 19.1 فیصد سے 51 فیصد کمی ہے۔ اسی طرح Earning Yield سے محفوظ شرح کم کرنے پر تقریباً 9.0 فیصد کے قریب بنتا ہے، اور اس کے تاریخی اوسط 2.7 فیصد سے موازنہ کرنے پر پتہ چلتا ہے کہ مارکیٹ میں بھرپور رعایت پر تجارت ہو رہی ہے۔ خارجی اکاؤنٹ کے مسائل حل کرنے سے مارکیٹ کی استعداد کارآمد بنانے میں مدد ملے گی۔ ہم سمجھتے ہیں کہ اسٹاک اور شعبہ جات کا مجموعی تناظر اہم رہے گا اور سرمایہ کاری کے انتخاب کے لیے ان کمپنیز پر توجہ مرکوز کی جانی چاہیے جو اپنی اندرونی قدر میں بھرپور کمی پر تجارت کرتی ہیں۔ موجودہ طور پر مارکیٹ میں 4.3x PER پر تجارت ہو رہی ہے جبکہ ڈیویڈنڈ کی سطح 11.9 فیصد پر ہے۔

حاملین قرض کے لیے ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ درمیانی اور طویل مدت کے سرمایہ کار بانڈ اور انکم فنڈز سے مستفیدہ سکتے ہیں جہاں زیادہ مدت میں سود کی شرح کے مستقبل کے امکانات کی بنیاد پر سرمائے میں اضافے کے مواقع پیدا ہوں گے۔ ہم نے حکومتی بانڈز کو انکم فنڈز میں شامل کر دیا ہے تاکہ قریبی مدت میں متوقع مالیاتی تسہیل سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ صنعت کا جائزہ

اوپن اینڈ میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2024ء کے پہلے نو ماہ کے دوران تقریباً 48.3 فیصد بڑھ کر 2,319 بلین روپے ہو گئے۔ منی مارکیٹ کے مجموعی فنڈز میں جون 2023ء سے اب تک تقریباً 30.0 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز تقریباً 17.4 فیصد بڑھ کر 556 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 43.9 فیصد بڑھ کر 618 بلین روپے ہو گئے۔ مزید براں، فکسڈ انکم کے مجموعی فنڈز جون 2023ء سے اب تک تقریباً 93.2 فیصد بڑھ کر 714 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 35.3 فیصد بڑھ کر 227 بلین روپے ہو گئے۔

شعبہ جاتی شراکت کے اعتبار سے مارچ 2024ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 50.6 فیصد کے ساتھ سب سے آگے تھے، جبکہ انکم فنڈز 30.8 فیصد اور ایکویٹی اور متعلقہ فنڈز 9.8 فیصد رہے

میوچل فنڈ صنعت کا نقطہ نظر

سود کی شرحوں میں کمی کی بنیاد پر بانڈ فنڈز اور ایکویٹیز، دونوں کی کارکردگی اگلے سال اچھی ہونے کا امکان ہے۔ دوران سال انکم فنڈز میں سرمایہ کاروں کی قابل ذکر دلچسپی صاف ظاہر تھی جبکہ ایکویٹی فنڈز میں آئی ایم ایف کے نئے معاہدے کے بعد بہتری متوقع ہے۔ دوران مدت نسبتاً زیادہ شروع سود سے منی مارکیٹ فنڈز میں پائیدار آمدات کی حوصلہ افزائی ہوگی کیونکہ یہ مختصر المیعاد سرمایہ کاروں کے لیے موزوں ترین ہیں جو خطرے کی کم سطح پر رہنا چاہتے ہیں۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں

معیشت اور مارکیٹ - مستقبل کے امکانات

پاکستان کی مجموعی ملکی پیداوار (جی ڈی پی) گزشتہ سال مایوس کن کارکردگی (0.17 فیصد کمی) کے بعد مالی سال 2024ء میں متوقع طور پر بحال ہو کر 2.7 فیصد ہو جائے گی۔ زرعی پیداوار کا مستقبل امید افزا ہے اور اس میں 6.1 فیصد کی ترقی متوقع ہے کیونکہ پیداوار گزشتہ سال کے مقابلے میں بحال ہوئی ہے جب شدید سیلابوں نے چاول اور کپاس جیسی فصلوں کو بھاری نقصان پہنچایا تھا۔ خاص طور پر حوصلہ بخش بات کپاس کی پیداوار میں قابل ذکر اضافہ ہے جو 71 فیصد سال در سال (YoY) بڑھ کر مالی سال 2024ء میں 8.4 ملین گانٹھیں ہو گئی۔ تاہم صنعت اور خدمات کے شعبوں کی ترقی ماند رہنے کا امکان ہے جو بالترتیب 1.1 فیصد اور 1.8 فیصد ہوگی، اور اس کے عوامل مجموعی طور پر معاشی سست رفتاری اور سود کی شرحوں کی بلند ترین سطحیں ہیں۔

