



MCB FUNDS
Investments for Life

QUATERLY REPORT

SEPTEMBER
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



ALHAMRA GOVERNMENT SECURITIES FUND

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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	Dubai Islamic Bank Limited	
Auditors	BDO Ebrahim & 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 QUARTER ENDED SEPTEMBER 30, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Government Securities Plan** (Fund launched on Jun 25, 2024) accounts review for the quarter ended September 30, 2024.

Economy Review

The new fiscal year began on a positive note with the government securing a staff-level agreement with the IMF for a 37-month Extended Fund Facility (EFF) worth approximately USD 7.0 billion. However, the formal approval was delayed due to the government's struggle to secure debt rollovers from friendly countries. After Pakistan fulfilled all preconditions the IMF Executive Board approved the program on September 27, 2024. Subsequently, the State Bank of Pakistan (SBP) received the first tranche of USD 1.0 billion, bolstering foreign exchange reserves and strengthening the currency as the USD/PKR parity appreciated by 0.2% in the quarter to close at 277.7.

The country posted a current account deficit (CAD) of USD 171mn in the first two months of the fiscal year 2025 (2MFY25) declining by 81% YoY compared to a deficit of USD 893mn in the corresponding period last year. The major contributor towards improving CAD was the remittances inflows which skyrocketed by 44.0% to USD 1.8bn. Trade Deficit increased by 21.7% YoY as exports rose by 7.2% while imports increased by 13.8% from a low base. The country's external position improved with SBP's foreign exchange reserves increasing to USD 10.7bn as of Sep-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 9.2% during 1QFY25 compared to 29.0% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past nine months, a substantial drop in food prices aligning with global trends, and a reduction in international oil prices, which eased local fuel costs. Additionally, the base effect further contributed to the lower inflation figures.

As per the revised numbers the country's GDP grew by 2.5% in the financial year 2023-24 as compared to -0.2% last year. Agriculture grew by 6.4%, Services sector grew by 2.2% while industrial sector witnessed a decline of 1.2%. Historic high interest rates and inflation coupled with political uncertainty were the major culprits behind the subdued industrial and services output. On the fiscal side, FBR tax collection increased by 25.2% in 1QFY25 to PKR 2,556 billion, missing the target by PKR 96 billion.

Fund Performance

During the period under review, the fund generated an annualized return of 23.09% as against its benchmark return of 18.61%. WAM of the fund was 641 days. The fund was 42.5% invested in Cash as of September end. The Net Assets of the Fund as at September 30, 2024 stood at Rs. 701 million. The Net Asset Value (NAV) per unit as at September 30, 2024 was Rs. 105.8196.

Economy & Market – Future Outlook

Pakistan's GDP growth is projected to inch up to 2.8% in FY25, compared to 2.5% last year. The industrial and services sectors are expected to expand by 3.5% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 1.9%, constrained by the high base effect and flood-related damage to the cotton crop.

The new IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. We expect SBP reserves to increase to USD 12.7bn by year end on the back of

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

flows from friendly countries, IMF and multilateral agencies. 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 0.6bn (0.1% of GDP) in FY25 as policy of consolidation is likely to continue under the IMF umbrella. We are of the view that improvement in exports and remittances and increased comfort on the external side after entering into the IMF program will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close Jun-25 around 289.4.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in September 2024 clocked of 6.9% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 44 months. The core inflation also remained on a declining trajectory, clocking at 10.4% (29 months low). We expect inflation to further decelerate in the coming months as base effect will become more pronounced. We anticipate CPI to average around 6.8% in FY25 compared to 23.9% in FY24. As the real interest rate remains significantly positive we foresee further interest cuts, expecting policy rate to decline around 13.0% by June 25.

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 further monetary easing in the near term.

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 13.9% during 1QFY25 to PKR 2,931bn. Total money market funds grew by about 0.2% since Jun-24. Within the money market sphere, conventional funds showed a growth of 19.4% to PKR 751bn while Islamic funds declined by 17.7% to PKR 559bn. In addition, the total fixed Income and Fixed Rate funds increased by about 35.1% since Jun-24 to PKR 1,298bn while Equity and related funds increased by 5.6% to PKR 270bn.

