



BACHAT SHARIAT KE MUTABIQ

# MONEY MATTERS

Fund Manager's Report  
MAY 2019



MCB-ARIF HABIB  
Savings and Investments Limited

AM2  
BY PACRA

# FUND PERFORMANCE



## Fund Returns

Funds	YTD (FY 19)	(July 2017 to June 2018)	(July 2016 to June 2017)
<b>Islamic Income Scheme</b>			
Alhamra Islamic Income Fund	7.93%	4.96%	6.49%
Alhamra Daily Dividend Fund (Inception Date: 10-Apr-2018)	8.00%	4.97%*	n/a
<b>Shariah Compliant Fund of Funds</b>			
Alhamra Islamic Active Allocation Plan-I (Inception Date: 29-Dec-2016)	-1.44%	-6.84%	0.81%**
Alhamra Islamic Active Allocation Plan-II (Inception Date:16-Jun-2017)	-3.31%	-0.43%	0.19***
<b>Islamic Equity Scheme</b>			
Alhamra Islamic Stock Fund	-15.96%	-12.00%	29.97%
<b>Islamic Asset Allocation Scheme</b>			
Alhamra Islamic Asset Allocation Fund	-5.00%	-4.06%	27.74%
<b>Islamic Voluntary Pension Scheme</b>			
Alhamra Islamic Pension Fund-Debt	5.70%	2.99%	4.46%
Alhamra Islamic Pension Fund-Money Market	6.47%	3.34%	3.78%
Alhamra Islamic Pension Fund-Equity	-14.60%	-12.16%	33.21%

\* From April 10, 2018 to June 30, 2018  
 \*\* From December 29, 2016 to June 30, 2017  
 \*\*\* From June 16, 2017, to June 30, 2017

Returns are computed on the basis of NAV to NAV with dividends reinvested

Annualized Returns for: Islamic Income Schemes and Alhamra Islamic Pension Fund (Debt and Money Market).  
 Absolute Returns for: Shariah Compliant Fund of Funds, Islamic Equity, Islamic Asset Allocation Schemes, Alhamra Islamic Pension Fund-Equity.

MCB-AH believes in providing best investment experience to our investors. Please feel free to forward your complaint/query/suggestion and we will do our best to redress the same to further improve our processes.  
 For any complaint/query/suggestion, please email at [mcbah.qa@mcbah.com](mailto:mcbah.qa@mcbah.com)

# DEAR INVESTORS,

Thank you for taking out time to review our Fund Manager's Report for the month of May 2019. We would like to express our deepest gratitude to our investors for their support which motivates us to improve our services and deliver nothing but the absolute best.

We are delighted to announce that MCB-Arif Habib Savings and Investments Limited has expanded to open four new branches in the cities of Hyderabad, Mardan, Bahawalpur and Rahim Yar Khan. We endeavor to serve all your savings and investment needs in a dynamic manner.

In doing so, we are proud to announce the launch of the iSave Debit Card in association with 1LINK under the affiliate membership of PayPak. The card is the first of its kind and a mark of technical excellence within the Asset Management Industry of Pakistan. It is a stepping stone towards innovation and convenience, allowing its users immediate access to their funds by using the card at any 1LINK ATM. This promotes our strategy of promoting a savings culture in Pakistan via digitization, to bolster the financial position of the masses and the economy as a whole.

If you have any query, feel free to contact us on our 24/7 helpline at 0800-622-24. Our investor services officers are always available to serve you, round the clock. You may also visit our website [www.mcbah.com](http://www.mcbah.com) to explore our products and services.