ہمیں امید ہے کہ حکومت آئی ایم ایف کے موجودہ پروگرام کی میعاد ختم ہونے کے بعد کم از کم 6 بلین ڈالر مالیت ایک نئے طویل المیعاد پروگرام میں داخل ہو جائے گی۔ آئی ایم ایف پروگرام کو کامیابی کے ساتھ جاری رکھنا بے حد اہمیت کا حامل ہوگا کیونکہ اس سے دو جہتی اور کثیر الجہتی ذرائع سے رقم حاصل کرنے میں مدد ملے گی۔ تاہم ہماری خارجی حالت تاحال غیر یقینی کا شکار ہے کیونکہ عالمی سطح پر مشکل حالات کے باعث ہم شاید بین الاقوامی یورو بانڈ اور سنکک کا اجراء نہیں کر سکیں گے۔ علاوہ ازیں، غیر ملکی براہ راست سرمایہ کاری (ایف ڈی آئی) اور RDA سے حاصل ہونے والی آمدنی موجودہ معاشی مسائل کے باعث متوقع طور پر رُک رہے گی۔ چنانچہ ہمیں اس سال ایک پائیدار قابل بقاء کرنٹ اکاؤنٹ یقینی بنانا ہوگا تاکہ خارجی مسائل حل ہو سکیں۔ مالی سال 2024ء میں کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) متوقع طور پر 1.4 بلین ڈالر (جی ڈی پی کا 0.4 فیصد ہوگا)، جبکہ مالی سال 2025ء میں 3.2 بلین ڈالر (جی ڈی پی کا 0.8 فیصد) ہوگا، کیونکہ آئی ایم ایف کی چھتری تلے استحکام کی پالیسی جاری رہنے کا امکان ہے۔

ڈالر اور روپے کا تناسب مستحکم رہنے کا امکان ہے کیونکہ حکومت برآمدات اور ترسیلات میں بحالی کی بنیاد پر کرنٹ اکاؤنٹ خسارہ کم کرنے کی طرف توجہ دے رہی ہے۔ نئے آئی ایم ایف پروگرام میں داخل ہونے سے بھی خارجی محاذ پر حصولِ رقم کی صورت حال واضح ہوگی۔ ہمیں توقع ہے کہ مالی سال کے اختتام پر ڈالر اور روپے کا تناسب تقریباً 300 ہوگا۔

مہنگائی کی سطح base کے اثر اور نسبتاً مستحکم روپے کے باعث نیچے آنا شروع ہو گئی ہے۔ مارچ 2024ء میں ہیڈ لائن مہنگائی 20.7 فیصد تک پہنچ گئی تھی جو مئی 2022ء سے اب تک کم ترین عدد ہے۔ بنیادی مہنگائی بھی قابل ذکر حد تک کم ہو کر 15.7 فیصد ہو گئی جو گزشتہ 18 ماہ کی کم ترین سطح ہے۔ جون 2024ء تک مہنگائی مزید کم ہو کر 18 تا 19 فیصد اور دسمبر 2024ء تک 13 تا 14 فیصد ہو جانے کا امکان ہے۔ اس کی بدولت مانیٹری پالیسی کمیٹی جون 2024ء تک سود کو کم کر کے 2 فیصد اور دسمبر 2024ء تک تقریباً 5 تا 6 فیصد کر سکے گی۔

ڈائریکٹرز رپورٹ

پالترتیب 113 ملین ڈالر اور 55 ملین ڈالر تھی۔ KSE-All انڈیکس کے اوسط تجارتی حجم 121.8 فیصد بڑھ کر 452 ملین حصص ہو گئے جو گزشتہ سال مماثل مدت میں تقریباً 204 ملین حصص تھے۔ اسی طرح، دوران مدت اوسط تجارتی قدر گزشتہ نو ماہ کے دوران 81 فیصد بڑھ کر تقریباً 51 ملین ہو گئے۔

بینکاری، کھاد اور توانائی اور بجلی (ای اینڈ پی) کے شعبوں نے انڈیکس میں سب سے بڑا کردار ادا کیا اور پالترتیب 3/8799 ، 504 / 3,350 پوائنٹس کا اضافہ کیا۔ بینکاری کے شعبے میں وسیع پیمانے پر ترقی ہوئی کیونکہ آئی ایم ایف کے پروگرام کے حصول کے بعد اچھے منافع کی صلاحیت کے ساتھ ساتھ مقامی قرضوں کی تشکیل نو کا امکان کم ہو گیا۔ کھاد کے شعبے نے متوقع سے بہتر ڈیویڈنڈز کی بنیاد پر اچھی کارکردگی کا مظاہرہ کیا جبکہ ای اینڈ پی کی اچھی کارکردگی کی وجہ سے گریڈیوں کے گزشتہ قرض کی ادائیگی تھی جس کی بدولت نقد کی آمدورفت میں بہتری آئے گی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 55.33 فیصد منافع دیا، بالمتقابل مقررہ معیار 56.33 فیصد منافع کے۔ ایکویٹیز میں مجموعی سرمایہ کاری زیر جائزہ مدت کے اختتام پر 88.5 فیصد تھی۔ دوران مدت فنڈ کی زیادہ تر سرمایہ کاری سیمنٹ، کمرشل بینکوں، اور تیل اور گیس کی دریافت کی کمپنیوں میں تھی۔ بقیہ فنڈ کی سرمایہ کاری نقد میں تھی جو 10.5 فیصد بنتی ہے۔ 31 مارچ 2024ء کو فنڈ کے net اثاثہ جات 1,381 ملین روپے تھے، جو 30 جون 2023ء کی سطح 1,289 ملین روپے کے مقابلے میں 7.14 فیصد اضافہ ہے۔

31 مارچ 2024ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 99.2206 روپے تھی، جو 30 جون 2023ء کو ابتدائی این اے وی فی یونٹ 65.3123 روپے کے مقابلے میں 33.9083 روپے فی یونٹ اضافہ ہے۔