In terms of the segment share, Money Market funds were the leader with a share of around 44.7%, followed by Income and fixed return funds with 44.3% and Equity and Equity related funds having a share of 9.2% as at the end of Sep-24.

Mutual Fund Industry Outlook

Interest rates trajectory and expectations of further monetary easing shall continue to attract inflows in longer tenor instrument linked funds including Sovereign Funds and Income Funds. Money market funds should also benefit from higher liquidity as they are ideal for investors with a short-term horizon and low risk profile. With improved external account post agreement with IMF, long-term investors may look to add equity exposure at these highly attractive levels. 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.

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

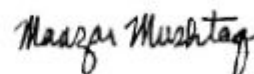
ACKNOWLEDGMENT

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
October 21, 2024



Manzar Mushtaq
Director
October 21, 2024

ڈائریکٹرز رپورٹ

میوچل فنڈ انڈسٹری آؤٹ لک

شرح سود کی رفتار اور مزید مالیاتی نرمی کی توقعات طویل مدتی انسٹرومنٹ سے منسلک فنڈز بشمول Sovereign Funds اور Income Funds میں آمد کو راغب کرتی رہیں گی۔ منی مارکیٹ فنڈز کو بھی زیادہ لیکویڈیٹی سے فائدہ اٹھانا چاہیے کیونکہ یہ قلیل مدتی افق اور کم رسک پروفائل والے سرمایہ کاروں کے لیے مثالی ہیں۔ IMF کے ساتھ بہتر ایکسٹرنل اکاؤنٹ پوسٹ ایگریمنٹ کے ساتھ، طویل مدتی سرمایہ کاران انتہائی پرکشش سطحوں پر ایکویٹی میں سرمایہ کاری کرنے کی کوشش کریں گے۔ ہمارے کام بغیر کسی رکاوٹ کے جاری رہے اور ڈیجیٹل رسائی اور آن لائن کسٹمرز کے تجربے میں مسابقتی برتری کے پیش نظر، ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد کے فوائد حاصل کرنے کے لیے تیار ہیں۔

اعتراف

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کا مسلسل تعاون کا شکریہ ادا کرتا ہے۔ ڈائریکٹرز نے انتظامیہ کی ٹیم کی کوششوں کو بھی سراہا۔

ڈائریکٹرز کی جانب سے،

Masrfa Mushtaq

منظر مشتاق

ڈائریکٹر

21 اکتوبر، 2024

خواجہ خلیل شاہ

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

21 اکتوبر، 2024

ڈائریکٹرز رپورٹ

سال کرنسی کی قدر میں معمولی کمی USD / PKR کو جون 2025 کے قریب 289.4 پر بند کرے گی۔

بنیادی اثر اور نسبتاً مستحکم کرنسی کی وجہ سے افراط زر کی شرح میں کمی آنا شروع ہو گئی ہے۔ ستمبر 2024 میں ہیڈ لائن افراط زر کی تعداد مئی 2023 میں 38.0 فیصد کی بلند ترین شرح کے مقابلے میں 6.9 فیصد تک پہنچ گئی۔ یہ پچھلے 44 مہینوں میں سب سے کم ریڈنگ تھی۔ بنیادی افراط زر بھی گرتی ہوئی رفتار پر رہا، جو 10.4 فیصد (29 ماہ کی کم ترین سطح) پر پہنچ گیا۔ ہمیں توقع ہے کہ آنے والے مہینوں میں افراط زر مزید کم ہو جائے گا کیونکہ بنیادی اثر مزید واضح ہو جائے گا۔ ہم توقع کرتے ہیں کہ مالی سال 24 میں 23.9 فیصد کے مقابلے میں مالی سال 25 میں CPI اوسطاً 6.8 فیصد رہے گا۔ چونکہ حقیقی شرح سود نمایاں طور پر مثبت رہتی ہے، ہم مزید سود میں کٹوتیوں کی پیش گوئی کرتے ہیں، جون 2025 تک پالیسی کی شرح تقریباً 13.0 فیصد کم ہونے کی توقع رکھتے ہیں۔