**Muhammad Saqib Saleem**

Chief Executive Officer



## MACRO-ENVIRONMENT REVIEW AND OUTLOOK

Pakistan finally signed up for an IMF program, putting all uncertainty to an end on the external front. The staff level agreement was reached during the course of the month amounting to USD 6.2 billion for a period of three years, however, Pakistan still awaits approval from the executive board. On 20th May 19, Monetary policy committee announced the interest rate hike of 150 bps as a policy measure to address the underlying inflationary pressures mounting from higher recent CPI readings, exchange rate depreciation and monetization of elevated fiscal deficit. Given that the IMF program is focused on macroeconomic stability and providing support to the stable economic growth of the country, some clarity and direction in the Government's economic policy can be expected, now that the staff level agreement with IMF has been reached. The announcement of Saudi Oil facility of USD 3.2 billion was also announced which would help build up reserves and thereafter, aid in easing off Balance of payments outlook. Furthermore, a market based rate agreement reached with IMF caused the exchange rate to depreciate by 5.9% to PKR 149.7 per USD during the course of the month.

External imbalances continued to ease off as current account deficit contracted by 27.0% in the period of Jul'18 - Apr'19, at USD 11.6 billion. Although, narrowing current account deficit along with bilateral flows has provided some breathing space to the SBP foreign reserves, they still stood at USD 8.0 billion (as of 24th May'19), providing a mere coverage of 2.0 months.

CPI for the month of May'19 is announced to be 9.1%, which will take the average of Jul'18-May'19 to 7.2%. For FY19, we expect inflation to average 7.4%, while for FY20 it is expected to jack up to 10.8% owing to tariff adjustments along with the lagged impact of currency depreciation.

Amidst contractionary policies, rising input costs and external pressures, Large scale manufacturing declined by 2.9% during Jul - Mar FY19. Fiscal consolidation is yet to bear fruit as fiscal deficit for 9MFY19 was 5.0% of GDP as against 4.3% of GDP in the same period last year. Given that Fiscal deficit and Balance of payments (BOP) go hand in hand, BOP improvement cannot be isolated from the macroeconomic framework when talking about the improvements. Hence, we believe, term measures to address twin deficits are critical. The government has cleared the air by going for an IMF program, which we believe was the need of the hour. Alongside, the government will have to address the key structural issues to tread on the path of long term sustainable economic growth.

## EQUITY MARKET REVIEW AND OUTLOOK

The benchmark Index KSE100 plunged by -2.2% during the month despite conclusion of staff-level agreement between Pakistan and the IMF. A clear demarcation was seen in index returns for the two halves of the month with latter half showing recovery and generating a positive return of -5%. The latter half was fuelled by expected launch of two funds including State Enterprise Fund (SEF) and Equity Market Opportunity Fund (EMOF) to the tune of PKR 25 Bn. Once again, foreign buying was seen to the amount of USD 18.41 million. On the local front, mutual funds emerged as the biggest sellers liquidating -USD 40 million of equities. Volumes and values traded decreased MoM averaging -123.4 mn shares/ PKR -4.97 bn respectively.

Return wise, all the major sectors remained in the red zone. Pharmaceuticals, Refineries, Autos, Textiles & Fertilizers were the major laggards generating negative returns of 9.65%/8.11%/7.83%/7.13%/5.56% respectively. Pharmaceuticals and Autos declined due to currency depreciation by -7% during the month. Despite the theme of currency depreciation, Textiles declined due to expectations of withdrawal of zero-rating in the upcoming budget.