ڈائریکٹرز رپورٹ

ہیڈ لائن مہنگائی، جس کی ترجمانی CPI یعنی صارفی قیمت کے انڈیکس سے ہوتی ہے، کا اوسط زیر جائزہ مالی سال کے پہلے نو ماہ کے دوران 27.1 فیصد تھا جبکہ گزشتہ سال مماثل مدت میں 27.3 فیصد تھا۔ مہنگائی بلند تر سطح پر رہی کیونکہ گزشتہ مدتوں میں روپے کی قدر میں خطیر کمی کے باعث اشیائے خورد و نوش اور توانائی کی قیمتوں میں اضافہ ہوا۔ علاوہ ازیں، حکومت نے آئی ایم ایف کی شرائط کی تعمیل میں بجلی اور گیس کی قیمتوں میں اضافہ کیا جس کے باعث مہنگائی کے دباؤ میں بھی مزید اضافہ ہوا۔ ایس بی پی نے مانیٹری پالیسی منعقدہ 18 مارچ 2024ء میں موجودہ صورتحال برقرار رکھی۔ کمیٹی نے جائزہ لیا کہ مہنگائی کی سطح بدستور بلند ہے اور مستقبل میں اس کو خطرات لاحق ہو سکتے ہیں جس کے باعث نئی مدت میں محتاط لائحہ عمل اختیار کرنا ہوگا۔

مجموعی ملکی پیداوار (GDP) میں مالی سال 2023-24ء کی دوسری سہ ماہی میں 1.0 فیصد ترقی ہوئی جو گزشتہ سال مماثل مدت میں 2.2 فیصد تھی۔ زراعت میں 5.0 فیصد ترقی ہوئی، خدمات کے شعبے میں معمولی 0.01 فیصد اضافہ ہوا، جبکہ صنعت میں 0.84 فیصد کمی ہوئی۔ سود کی اب تک کی بلند ترین شرحوں کے ساتھ ساتھ سیاسی غیر یقینی صورتحال صنعتی ماحصل میں تنزلی کے سب سے بڑے عوامل تھے۔ مالیاتی جہت میں ایف بی آر ٹیکس حصولی مالی سال 2024ء کے پہلے نو ماہ میں 30.1 فیصد بڑھ کر 6,709 بلین روپے ہو گئی، جو ہدف سے 1 بلین روپے زیادہ ہے۔

ایکوٹی مارکیٹ کا جائزہ

اسٹاک مارکیٹ میں مالی سال 2024ء کے پہلے نو ماہ میں جوش و خروش دیکھا گیا کیونکہ مقررہ معیار KSE-100 میں 61.6 فیصد یعنی 25,552 پوائنٹس اضافہ ہوا اور اب تک کی بلند ترین سطح 67,005 پوائنٹس تک پہنچ گیا۔ تیزی کا یہ رجحان پاکستان کے آئی ایم ایف کے نئے پروگرام میں داخل ہونے کے بعد مجموعی معاشی اشاروں میں بہتری کے باعث ممکن ہوا۔ مارکیٹ کے فریقوں نے بھی ایس بی اے کے تحت آئی ایم ایف کے تمام جائزوں کی کامیاب تکمیل کا خیر مقدم کیا۔ مزید برآں، فروری 2024ء میں انتخابات کی کامیاب تکمیل کی بدولت سرمایہ کاروں کے سامنے صورتحال واضح ہوئی جس کی بہت عرصے سے ضرورت تھی۔ علاوہ ازیں، موجودہ حکومت کا بنیادی ساخت میں اصلاحات لانے کا عزم اور طویل تر آئی ایم ایف پروگرام میں داخل ہونے کا ارادہ مزید حوصلہ افزائی کا باعث بنا ہے۔ آخری بات یہ کہ روپے کی غیر قانونی آمدورفت (اسمگلنگ) اور ذخیرہ اندوزی کے خلاف کارروائی کے بعد روپے کو حاصل ہونے والی تقویت، کارپوریٹ سطح پر اچھے منافع کی صلاحیت، اور مارکیٹ میں مالی سال کے نصف آخر کے اختتام تک مالیاتی تسہیل کی توقعات، سب نے پائیدار ترقی میں کردار ادا کیا۔

مالی سال 2024ء کے پہلے نو ماہ کے دوران مجموعی خریدار غیر ملکی سرمایہ کار، بیمہ اور کارپوریٹ شعبے تھے جنہوں نے بالترتیب 75 ملین ڈالر، 121 ملین ڈالر اور 113 ملین ڈالر کی خریداری کی۔ دوسری طرف سب سے زیادہ فروخت بینکوں اور میوچل فنڈز نے کی جو

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحراء اسلامک ایسیٹ ایلوکیشن فنڈ نو ماہ کے اکاؤنٹس نو ماہ منہ 31 مارچ 2024ء کا جائزہ پیش خدمت ہے۔

معیشت اور بازار زر کا جائزہ

مجموعی معاشی اشارے سال کے آغاز سے بہتری کی جانب گامزن رہے۔ حکومت نے جون 2023ء میں آئی ایم ایف کا بے حد مطلوب 3 بلین ڈالر کا اسٹینڈ بائے اگریمنٹ (ایس بی اے) حاصل کر لیا اور دوست ممالک سے بروقت rollovers بھی حاصل کر لیے۔ علاوہ ازیں، آئی ایم ایف کے اہداف کی تعمیل جاری رکھنے کے غیر متزلزل عزم کے نتیجے میں حکومت آئی ایم ایف کے ساتھ پہلے اور دوسرے جائزوں میں اسٹاف لیول معاہدے تک پہنچنے میں بھی کامیاب ہو گئی۔ مزید برآں، حکومت نے نئی کابینہ کی تشکیل کے بعد حکومت نے اعلان کر دیا ہے کہ آئی ایم ایف کے موجودہ پروگرام کی میعاد ختم ہونے کے بعد کم از کم 6.0 بلین ڈالر کا نیا پروگرام حاصل کرنے کا ارادہ ہے۔