قرض ہولڈرز کے لیے، ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈز سال بھر میں بغیر کسی رکاوٹ کے پالیسی شرحوں کے آئینہ دار رہیں گے۔ وسط سے طویل مدتی نقطہ نظر کے حامل سرمایہ کار بانڈ اور انکم فنڈز سے فائدہ اٹھا سکتے ہیں جہاں زیادہ مدت سود کی شرح کے نقطہ نظر کے تناظر میں سرمائے میں اضافے کے مواقع پیدا کرے گی۔ ہم نے انکم فنڈز میں حکومتی بانڈز شامل کیے ہیں تاکہ مستقبل قریب میں متوقع مزید مالیاتی نرمی سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈز انڈسٹری کے خالص اثاثے 1QFY25 کے دوران تقریباً 13.9 فیصد بڑھ کر 2,931 بلین ہو گئے۔ 24 جون سے کل منی مارکیٹ فنڈز میں تقریباً 0.2 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرے میں، روایتی فنڈز 19.4 فیصد اضافے کی وجہ سے 751 بلین ہو گئے جبکہ اسلامی فنڈز نے 17.7 فیصد کمی کی وجہ سے 559 بلین ہو گئے۔ مزید برآں، کل فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 24 سے تقریباً 35.1 فیصد بڑھ کر 1,298 بلین ہو گئے جبکہ ایکویٹی اور متعلقہ فنڈز 5.6 فیصد بڑھ کر 270 بلین ہو گئے۔

سیگمنٹ شیئر کے لحاظ سے، منی مارکیٹ فنڈز تقریباً 44.7 فیصد کے شیئر کے ساتھ سرفہرست تھے، اس کے بعد انکم اور فیکسڈ ریٹ فنڈز 44.3 فیصد کے ساتھ اور ایکویٹی اور ایکویٹی سے متعلقہ فنڈز کا حصہ ستمبر 24 کے آخر تک 9.2 فیصد تھا۔

ڈائریکٹر رپورٹ

میں 2.5 فیصد اضافہ ہوا۔ زراعت میں 6.4 فیصد اضافہ ہوا، خدمات کے شعبے میں 2.2 فیصد اضافہ ہوا جبکہ صنعتی شعبے میں 1.2 فیصد کمی دیکھی گئی۔ صنعتی اور خدمات کے آؤٹ پٹ میں کمی کے پیچھے تاریخی بلند شرح سود اور مہنگائی کے ساتھ سیاسی غیر یقینی صورتحال سب سے بڑے مجرم تھے۔ مالیاتی پہلو پر، FBR کی ٹیکس وصولی 1QFY25 میں 25.2 فیصد بڑھ کر 2,556 بلین روپے ہو گئی، جو ہدف 96 ارب روپے سے کم ہے۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران، فنڈ نے 18.61 فیصد کے نیٹج مارک ریٹرن کے مقابلے میں 23.09 فیصد کا ریٹرن دیا۔ فنڈ کا WAM 641 دن تھا۔ ستمبر کے آخر تک فنڈ کی کیش میں 42.5 فیصد سرمایہ کاری کی گئی تھی۔ 30 ستمبر 2024 تک فنڈ کے خالص اثاثے 701 بلین روپے تھے۔ 30 ستمبر 2024 تک نیٹ اثاثہ (NAV) کی قیمت 105.8196 روپے فی یونٹ تھی۔

معیشت اور مارکیٹ - مستقبل کا آؤٹ لک

پاکستان کی جی ڈی پی کی شرح نمو FY 25 میں 2.8 فیصد تک رہنے کا امکان ہے، جو کہ گزشتہ سال 2.5 فیصد تھی۔ صنعتی اور خدمات کے شعبوں میں بالترتیب 3.5 فیصد اور 3.0 فیصد کی توسیع متوقع ہے، جس کی وجہ طلب میں بتدریج بحالی اور بنیادی اثر ہے۔ تاہم، زرعی نمو 1.9 فیصد پر معمولی رہنے کا امکان ہے، جو کہ اعلیٰ بنیادی اثر اور کپاس کی فصل کو سیلاب سے متعلقہ نقصانات کی وجہ سے محدود ہے۔