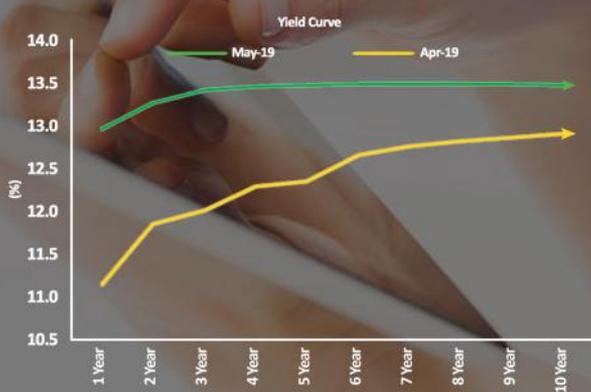
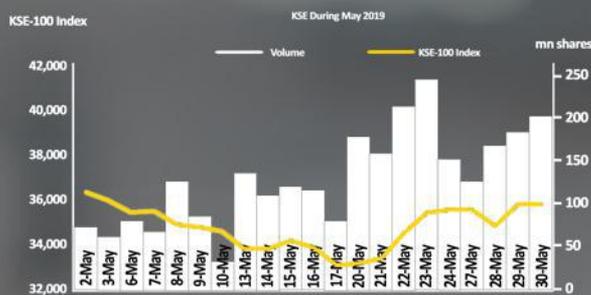
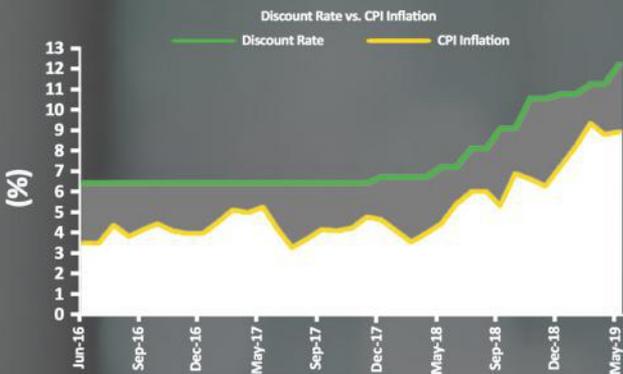
We believe equity markets generally preempt the economic conditions and as such it is important to consider whether all the economic developments are priced in or not. Therefore, overall valuations and fundamentals of universe companies do play an important role. The overall strategy should tilt towards defensive sectors (E&P's, Power, Fertilizers) while sector which will benefit from changing dynamics on macro front such as rising interest rates (Commercial Banks) should be overweight. In addition to that, government's strong focus on reviving exports should provide a boost to the outlook of export oriented sectors such as Textiles & IT. Despite being negative on cyclical, we believe there will be distressed assets and quality companies which should be looked into as they have a tendency to provide abnormal returns. In the near-term, budget would remain the major trigger for the market.

## MONEY MARKET REVIEW AND OUTLOOK

SBP increased policy rate by 150bps, while citing increasing twin deficits, enormous government borrowing from SBP and expected increase in inflation as the main reasons behind the decision. During the month long term yield curve showed upward trajectory as most market players were expecting an increase in policy rate. This anticipation resulted in low activity in longer tenor bonds and even Floater T-Bonds. For the purpose of liquidity management all other major activity was seen in shorter tenor T-bills.

State Bank of Pakistan conducted Treasury bill auction on May 22, 2019. The auction had a total maturity of PKR 500.66 billion against which a total participation of PKR 3,268.594 billion was witnessed. Out of total participation bids worth PKR 3,267.094 billion and PKR 1,500 million were received in 3 months and 6 months tenor respectively, whereas, no participation was witnessed in 12 months tenor. SBP accepted bids worth PKR 3,188.995 billion and 1,500 million at a cut-off yield of 12.7495% and 12.8010% for 3 and 6 months tenor respectively.

Auction for fixed coupon PIB bonds was held on May 29th, 2019. Auction had a maturity of around PKR 2 billion and a target of PKR 100 billion. Total participation of PKR 465 billion was witnessed out of which 3, 5 & 10 years tenor received bids worth PKR 143.82 billion, PKR 116.274 billion & PKR 205.016 billion respectively, no bids were received in 20 years tenor. State bank of Pakistan accepted PKR 64.165 billion, PKR 32.047 billion and PKR 24.969 billion in 3, 5 and 10 years tenor at a cut off rate of 13.6999%, 13.80% and 13.60% respectively. Auction for Floating Rate Bond was held on May, 29th 2019 with a total Target of PKR 100 billion. Total participation of PKR 68.5 billion was witnessed in this auction. State Bank of Pakistan accepted bids worth PKR 20 billion at a cutoff rate of 70bps over 6month T-Bill weighted average Yield.