نگراں حکومت نے روپے پر قیاسی دباؤ کا سامنا کرنے کے بعد ستمبر 2023ء میں ڈالر کی اسمگلنگ اور افغان ٹرانزٹ کے غیر قانونی استعمال کے خلاف فیصلہ کن اقدام اٹھائے جس کی بدولت زرمبادلہ کی شرح تیزی سے بحال ہوئی۔ اس کے نتیجے میں اوپن مارکیٹ اور انٹر بینک شرحوں کے درمیان فرق میں کمی ہوئی جس کی بدولت ترسیلات زر اور برآمدات میں بہتری آئی۔ حکومت کرنٹ اکاؤنٹ بیلنس کو کم کر رہی ہے، جس نے خارجی محاذ پر واضح صورت حال کے ساتھ ساتھ مقامی کرنسی کی مضبوطی ظاہر ہو رہی ہے۔ اختتام مدت پر ڈالر اور روپے کا فرق 277.9 تھا، جو آغاز سال کے مقابلے میں 2.9 فیصد زیادہ ہے۔

مالی سال 2024ء کے پہلے آٹھ ماہ میں ملک کا کرنٹ اکاؤنٹ کا خسارہ (سی اے ڈی) 1.0 بلین ڈالر تھا، جو گزشتہ سال مماثل مدت میں 3.8 بلین ڈالر کے مقابلے میں 74 فیصد (سال در سال) کمی ہے۔ CAD میں کمی کی سب سے بڑی وجہ کاروباری خسارے میں کمی ہے۔ برآمدات میں 10.2 فیصد اضافہ اور درآمدات میں 8.8 فیصد کمی کی بدولت کاروباری خسارے میں 27.6 فیصد کمی ہوئی۔ اسٹیٹ بینک آف پاکستان (ایس بی پی) کے زرمبادلہ کے ذخائر، جو گزشتہ مالی سال کے اختتام پر 4.4 بلین ڈالر تھے، آئی ایم ایف، دوست ممالک اور کثیر الجہتی ذرائع سے آمدات کی بدولت بڑھ کر مارچ 2024ء تک 8.0 بلین ڈالر ہو گئے جس کی بدولت ملک کی خارجی صورت حال میں بہتری آئی۔

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2024**

	March 31, 2024 (Unaudited)	June 30, 2023 (Audited)
Note	----- (Rupees in '000) -----	
ASSETS		
Balances with banks	4 146,120	187,605
Investments	5 1,237,147	1,113,544
Dividend, markup and other receivables	10,580	3,028
Advances, deposits and prepayments	3,905	3,906
Receivable against sale of investments	1	10,168
Total assets	<u>1,397,754</u>	<u>1,318,251</u>
LIABILITIES		
Payable to MCB Investment Management Limited - Management Company	6 5,824	4,163
Payable to Central Depository Company of Pakistan Limited - Trustee Payable to the Securities and Exchange Commission of Pakistan (SECP)	7 225	213
Payable against purchase of investments	109	302
Accrued and other liabilities	8 1,470	12,903
Total liabilities	<u>9,594</u>	<u>11,718</u>
	17,222	29,299
NET ASSETS	<u>1,380,532</u>	<u>1,288,952</u>
Unit holders' fund (as per statement attached)	<u>1,380,532</u>	<u>1,288,952</u>
Contingencies and commitments	9	
	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE	<u>13,913,760</u>	<u>19,735,214</u>
	----- (Rupees) -----	
NET ASSET VALUE PER UNIT	<u>99.2206</u>	<u>65.3123</u>

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

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

	Nine months ended March 31,		Quarter ended March 31,	
	2024	2023	2024	2023
Note ----- (Rupees in '000) -----				
INCOME				
Capital gain / (loss) on sale of investments	247,915	(100)	114,435	(11,118)
Dividend income	65,423	62,020	21,437	26,113
Markup on bank deposits	18,720	25,454	9,280	8,490
Unrealised appreciation on re-measurement of investments classified 'as 'financial assets at fair value through profit or loss' - net	327,074	(39,887)	(61,934)	16,666
Total income	659,132	47,487	83,218	40,151
EXPENSES				
Remuneration of MCB Investment Management Limited - Management Company	32,980	38,213	10,658	12,288
Sindh Sales tax on remuneration of the Management Company	4,287	4,968	1,385	1,598
Allocated expenses	936	1,158	347	372
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,807	1,909	606	619
Sindh sales tax on remuneration of the Trustee	236	247	78	81
Selling & Marketing Expense	2,729	-	1,745	-
Annual fee to the Securities and Exchange Commission of Pakistan	1,004	231	340	74
Brokerage, settlement and bank charges	4,008	5,082	965	1,940
Printing and related costs	66	27	16	13
Fees and subscription	-	21	-	6
Shariah advisory fee	400	541	112	181
Auditors' remuneration	552	620	177	148
Legal and professional charges	176	157	82	77
Donation	1,418	2,488	325	1,220
Total expenses	50,599	55,662	16,836	18,617
Net income / (loss) before taxation	608,533	(8,175)	66,382	21,534
Taxation	-	-	-	-
Net income / (loss) for the period after taxation	608,533	(8,175)	66,382	21,534
<i>Allocation of net income for the period:</i>				
Net income for the period after taxation	608,533	-	-	-
Income already paid on units redeemed	(121,734)	-	-	-
	486,799	-	-	-
<i>Accounting income available for distribution:</i>				
- Relating to capital gains	458,488	-	-	-
- Excluding capital gains	28,312	-	-	-
	486,799	-	-	-
Earnings / loss per unit	11			

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

For MCB Investment Management Limited
(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, 2024**