آئی ایم ایف کا نیا پروگرام کلیدی مثبت ہے کیونکہ یہ ہمیں دو طرفہ اور کثیر جہتی ذرائع سے فنڈنگ حاصل کرنے کی اجازت دیتا ہے۔ ہم توقع کرتے ہیں کہ دوست ممالک، آئی ایم ایف اور کثیر جہتی ایجنسیوں کی جانب سے آنے والے بہاؤ کی وجہ سے سال کے آخر تک SBP کے ذخائر بڑھ کر USD 12.7 بلین ہو جائیں گے۔ تاہم، ہماری بیرونی پوزیشن اب بھی غیر یقینی ہے کیونکہ ہم چیلنجنگ عالمی حالات کی وجہ سے بین الاقوامی یورو بانڈ یا سکوک جاری کرنے کا امکان نہیں رکھتے ہیں۔ RDA اور FDI سے حاصل ہونے والی آمدنی کا بھی موجودہ معاشی چیلنجوں کی وجہ سے خاموش رہنے کا امکان ہے۔ اس طرح، ہمیں بیرونی خدشات کو دور کرنے کے لیے اس سال ایک پائیدار کرنٹ اکاؤنٹ کو یقینی بنانا ہوگا۔ ہم FY25 میں USD 0.6 بلین (GDP کا 0.1 فیصد) کی CAD کی توقع کرتے ہیں کیونکہ IMF کی چھتری کے تحت استحکام کی پالیسی جاری رہنے کا امکان ہے۔ ہمارا خیال ہے کہ برآمدات اور ترسیلات زر میں بہتری اور آئی ایم ایف پروگرام میں داخل ہونے کے بعد بیرونی طرف سے استحکام میں اضافہ ہوگا اور قریب مدت میں کرنسی کو مستحکم رکھے گا۔ ہمیں توقع ہے کہ اس

ڈائریکٹرز رپورٹ

پیارے سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے، مجھے الحمر اگورنمنٹ سیکورٹیز پلان (فنڈ 25 جون 2024 کو شروع کیا گیا) کے 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے اکاؤنٹس کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

معیشت کا جائزہ

نئے مالی سال کا آغاز مثبت ہوا جب حکومت نے IMF کے ساتھ 37 ماہ کے توسیعی فنڈ سہولت (EFF) کے لیے تقریباً 7.0 بلین امریکی ڈالر کا اسٹاف لیول معاہدہ کیا۔ تاہم، حکومت کی جانب سے دوست ممالک سے قرضوں کی واپسی کے لیے جدوجہد کی وجہ سے رسمی منظوری میں تاخیر ہوئی۔ پاکستان کی جانب سے تمام پیشگی شرائط پوری کرنے کے بعد IMF کے ایگزیکٹو بورڈ نے 27 ستمبر 2024 کو پروگرام کی منظوری دی۔ اس کے بعد، اسٹیٹ بینک آف پاکستان (SBP) کو 1.0 بلین امریکی ڈالر کی پہلی قسط موصول ہوئی، جس سے زرمبادلہ کے ذخائر میں اضافہ ہوا اور کرنسی کو PKR/USD کے طور پر مضبوط کیا گیا جس کی برابری سہ ماہی میں 0.2 فیصد سے بڑھ کر 277.7 پر بند ہوئی۔

ملک نے مالی سال 2025 (2MFY25) کے پہلے دو مہینوں میں 171 USD بلین کا کرنٹ اکاؤنٹ خسارہ (CAD) پوسٹ کیا جس میں گزشتہ سال کی اسی مدت میں 893 USD بلین کے خسارے کے مقابلے میں 81 فیصد YoY کمی واقع ہوئی۔ CAD کو بہتر بنانے میں سب سے بڑا حصہ ترسیلات زر کا تھا جو 44.0 فیصد اضافے سے 1.8 USD بلین تک پہنچ گیا۔ تجارتی خسارے میں سالانہ 21.7 فیصد اضافہ ہوا جیسا کہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ کم بنیاد درآمدات میں 13.8 فیصد اضافہ ہوا۔ SBP کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے آخر میں 9.4 USD بلین کے مقابلے میں ستمبر 2024 کے آخر تک بڑھ کر 10.7 USD بلین تک پہنچنے جو ملک کی بیرونی پوزیشن میں بہتری کا سبب بنے۔ یہ آئی ایم ایف اور کثیر جہتی ذرائع سے آنے والے بہاؤ کی وجہ سے تھا۔