May 31, 2019

## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant (Islamic) Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Apr-19)
Stability Rating	AA-(f) by PACRA (28-Dec-18)
Risk Profile	Low
Launch Date	20-Jun-2011
Fund Manager	Syed Mohammad Usama Iqbal
Trustee	Central Depository Company of Pakistan Limited
Auditor	A.F.Ferguson & Co. Chartered Accountants
Management Fee	10% of Gross Earnings subject to minimum fee of 0.25% of average daily Net Assets [Actual rate of Management Fee:1.16%]
Front end Load*	Class "A" Units: Individual ----- 1.5% Corporate ----- Nil Class "B" Units ----- 0% Bachat Units ----- Nil
Back end Load*	Class "A" Units ----- 0% Class "B" Units: 1.5% on redemption in the first (1st) year from the date of investment 1.0% on redemption in the second (2nd) year from the date of investment 0.0% on redemption after completion of two (2) years from the date of investment Bachat Units: 3% if redeemed before completion of two years from the date of initial investment. 0% if redemption after completion of two years from the date of initial investment Growth & Bachat Units ----- PKR 500 Income Units ----- PKR 100,000
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	Six (6) months average deposits rates of three (3) A rated Scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)
For Ramzan	(Mon-Thu) 02:00 PM   (Fri) 01:00 PM
Leverage	Nil
*Subject to government levies	

## Others

### Provision against Sindh Workers' Welfare Fund's liability

ALHIIF has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 8.47 million ,if the same were not made the NAV per units of ALHIIF would be higher by Rs. 0.4215 and YTD return would be higher by 0.42% .For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2019' of ALHIIF.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager - Fixed Income Funds
Awais Abdul Sattar, CFA	Head of Research

## MCBAH Shariah Supervisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

## Asset Allocation (%age of Total Assets)

Particulars	May-19	Apr-19
Others including receivables	1.8%	2.0%
Sukuks	34.7%	35.3%
Shariah Compliant Commercial Paper	13.2%	13.0%
Cash	50.3%	49.7%

Note: Amount invested by Fund of funds is PKR 585 million (26.5% of Total Assets) as of May 31, 2019.

## Investment Objective

To generate risk adjusted returns by investing in short, medium and long-term Shariah Compliant Fixed Income instruments.

## Manager's Comment

During the month, the fund generated a return of 9.98% against its benchmark return of 4.99%.

## Performance Information (%)

Particulars	ALHIIF	Benchmark
Year to Date Return (Annualized)	7.93	3.58
Month to Date Return (Annualized)	9.98	4.99
180 Days Return (Annualized)	9.08	4.21
365 Days Return (Annualized)	7.82	3.48
Since inception (CAGR)	7.31	5.48
Average Annual Return (Geometric Mean)	7.14	-

Returns are computed on the basis of NAV to NAV with dividends reinvested

## Top Sukuk Holding (% of Total Assets)

Aspin Pharma (Private) Limited (30-Nov-17)	7.5
Ghani Gases Limited (02-Feb-17)	2.8
Hub Power Company Limited (27-Feb-19)	9.1
International Brands Limited (15-Nov-17)	15.3

## Fund Facts / Technical Information

NAV per Unit (PKR)	108.4918
Net Assets (PKR M)	2,181
Net Assets excluding Fund of Funds (PKR M)	1596
Weighted average time to maturity (Days)	331
Sharpe Ratio	-0.01
Standard Deviation	0.04
Correlation***	11.86%
Total expense ratio with government levy**	1.46%
Total expense ratio without government levy	1.14%

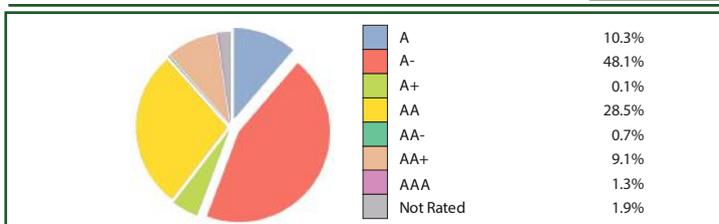
\*\*This includes 0.32% representing government levy, Sindh Workers' Welfare Fund and SECP Fee.