	Nine months ended March 31,		Quarter ended March 31,	
	2024	2023	2024	2023
	----- (Rupees in '000) -----			
Net income / (loss) for the period after taxation	608,533	(8,175)	66,382	21,534
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	<u>608,533</u>	<u>(8,175)</u>	<u>66,382</u>	<u>21,534</u>

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

For MCB Investment Management Limited
(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, 2024**

	Nine months ended March 31, 2024			Nine months period ended March 31, 2023		
	Capital value	Undistributed income / (accumulated loss)	Total	Capital value	Undistributed income / (accumulated loss)	Total
	(Rupees in '000)					
Net assets at the beginning of the period	1,489,352	(200,401)	1,288,952	1,919,624	(230,553)	1,689,071
Issuance of 1,777,665 units (2023: 6,042,183 units):						
- Capital value (at net asset value per unit at the beginning of the period)	116,103	-	116,103	389,072	-	389,072
- Element of income	25,778	-	25,778	(4,326)	-	(4,326)
	141,881	-	141,881	384,747	-	384,747
Redemption of 7,599,119 units (2023: 8,873,755 units):						
- Capital value (at net asset value per unit at the beginning of the period)	496,316	-	496,316	571,405	-	571,405
- Element of income / (loss)	12,482	121,734	134,216	4,101	-	4,101
	508,798	121,734	630,532	575,506	-	575,506
Total comprehensive income for the period	-	608,533	608,533	-	(8,175)	(8,175)
Final Dividend paid during the Period at the rate of 1.4341 per unit	(28,302)	-	(28,302)	-	-	-
Net assets at the end of the period	1,094,133	286,398	1,380,532	1,728,865	(238,728)	1,490,136
Accumulated Income / (loss) brought forward comprising of:						
- Realised gain		(180,907)			(27,389)	
- Unrealised gain		(19,494)			(203,164)	
Accumulated Income / (loss) brought forward		(200,401)			(230,553)	
Accounting income available for distribution						
- Relating to capital gains		458,488			-	
- Excluding capital gains		28,312			-	
		486,799			-	
Net gain for the period after taxation		-			(8,175)	
Undistributed income carried forward		286,398			(238,728)	
Undistributed income carried forward comprising of:						
- Realised loss		(40,676)			(238,728)	
- Unrealised gain		327,074			-	
		286,398			(238,728)	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period		65.3123			64.3927	
Net asset value per unit at the end of the period		99.2206			63.6832	

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

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	Nine Months Ended	
	March 31, 2024	March 31, 2023
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	608,533	(8,175)
Adjustments for:		
Dividend income	(65,423)	(62,020)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(327,074)	39,887
	<u>216,036</u>	<u>(30,308)</u>
(Increase) / decrease in assets		
Investments - net	203,471	107,417
Dividend, markup and other receivables	(1,290)	632
Advances, deposits and prepayments	-	20
Receivable against sale of investments	10,168	21,945
	<u>212,349</u>	<u>130,014</u>
Increase / (decrease) in liabilities		
Payable to MCB Investment Management Limited - Management Company	1,661	(1,013)
Payable to Central Depository Company of Pakistan Limited - Trustee	12	(13)
Payable to the Securities and Exchange Commission of Pakistan (SECP)	(193)	(198)
Payable against purchase of investments	(11,433)	(12,956)
Accrued and other liabilities	(2,125)	554
	<u>(12,078)</u>	<u>(13,626)</u>
Dividend received	59,160	53,211
Net cash generated from operating activities	<u>475,467</u>	<u>139,291</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	141,881	384,747
Payments against redemption of units	(630,532)	(575,506)
Dividend paid during the period	(28,302)	-
Net cash (used in) financing activities	<u>(516,953)</u>	<u>(190,759)</u>
Net decrease in cash and cash equivalents during the period	<u>(41,485)</u>	<u>(51,468)</u>
Cash and cash equivalents at the beginning of the period	187,605	324,500
Cash and cash equivalents at the end of the period	<u>13</u> <u>146,120</u>	<u>273,031</u>

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

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Asset Allocation Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (Now: MCB Investment Management Limited), the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 14, 2005 under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC rules). The Funds are required to be registered under the "Sindh Trusts Act, 2020" (the Sindh Trust Act). Accordingly, on August 13, 2021 the Trust Deed of the Fund had been registered under the Sindh Trust Act.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The principal activity of the Fund is to make investment in shariah compliant investments in securities or instruments both inside and outside Pakistan. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Shariah compliant Islamic Asset Allocation" scheme by the Board of Directors of the Asset Management Company in accordance with the requirements of Circular 7 of 2009 dated March 06, 2009 issued by SECP.
- 1.4 In April 2023, MCB Bank Limited acquired the entire shareholding of Arif Habib Corporation Limited (AHCL) in MCB Arif Habib Savings and Investments Limited after which the shareholding of MCB Bank Limited has increased from 51.33% to 81.42% in the Company and AHCL no longer holds any shares in the Company. Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 7, 2023 resolved via special resolution that the name of the Company be changed from MCB Arif Habib Savings and Investments Limited to MCB Investment Management Limited. Thereafter, the Company applied to SECP, for approval of change of name, which was granted on August 15, 2023 and as such, the change of name became effective from that date.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 06, 2023 (2022: 'AM1' dated October 6, 2022) to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- 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 the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

- 2.1.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2023. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2024 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2023, 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 2023.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2023.

3.2 The preparation of these 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 recognized prospectively commencing from the period of revision. In preparing these 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, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2023.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are considered either not to be relevant or do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

			(Un-Audited) March 31, 2024	(Audited) June 30, 2023
4 BALANCES WITH BANKS	Note	----- (Rupees in '000) -----		
In current accounts	4.1	10,499	7,247	
In saving accounts	4.2	135,621	180,358	
		146,120	187,605	

4.1 These carry profit at the rates ranging from 18.5% to 21.3% for the period (June 30, 2023: 11.05% to 20.25% per annum).