1QFY25 کے دوران CPI کی طرف سے پیش کردہ ہیڈ لائن افراط زر کی اوسط 9.2 فیصد رہی جو پچھلے سال کی اسی مدت میں 29.0 فیصد تھی۔ اس تیزی سے گراؤ کی وجہ گزشتہ نو مہینوں کے دوران کرنسی کے استحکام، عالمی رجحانات کے مطابق خوراک کی قیمتوں میں خاطر خواہ کمی، اور تیل کی بین الاقوامی قیمتوں میں کمی، جس سے ایندھن کی مقامی قیمتوں میں نرمی آئی ہے۔ مزید برآں، بنیادی اثر نے افراط زر کے کم اعداد و شمار میں مزید حصہ ڈالا۔

نظر ثانی شدہ اعداد کے مطابق مالی سال 2023-2024 میں ملک کی جی ڈی پی میں گزشتہ سال -0.2 فیصد کے مقابلے

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2024

	Note	Sep 30, 2024	June 30, 2024
		------(Rupees in '000)-----	
ASSETS			
Bank balances	4	298,802	168,353
Investment	5	386,261	120,348
Profit receivable		17,642	6,190
Other receivable		162	31
Total assets		702,866	294,921
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	6	1,048	65
Payable to Central Depository Company of Pakistan Limited - Trustee		22	2
Payable to Securities and Exchange Commission of Pakistan	7	26	2
Accrued expenses and other liabilities	8	493	187
Payable against purchase of investment		-	126,213
Total liabilities		1,589	126,469
NET ASSETS		701,277	168,452
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		701,277	168,452
CONTINGENCIES AND COMMITMENTS			
	9		
		Number of units	Number of units
NUMBER OF UNITS IN ISSUE		6,627,106	1,682,271
		Rupees	Rupees
NET ASSETS VALUE PER UNIT		105.8196	100.1339

The annexed notes 1 to 16 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

Quarter ended
September 30, 2024

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

INCOME

Profit on bank deposits		2,858
Net gain on sale of investments		129
Income from Government securities		10,871
Unrealised appreciation on re-measurement of investment at fair value through profit or loss - net		5,690
Total income		19,548

EXPENSES

Remuneration of MCB Investment Management Limited - Management Company	6.1	658
Sindh Sales Tax on remuneration of Management Company	6.2	99
Allocated expenses		-
Selling and marketing expenses		-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		43
Sindh Sales Tax on remuneration of the Trustee		6
Securities and Exchange Commission of Pakistan fee	7	58
Auditors' remuneration		113
Legal and professional charges		15
Printing and related costs		25
Shariah Advisory Fee Expense		85
Other Expenses		92
Total operating expenses		1,194
Net income for the period before taxation		18,354
Taxation	11	-
Net income for the period after taxation		18,354
Allocation of net income for the period		
Net income for the period after taxation		18,354
Income already paid on units redeemed		(2,784)
		15,571
Accounting income available for distribution		
Relating to capital gains		5,440
Excluding capital gains		10,131
		15,571
Earnings per unit	12	

The annexed notes 1 to 16 form an integral part of these financial statements.


For MCB Investment Management 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, 2024**

Quarter ended
September 30,
2024

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

Net income for the period after taxation	18,354
Other comprehensive income	-
Total comprehensive income for the period	18,354

The annexed notes 1 to 16 form an integral part of these financial statements.


For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Quarter ended September 30, 2024		
	Capital Value	Undistributed income	Total
	Rupees in '000		
Net assets at beginning of the period	168,343	109	168,452
Issue of 6,721,594 units :			
- Capital value (at net asset value per unit at the beginning of the period)	672,159	-	672,159
- Element of income	27,359	-	27,359
	699,519	-	699,519
Redemption 1,776,759:			
- Capital value (at net asset value per unit at the beginning of the period)	177,676	-	177,676
- Amount paid out of element of income	(359,715)	(2,784)	(362,499)
	(182,039)	(2,784)	(184,823)
Total comprehensive income for the period	-	18,354	18,354
Interim distribution during the period (including additional units) at the rate of Rs. 0.1339 per unit (declared on July 01, 2024)	-	(225)	(225)
	-	18,129	18,129
Net assets as at the end of the period	685,822	15,454	701,277
Undistributed income brought forward:			
- Realised		122	
- Unrealised		(12)	
		109	
Accounting income available for distribution			
- Relating to capital gains		5,440	
- Excluding capital gains		10,131	
		15,571	
Distributions during the period		(226)	
Undistributed income carried forward		15,454	
Undistributed income carried forward			
- Realised		9,764	
- Unrealised		5,690	
		15,454	
		(Rupees)	
Net assets value per unit as at beginning of the period		100.1339	
Net assets value per unit as at end of the period		105.8196	