\*\*\* as against Benchmark

## Annualized

Particulars	2014	2015	2016	2017	2018
Benchmark (%)	6.09	6.29	4.42	3.31	2.44
ALHIIF(%)	8.38	6.55	5.05	6.49	4.96

## Asset Quality (%age of Total Assets)



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## MUFAP's Recommended Format

## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant (Islamic) Income Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Apr-19)
Stability Rating	AA-(f) by PACRA (31-Dec-18)
Risk Profile	Low
Launch Date	10-Apr-18
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	20% of the gross earnings subject to a minimum of 0.25% of the average daily net assets and maximum of 1.5% of the average daily net assets of the scheme. [Actual rate of Management Fee: 1.45%]
Front end Load*	Individuals ----- Nil Corporate ----- Nil
Back end Load*	Nil
Min. Subscription	PKR 500
Listing	Not Listed
Benchmark	Six (6) months of average deposit rates of three (3) A rated Scheduled Islamic Banks or Islamic window of Conventional Banks as selected by MUFAP.
Pricing Mechanism	Backward
Dealing Days	Online Investment, Redemption & Conversion... Monday - Sunday Investment, Redemption & Conversion through Physical Form... Monday - Friday
Cut off Timing	Online Investment, Redemption & Conversion... 11:59:59 PM Online Conversion of Backward Pricing Fund(s)... 4:30 PM Investment, Redemption & Conversion through Physical Form... 4:30 PM
Cut off Timing for Ramzan	For Physical Forms: (Mon-Thu) 02:00 PM   (Friday) 01:00 PM For Online Conversion of Backward Pricing Fund (Mon-Thu) 02:00 PM   (Friday) 01:00 PM For Online Transactions (Mon - Sun) 11:59:59 PM
Leverage	Nil

\*Subject to government levies

## Investment Objective

The scheme is aimed at meeting investors' short to medium term investment requirements. The scheme seeks to provide investors' a daily dividend through investment in Shariah Compliant instruments.

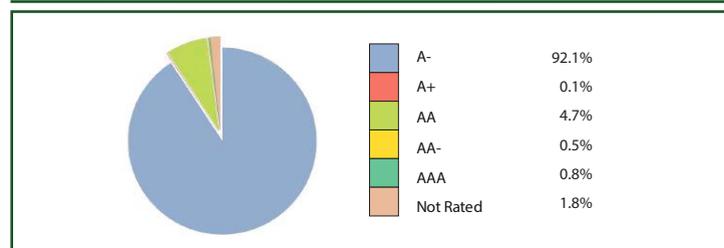
## Manager's Comment

During the month, the fund posted a return of 9.58% against its benchmark return of 4.99%. The exposure in cash was increased.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager Fixed Income Funds
Awais Abdul Sattar, CFA	Head of Research

## Asset Quality (%age of Total Assets)



## Others

### Provision against Sindh Workers' Welfare Fund's liability

ALHDDF has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 0.47 million, if the same were not made the NAV per unit of ALHDDF would be higher by Rs. 0.0512 and YTD return would be higher by 0.05%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2019' of ALHDDF.

## MCBAH Shariah Supervisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

## Asset Allocation (%age of Total Assets)

Particulars	May-19	Apr-19
Commercial Paper	4.7%	7.0%
Others including receivables	1.9%	1.8%
Cash	93.4%	91.2%

## Fund Facts / Technical Information

NAV per Unit (PKR)	100.0000
Net Assets (PKR M)	920
Weighted Average time to maturity (Days)	4
Total expense ratio with government levy**	1.68%
Total expense ratio without government levy	1.35%

\*\*This includes 0.33% representing government levy, Sindh Worker's Welfare Fund and SECP fee

## Performance Information (%)

Particulars	ALHDDF	Benchmark
Year to Date Return	8.00	3.55
Month to Date Return	9.58	4.99
180 Days Return	9.26	4.20
365 Days Return	7.84	3.45
Since inception	7.43	3.31

Returns are computed on the basis of NAV to NAV with dividends reinvested

## Annualized

Particulars	2018*
Benchmark (%)	2.36%
ALHDDF(%)	4.97%

\*From April 10, 2018 to June 30, 2018.