4.2 These include balances of Rs. 10.228 million (June 30, 2023: Rs. 6.877 million) maintained with MCB Bank Limited and Rs. 12.422 million (June 30, 2023: Rs. 17.34 million) with MCB Islamic Bank Limited (a related party).

			(Un-Audited) March 31, 2024	(Audited) June 30, 2023
5 INVESTMENTS	Note	----- (Rupees in '000) -----		
Investment by category				
5.1 At fair value through profit or loss				
Listed equity securities	5.1.1	1,237,147	1,113,544	
		1,237,147	1,113,544	

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

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

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

Name of investee company	Number of shares				As at March 31, 2024	Balance as at March 31, 2024			Market Value as a percentage of		Percentage in relation to paid-up capital of the investee company
	As at July 01, 2023	Purchased during the period	Bonus / right issue during the period	Sold during the period		Carrying value	Market value	Unrealised (loss) / gain	Net assets	Total investments	
	(Rupees in '000)					%					
Automobile Assembler											
Pak Suzuki Motors Company Limited	-	55,000	-	55,000	-	-	-	-	-	-	-
Automobile Parts & Accessories											
Agriauto Industires Limited***	325	-	-	325	-	-	-	-	-	-	-
Cement											
Cherat Cement Company Limited	130,000	82,500	-	212,500	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited**	700,000	380,200	-	1,080,200	-	-	-	-	-	-	-
Fauji Cement Company Limited	8,500,250	625,000	-	5,725,250	3,400,000	40,036	59,976	19,940	0.04	0.05	0.14
Gharibwal Cement Ltd	650,000	-	-	650,000	-	-	-	-	-	-	-
Kohat Cement Company Limited	70,000	-	-	70,000	-	-	-	-	-	-	-
Lucky Cement Limited	147,500	133,241	-	77,247	203,494	126,648	155,669	29,021	0.11	0.13	0.06
Maple Leaf Cement Factory Limited	1,900,000	2,122,009	-	1,742,009	2,280,000	71,887	81,122	9,235	0.06	0.07	0.21
Pioneer Cement Limited	-	129,000	-	-	129,000	16,350	16,478	128	0.01	0.01	0.06
					6,012,494	254,921	313,246	58,325	0.23	0.25	0.47
Chemicals											
Archroma Pakistan Limited	25,000	7,500	-	-	32,500	15,280	13,419	(1,861)	0.01	0.01	0.09
Lucky Core Industries Limited	-	11,000	-	-	11,000	7,285	9,432	2,147	0.01	0.01	0.01
					43,500	22,565	22,851	286.47	0.02	0.02	0.10
Commercial Banks											
Meezan Bank Limited****	805,000	384,581	-	419,462	770,119	80,578	164,513	83,935	0.12	0.13	0.04
Faysal Bank Limited	1,700,000	810,339	-	695,000	1,815,339	42,011	61,812	19,801	0.04	0.05	0.12
					2,585,458	122,590	226,325	103,735	0.16	0.18	0.16
Engineering											
International Steels Limited**	-	422,500	-	316,500	106,000	5,060	6,956	1,895	0.01	0.01	0.02
Mughal Iron & Steel Industries Limited	250,000	663,000	-	163,000	750,000	41,362	47,303	5,940	0.03	0.04	0.22
					856,000	46,422	54,258	7,836	0.04	0.04	0.24
Fertilizer											
Engro Corporation Limited	265,000	-	-	265,000	-	-	-	-	-	-	-
Engro Fertilizer Limited	700,000	-	-	659,000	41,000	3,384	6,016	2,632	0.00	0.00	0.00
Fauji Fertilizer Bin Qasim Limited****	1,000,000	1,257,000	-	2,257,000	-	-	-	-	-	-	-
					41,000	3,384	6,016	2,632	0.00	0.00	0.00
Food & Personal Care Products											
National Foods Limited	180,000	-	-	30,000	150,000	14,760	24,470	9,710	0.02	0.02	0.06
AT-TAHUR LIMITED	400,000	-	-	400,000	-	-	-	-	-	-	-
The Organic Meat Company Limited	600,006	-	-	600,006	-	-	-	-	-	-	-
					150,000	14,760	24,470	9,710	0.02	0.02	0.06
Glass & Ceramics											
Shabbir Tiles & Ceramics Limited	439	1,073,000	-	439	1,073,000	14,554	15,237	683	0.01	0.01	0.33
Tariq Glass Industries	-	144,488	-	-	144,488	12,738	15,541	2,803	0.01	0.01	0.08
					1,217,488	27,292	30,778	3,486	0.02	0.02	0.41
Miscellaneous											
Shifa International Hospitals	140,000	31,700	-	26,700	145,000	17,800	20,013	2,213	0.01	0.02	0.23
					145,000	17,800	20,013	2,213	0.01	0.02	0.23
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited	46,000	17,850	-	45,050	18,800	30,160	47,695	17,536	0.03	0.04	0.01
Oil & Gas Development Company Limited	750,000	381,334	-	681,334	450,000	43,294	54,743	11,448	0.04	0.04	0.01
Pakistan Oilfields Limited	55,000	-	-	55,000	-	-	-	-	-	-	-
Pakistan Petroleum Limited	600,000	815,000	-	1,023,000	392,000	29,349	41,611	12,262	0.03	0.03	0.01
					860,800	102,802	144,049	41,246	0.10	0.12	0.03