The annexed notes 1 to 16 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Note	Quarter ended September 30, 2024 ----(Rupees in '000)----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		18,354
Adjustments for:		
Unrealised (gain) / loss on re-measurement of investments at fair value through profit or loss - net		(5,690)
		12,664
(Increase) / decrease in assets		
Investments - net		(260,222)
Profit receivable		(11,452)
Other receivable		(132)
		(271,805)
Increase in liabilities		
Payable to Management Company		983
Payable to Trustee		20
Payable to Securities and Exchange Commission of Pakistan		24
Payable against purchase of investment		(126,213)
Accrued expenses and other liabilities		306
		(124,880)
Net cash (used in) operating activities		(384,021)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units		699,519
Amount paid against redemption of units		(184,823)
Distributions made during the period		(225)
Net cash generated from financing activities		514,470
Net increase in cash and cash equivalents during the period		130,449
		168,353
Cash and cash equivalents at the end of the period		298,802

The annexed notes 1 to 16 form an integral part of these financial statements.

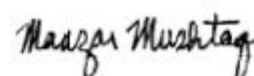
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Government Securities Fund (the Fund / the Scheme / the Trust / the Unit Trust / ALHGSF) has been established through the Trust Deed (the Deed) dated January 25, 2024 under the Sindh Act, 2020 entered into and between MCB Investment Management Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee and is authorised under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the "Rules") and Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations"). Accordingly on January 25, 2024. The Trust Deed of the Fund has been registered under the Sindh Trust Act. The Securities and Exchange Commission of Pakistan (SECP) has authorised to offer units of plans under the umbrella of Alhamra Government Securities Fund (ALHGSF) and has registered ALHGSF as a notified entity under the Non Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations") vide letter No SCD/AMCW/ALHGSF/2023/443 dated March 25, 2024. SECP has approved the Offering Document under the Regulations vide its Letter No. SCD/AMCW/ALHGSF/2023/458 dated April 08, 2024.
- 1.2 Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end collective investment scheme categorised as a "Shariah Compliant Government Securities Income Scheme". The Management Company has launched Alhamra Government Securities Plan I under Alhamra Government Securities Fund on June 24, 2024 i.e. IPO date of the Plan. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund.
- 1.4 The objective of the Fund is to generate a competitive return by investing primarily in Shariah Compliant Government Securities, Islamic Banks and licensed Islamic Banking Windows of Conventional Banks.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of AM1 dated October 04, 2024 to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1.1 Statement of compliance

These financial statements have 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 (IFRSs) 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 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.

- 2.1.2 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 2024. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2024 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2024.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 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, here by 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, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT POLICIES

- 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, 2024. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2024. 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, 2024.

		September 30, 2024	June 30, 2024
	Note	----(Rupees in '000)----	
4. BANK BALANCES			
In savings account	4.1	298,802	168,353
4.1 This carries profit at the rate of 13% to 17% (June 2024: 17.00%) per annum.			

5. INVESTMENTS

		September 30, 2024	June 30, 2024
	Note	----(Rupees in '000)----	
Financial assets 'at fair value through profit or loss' - net			
Government securities - GoP Ijarah Sukuks-Unlisted	5.1	386,261	120,348