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## MUFAP's Recommended Format



May 31, 2019

## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant Islamic Asset Allocation Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Apr-19)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	2-May-2006
Fund Manager	Awais Abdul Sattar, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	A.F.Ferguson & Co. Chartered Accountants
Management Fee	2% per annum of the average daily Net Assets of the scheme
Front end Load *	Type A Units: Individual 3% Corporate Nil
	Type B Units: Nil
	Type C Units (Bachat Units) : Nil
Back end Load*	Type A Units --- NIL Type B Units 3.0% for first year after investment 2.0% for second year after investment 1.0% for third year after investment NIL for redemptions after completion of 3 years from investment Type C-Bachat Units Back end load for two years option: 3% if redeemed before completion of one year (12 Months) from the date of initial investment. 2% if redeemed after completion of one year (12 Months) but before two years (24 Months) from the date of initial investment. 0% if redemption after completion of two years (24 Months) from the date of initial investment. Back end load for three years option: 3% if redeemed before completion of one and a half year (18 Months) from the date of initial investment. 2% if redeemed after completion of one and a half year (18 Months) but before three years (36 Months) from the date of initial investment. 0% if redemption after completion of three years (36 Months) from the date of initial investment.
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	KMI 30 Index and Six (6) months average deposit rates of three (3) A rated scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP on the basis of actual proportion held by the Scheme
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)
For Ramzan	(Mon-Thu) 02:00 PM   (Fri) 01.00 PM
Leverage	Nil
	*Subject to government levies

## Others

### Provision against Sindh Workers' Welfare Fund's liability

ALHAA has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 7.62 million, if the same were not made the NAV per unit of ALHAA would be higher by Rs. 0.1614 and YTD return would be higher by 0.23%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2019' of ALHAA.

## Asset Allocation (%age of Total Assets)

Particulars	May-19	Apr-19
Cash	20.2%	27.7%
TDRs	6.3%	0.0%
Stocks/Equities	71.7%	71.6%
Others including receivables	1.8%	0.7%

## Performance Information (%)

Particulars	ALHAA	Benchmark
Year to Date Return	-5.00	-14.64
Month to Date Return	0.21	-1.42
180 Days Return	-5.83	-12.16
365 Days Return	-6.23	-16.38
Since inception	269.51	329.45

Returns are computed on the basis of NAV to NAV with dividends reinvested

Particulars	2014	2015	2016	2017	2018
Benchmark (%)	28.51	17.47	13.53	18.07	-7.96
ALHAA (%)	18.89	35.59	5.09	27.74	-4.06

## Top 10 Holdings (%age of Total Assets)

Company Name	Equity	%
Lucky Cement Limited	Equity	4.8%
Sui Northern Gas Company Limited	Equity	5.1%
Engro Fertilizer Limited	Equity	5.1%
Oil & Gas Development Company Limited	Equity	7.2%
Pakistan Oilfields Limited	Equity	6.3%
Pakistan Petroleum Limited	Equity	8.8%
Engro Corporation Limited	Equity	6.5%
Engro Polymer and Chemicals Limited	Equity	3.7%
Hub Power Company Limited	Equity	8.1%
Meezan Bank Limited	Equity	2.9%

## Investment Objective

The objective of the fund is to provide medium to long term capital appreciation through investing in Shariah compliant investments in Pakistan and Internationally.

## Manager's Comment

During the month, the fund generated a return of 0.21% against its benchmark return of -1.42%. Exposure in cash was reduced.