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

Oil And Gas Marketing Companies										
Attock Petroleum Limited	60,000	-	-	60,000	-	-	-	-	-	-
Paper And Board										
Century Paper & Board Mills Limited	198,000	-	-	198,000	-	-	-	-	-	-
Packages Limited	37,244	44,562	-	7,244	74,562	29,594	41,738	12,144	0.03	0.03
					74,562	29,594	41,738	12,144	0.03	0.03
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	-	13,100	-	-	13,100	6,123	6,273	149	0.00	0.01
Agp Limited	-	315,000	-	-	315,000	22,702	23,379	678	0.02	0.02
Citi Pharma limited	500,000	65,000	-	-	565,000	12,200	13,102	902	0.01	0.01
Haleon Pakistan Limited	110,000	49,300	-	-	159,300	23,802	31,065	7,263	0.02	0.03
Highnoon Laboratories Limited	82,225	8,000	-	42,200	48,025	16,503	24,466	7,963	0.02	0.02
					1,100,425	81,330	98,285	16,955	0.07	0.08
Power Generation & Distribution										
Hub Power Company Limited	760,000	566,000	-	424,500	901,500	72,219	109,325	37,105	0.08	0.09
Nishat Chunian Power Limited	-	807,400	-	-	807,400	22,350	21,162	(1,188)	0.02	0.02
					1,708,900	94,570	130,487	35,917	0.09	0.11
Refinery										
Attock Refinery Limited	-	102,000	-	102,000	-	-	-	-	-	-
Technology & Communications										
Systems Limited	180,000	58,700	-	137,200	101,500	41,848	39,116	(2,732)	0.03	0.03
					101,500	41,848	39,116	(2,732)	0.03	0.03
Textile Composite										
Interloop Limited	1,115,000	250,000	-	401,000	964,000	35,137	72,252	37,115	0.05	0.06
Kohinoor Textile Mills Limited	450,650	-	-	450,650	-	-	-	-	-	-
Nishat (Chunian) Limited	550,000	-	-	550,000	-	-	-	-	-	-
Nishat Mills Limited**	219,399	305,511	-	324,910	200,000	15,061	13,266	(1,795)	0.01	0.01
					1,164,000	50,197	85,518	35,321	0.06	0.07
Total as at March 31, 2024					910,075	1,237,147	327,074			
Total as at June 30, 2023					1,148,019	1,113,544	(34,475)			

** These transactions relating to shares of related parties

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

**** These represent pledge securities

**** Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan (SECP).

Name of security	March 31, 2024	June 30, 2023	March 31, 2024	June 30, 2023
	--- (Number of shares) ---		----- (Rupees in '000) -----	
Meezan Bank Limited	500,000	500,000	106,810	43,185
Fauji Cement Company Limited	2,000,000	2,000,000	35,280	23,520
	2,500,000	2,500,000	142,090	66,705

5.1.1.1 There is no change in the status of matter related to bonus shares as reported in the annual financial statements of the Fund for the year ended June 30, 2023. As at March 31, 2024, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.031 million (June 30, 2023: Rs. 0.030 million).

6 PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
	----- (Rupees in '000) -----	
Management remuneration payable	6.1	3,484
Sindh Sales Tax payable on remuneration of the Management Company	6.2	453
Allocated expenses payable	6.3	104
Selling & Marketing Payable	6.4	1,745
Shariah advisory fee payable	38	50
	5,824	4,163

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

- 6.1 The Management Company shall be entitled to an accrued remuneration equal to an amount up to 4% per annum of the average annual Net Assets of the Scheme calculated on daily basis, within allowed expense ratio limit. The remuneration is payable to the Management Company monthly in arrears.
- 6.2 Sindh sales tax on remuneration of the management company has been charged at the rate of 13%.
- 6.3 The Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company has charged allocated expenses to the Fund to the extent as it has think expedient on its discretion subject to not being higher than actual expenses.
- 6.4 The Management Company has charged selling and marketing expenses to the fund to the extent as it has think expedient on its discretion subject to not being higher than actual expenses.

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

In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) on annual basis at the rate of 0.02% of average Net Assets of Collective investment Scheme calculated on daily basis. Effective from July 1, 2023, the SECP vide SRO No. 592(I)/2023 dated May 17, 2023, revised the rate of annual fee to from 0.02% to 0.095% of net assets. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
	----- (Rupees in '000) -----	
8 ACCRUED AND OTHER LIABILITIES		
Provision for Federal Excise Duty		
- on Management fee	8.1	5,910
- on sales load		1,136
Charity / donation payable		1,418
Auditors' remuneration payable		352
Withholding tax payable		61
Brokerage payable		11
Other payables		706
	9,594	11,718

- 8.1 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, 2023. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2024 would have been higher by Re. 0.51 per unit (June 30, 2023: Re.0.36 per unit).

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2024 and June 30, 2023.

10 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income to be earned during current year to the unit holders as reduced by capital gains (whether realized or unrealized) to its unit holders, therefore, no provision for taxation has been made in these condensed interim financial statements during the period. The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

11 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.

12 TOTAL EXPENSE RATIO

The annualized total expense ratio (TER) of the Fund based on the current period results is 4.78% (March 31, 2023: 4.81%) which includes 0.56% (March 31, 2023: 0.52%) representing Government Levy, Sindh Worker's Welfare Fund and SECP Fee.