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

5.1 Government of Pakistan Ijarah Sukuks

Tenor	Maturity Date	Face value			As at September 30, 2024		Market value as a percentage of net assets	Market value as a percentage of total Investments
		As at July 01, 2024	Purchased during the period	Sold / matured during the period	As at September 30, 2024	Unrealised gain / (loss)		
Government securities - GoP Ijarah Sukuks-Unlisted								
01 year	- GOP Ijara - Variable * October 09, 2023	120,000	-	75,000	45,000	45,077	63	11.67%
	- GOP Ijara - Fix *		25,000		25,000	22,358	348	5.79%
3 year	- GOP Ijara - Fix *		100,000	50,000	50,000	52,485	1,931	13.59%
3 year	- GOP Ijara - Fix *	September 18, 2027	40,000	40,000	40,000	40,856	856	10.56%
3 year	- GOP Ijara - Fix *	June 28, 2027	25,000	25,000	25,000	25,438	361	6.59%
3 year	- GOP Ijara - Variable *	June 28, 2027	25,000	25,000	25,000	25,688	266	6.65%
5 year	- GOP Ijara - Fix *	September 18, 2029	40,000	40,000	40,000	40,844	844	10.57%
5 year	- GOP Ijara - Fix *	June 28, 2029	65,000	65,000	65,000	66,567	547	17.23%
5 year	- GOP Ijara - Variable *	June 28, 2029	65,000	65,000	65,000	66,476	474	17.33%
Total as at September 30, 2024						380,570	5,690	55%
Total as at June 30, 2024						120,360	(12)	

6 PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management remuneration payable	6.1	298	19
Sindh Sales Tax payable on management remuneration	6.2	45	2
Payable against allocated expenses	-	-	2
Sale Load Payable	-	633	-
Payable against marketing and selling expenses	-	-	1
Other payable	-	41	41
Shariah fee payable	-	31	-
		1,048	65

6.1 Management Company has charged management fee at the rate upto, 2% of the average net assets of scheme, calculated on a daily basis. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 During the period, sales tax on management remuneration has been increased from 13% to 15%.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Note	September 30, 2024	June 30, 2024
		----(Rupees in '000)----	
7 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fee payable to the SECP	7.1	<u>26</u>	<u>2</u>

7.1 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). Accordingly, the fund has charged SECP fee at the rate of 0.075% of average Net Assets of the scheme, calculated on daily basis. The fee is paid to the commission on monthly basis in arrears.

		September 30, 2024	June 30, 2024
		----(Rupees in '000)----	
8 ACCRUED EXPENSES AND OTHER LIABILITIES			
Printing charges		45	20
Legal and professional		31	17
Withholding Tax Payable		152	-
Brokerage Payable		1	-
Auditors' remuneration		263	150
		<u>493</u>	<u>187</u>

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and September 30, 2024.

10 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund from July 01, 2024 to Sep 30, 2024 is 1.54% which includes 0.21% government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

11 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, 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 realised or unrealised) 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.

12 EARNINGS / (LOSS) PER UNIT

Earnings/(Loss) 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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

13 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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.

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 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 are as follows:

	September 30, 2024	
	—Rupees in '000—	
13.1 Details of transactions other than units of the Fund with related parties / connected persons during the period		
MCB Investment Management Limited - Management Company		
Remuneration (including indirect taxes)	757	
Shariah fee expense	85	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration (including indirect taxes)	49	
	September 30, 2024	June 30, 2024
	—Rupees in '000—	
13.2 Details of balances with related parties / connected persons as at period end		
MCB Investment Management Limited - Management Company		
Management remuneration payable	298	19
Sindh Sales Tax payable on management remuneration	45	2
Allocated expense payable (including indirect taxes)	-	2
Other payable to management company	41	41
Marketing and Selling Payable	-	1
Shariah fee payable	31	-
Sale load payable	633	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	19	2
Sindh Sales Tax payable on trustee remuneration	3	0

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

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

	For the period from July 01, 2024 to September 30, 2024							
	As of July 01, 2024	Issued for cash	Redeemed	As at September 30, 2024	As of July 01, 2024	Issued for cash	Redeemed	As at September 30, 2024
	Units				(Rupees)			
MCB Investment Management Limited	500,000	502	500,502	-	50,067	50	50,995	-
Unit holders holding 10% or more units	-	1,999,490		1,999,490	-	210,000	-	211,585

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognised at fair value, based on:

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

15 GENERAL

- 15.1** Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.
- 15.2** Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. However, no significant rearrangements or reclassifications were made in these condensed interim financial statements to report.

16. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 21, 2024

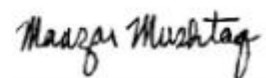
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB INVESTMENT MANAGEMENT LIMITED

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

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