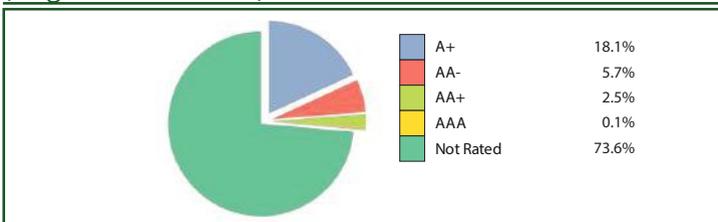
## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Head of Research
Mohammad Aitazaz Farooqui, CFA	Senior Research Analyst

## MCBAH Shariah Supervisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

## Asset Quality - Inclusive of equity portfolio (%age of Total Assets)



## Fund Facts / Technical Information

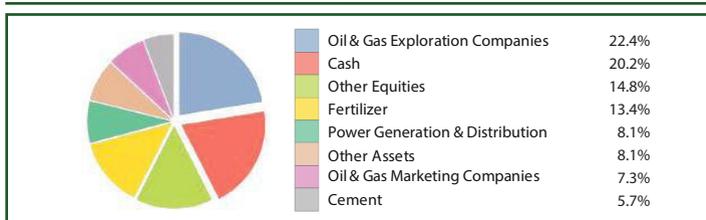
Particulars	ALHAA
NAV per Unit (PKR)	66.5475
Net Assets (PKR M)	3,142
Sharpe Ratio	0.03
Beta	0.64
Standard Deviation	0.74
Correlation***	82.86%
Total expense ratio with government levy**	2.96%
Total expense ratio without government levy	2.63%

\*\*\*This includes 0.33% representing government levy, Sindh Worker's Welfare Fund and SECP fee  
\*\* as against Benchmark

## Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	1,035,796	13,402,338

## Sector Allocation (%age of Total Assets)



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### MUFAP's Recommended Format



May 31, 2019

## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant Equity Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Apr-19)
Stability Rating	Not Applicable
Risk Profile	High
Launch Date	11-Sept-2004 (Converted into Shariah Compliant Islamic Fund with effect from July 01,2015)
Fund Manager	Awais Abdul Sattar CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	2.0% p.a.
Front end Load*	Type "B" Units: Individual 3% Corporate Nil
Back end Load*	Type "C" Units Bachat Units(Two Years)-----Nil Bachat Units(Three Years)-----Nil Type "B" Units ----- Nil Type "C" Units - Bachat Units(Two Years): 3% if redeemed before completion of two (2) years from the date of intial investment. 0% if redemption after completion of two (2) years from the date of initial investment. Type "C" Units - Bachat Units(Three Years): 3% if redeemed before completion of three (3) years from the date of initial investment. 0% if redemption after completion of three (3) years from the date of initial investment.
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	KMI-30 Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00AM to 4:30 PM)
For Ramzan	(Mon-Thu) 02:00 PM   (Fri) 01.00 PM
Leverage	Nil
*Subject to government levies	

## Others

### Provision against Sindh Workers' Welfare Fund's liability

ALHISF has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 9.95 million ,if the same were not made the NAV per unit of ALHISF would be higher by Rs. 0.0313 and YTD return would be higher by 0.29%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2019' of ALHISF.

## Asset Allocation (%age of Total Assets)

Particulars	May-19	Apr-19
Stocks/Equities	89.6%	92.3%
Cash	5.3%	0.7%
Others including receivables	5.1%	7.0%

Note: Amount invested by fund of funds is PKR 795 million (27.2% of Total Assets) as of May 31, 2019.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Abid Ali	Asset Class Specialist - Equities
Awais Abdul Sattar, CFA	Head of Research
Mohammad Aitazaz Farooqui, CFA	Senior Research Analyst

## MCBAH Shariah Supervisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

## Top 10 Equity Holdings (%age of Total Assets)

Oil & Gas Development Company Limited	11.3%
Pakistan Petroleum Limited	11.1%
Hub Power Company Limited	8.0%
Engro Fertilizer Limited	7.0%
Engro Corporation Limited	6.9%
Pakistan Oilfields Limited	6.3%
Engro Polymer and Chemicals Limited	4.9%
Sui Northern Gas Company Limited	4.4%
Meezan Bank Limited	3.8%
Lucky Cement Limited	2.8%

## Investment Objective

The objective of the Fund is to provide investors long term capital appreciation from its investment in Shariah Compliant Equity Securities.

## Manager's Comment

The fund posted a return of -2.05% in May 2019 against its benchmark of -1.65%. During the month we decreased exposure in Cash and Equity.