	March 31, 2024 (Un audited)	June 30, 2023 (Audited)
	----- (Rupees in '000) -----	
13 CASH AND CASH EQUIVALENTS		
Balances with banks	146,120	187,605

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

14 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, MCB Islamic Bank Limited (being 100% subsidiary of the Holding Company), the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration of the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration of the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

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

	(Un-Audited)	
	March 31, 2024	March 31, 2023
	----- (Rupees in '000) -----	
14.1 Details of transactions with connected persons are as follows:		
MCB Investment Management Limited - Management Company		
Remuneration (including indirect taxes)	37,267	43,181
Allocated expenses	936	1,158
Shariah advisory fee	400	541
Selling & Marketing Expense	2,729	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee (including indirect taxes)	2,043	2,156
Settlement charges	128	68
Group / Associated Companies:		
MCB Bank Limited		
Bank charges	18	12
MCB Islamic Limited		
Profit on bank deposits	6,613	-
International Steels Limited		
Purchase of 422,500 (March 31, 2023: Nil) shares	20,170	-
Sale of 316,500 (March 31, 2023: Nil) shares	22,268	-
Dividend	1,709	-
Nishat Mills Limited		
Purchase of 305,511 (March 31, 2023: 50,000) shares	22,785	3,475
Sale of 324,910 (March 31, 2023: 450,000) shares	21,064	31,443
D.G. Khan Cement Company Limited		
Purchase of shares 380,200 (March 31, 2023: 560,000) shares	21,064	28,241
Sale of shares 1,080,200 (March 31, 2023: 563,265) shares	66,498	30,757
Dividend income	-	380

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	(Un-Audited) March 31, 2023	(Audited) June 30, 2023
	----- (Rupees in '000) -----	
14.2 Balances outstanding at period / year end:		
MCB Investment Management Limited - Management Company		
Remuneration payable	3,484	3,545
Sindh sales tax payable on remuneration of the management company	453	461
Allocated expenses payable	104	107
Shariah advisory fee payable	38	50
Selling & Marketing Payable	1,745	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	199	190
Sales tax on Trustee fee payable	26	23
Security deposit	200	200
Group / Associated Companies:		
MCB Bank Limited		
Balance with bank	10,228	6,877
MCB Islamic Bank Limited		
Balance with bank	12,422	170,340
D.G. Khan Cement Company Limited		
Nil (June 2023: 700,000) shares held	-	35,910
Nishat Mills Limited		
200,000 shares (June 2023:219,399) Shares Held	13,266	12,455
International Steels Limited		
106,000 shares (June 2023:Nil) Shares Held	6,956	-

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.

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

	March 31, 2024 (Un-Audited)							
	As at July 01, 2023	Issued for cash	Redeemed	As at March 31, 2024	As at July 01, 2023	Issued for cash	Redeemed	As at March 31, 2024
	----- Units -----				----- (Rupees in '000) -----			
Group / Associated Companies								
D.G. Khan Cement Company Ltd Employees Provident Fund Trust	112,524	2,526	115,050	-	7,349	161	8,175	-
Adamjee Life Assurance Co. Ltd. (Imf)	2,142,460	40,884	2,035,186	148,158	139,929	2,612	168,000	14,700
Adamjee Life Assurance Co. Ltd. Amanat Fund	1,267,428	24,186	323,540	968,074	82,779	1,545	27,900	96,053
Adamjee Life Assurance Co. Ltd -Mazaaf	3,580,650	68,329	738,005	2,910,974	233,860	4,365	67,000	288,829
Hyundai Nishat Motor Private Limited Employees Provident Fund	223,742	55,655	40,857	238,540	14,613	3,721	3,450	23,668
Adamjee Life Assurance Co. LTD Managed Growth Fund	-	7,395	-	7,395	-	690	-	734
Key management personnel*	16,740	1,083	17,822	1	1,093	71	1,197	0
Mandate under Discretionary								
Portfolio Services *	1,188,302	73,292	186,047	1,075,547	77,611	4,848	13,795	106,716
Unitholders holding 10% or more	-	21,909	-	21,909	-	1,400	-	2,174

* This reflects the position of related party / connected persons status as at March 31, 2024.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

March 31, 2023 (Un-Audited)							
As at July 01, 2022	Issued for cash	Redeemed	As at March 31, 2023	As at July 01, 2022	Issued for cash	Redeemed	As at March 31, 2023
----- Units -----				----- (Rupees in '000) -----			

Group / Associated Companies								
D.G. Khan Cement Company Ltd Employees Provident Fund Trust	112,524	-	-	112,524	7,246	-	-	7,166
Adamjee Life Assurance Co. Ltd. (Imf)	580,377	1,562,083	-	2,142,460	37,372	100,000	-	136,439
Adamjee Life Assurance Co. Ltd. Amaanat Fund	463,331	850,929	31,627	1,282,633	29,835	52,591	2,000	81,682
Adamjee Life Assurance Co. Ltd -Mazaaf	1,932,537	1,952,603	-	3,885,140	124,441	125,000	-	247,418
Hyundai Nishat Motor Private Limited Employees Provident Fund	167,136	113,653	57,046	223,743	10,762	7,150	3,700	14,249
Key management personnel*	17,324	480	1,050	16,754	1,116	31	68	1,067
Mandate under Discretionary								
Portfolio Services *	742,386	905,040	541,257	1,106,169	47,804	57,550	35,051	81,088

* This reflects the position of related party/ connected persons status as at March 31, 2023.

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is 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. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

15.1 FAIR VALUE HIERARCHY

International Financial Reporting Standard IFRS 13 - "Fair Value Measurement" requires the fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 : quoted prices in active markets for identical assets or liabilities;
- Level 2 : inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 : inputs for the assets or liability that are not based on observable market data (i.e. unobservable inputs).

16 GENERAL

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

16.2 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 were no material reclassifications to report.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 22, 2024 by the Board of Directors of the Management Company.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB INVESTMENT MANAGEMENT LIMITED

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