## Performance Information

Particulars	ALHISF	Benchmark
Year to Date Return	-15.96	-18.05
Month to Date Return	-2.05	-1.65
180 Days Return	-13.55	-14.85
365 Days Return	-17.79	-20.21
Since inception	-0.61	0.12

Returns are computed on the basis of NAV to NAV with dividends reinvested

Particulars	2014	2015	2016	2017	2018
Benchmark (%)	41.16	16.01	15.53	18.80	-9.59
ALHISF(%)	31.38	19.20	3.90	29.97	-12.00

## Sector Allocation (%age of Total Assets)



Oil & Gas Exploration Companies	28.6%
Other Equities	22.1%
Fertilizer	15.9%
Cash & Other	10.4%
Power Generation & Distribution	8.0%
Oil & Gas Marketing Companies	7.8%
Chemicals	7.2%

## Fund Facts / Technical Information

Particulars	ALHISF	KMI-30
NAV per Unit (PKR)	9.06	-
Net Assets (PKR M)	2,885	-
Net Assets excluding fund of funds(PKR M)	2,090	-
Price to Earning (x)*	6.91	6.70
Dividend Yield (%)	7.36	6.00
No. of Holdings	43	30
Weighted Avg. Market Cap. (PKR Bn)	148	176
Sharpe Ratio	0.016	-0.010
Beta	0.79	1.00
Correlation**	94.60%	-
Standard Deviation	0.97	1.16
Total expense ratio with government levy***	3.28%	-
Total expense ratio without government levy	2.96%	-

\*prospective earnings

\*\* as against Benchmark

\*\*\*This includes 0.32% representing government levy, Sindh Worker's Welfare Fund and SECP fee

## Branch Renovation Expense Charged to the Fund (PKR)

	MTD	YTD
	965,596	11,460,792

JCR-VIS has withdrawn the credit rating of Summit Bank Limited. After withdrawal, Summit Bank Limited has become "Non-Rated" Commercial Bank. Alhamra Islamic Stock Fund was maintaining bank balances of Rs. 4.937 million with Summit Bank Limited on May 31, 2019.

## DISCLAIMER

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

## MUFAP's Recommended Format



## General Information

Plan Type	An Open End Scheme
Category	Shariah Compliant Islamic Asset Allocation Plan
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Apr-19)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	29-Dec-16
Fund Manager	Syed Abid Ali
Trustee	MCB Financial Services Limited
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	10% of accrued bank profit to be calculated on a daily basis [Actual rate of management fee: 0.02%]
Front end Load*	Individuals 3% Corporate Nil
Back end Load*	Nil
Contingent Load*	3%
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	KMI-30 Index and six (6) months average deposit rates of three (3) "A" rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks on the basis of actual proportion held by the scheme
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Thurs (9:00 AM to 4:30 PM)
For Ramzan	(Mon-Thu) 02:00 PM   (Fri) 01:00 PM
Leverage	Nil

\*Subject to government levies

## Investment Objective

Alhamra Islamic Active Allocation Plan-I is a Shariah Compliant Islamic Asset Allocation Plan with an objective to earn a potentially high return through active asset allocation among Shariah Compliant Islamic Scheme based on the Fund Manager's outlook of the asset classes.

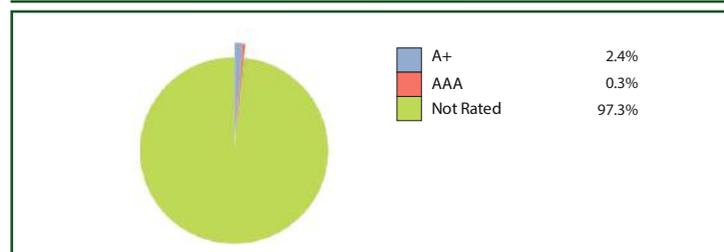
## Manager's Comment

During the month, the fund posted a return of 0.08% against its benchmark return of -0.50%. The exposure in cash was increased and the exposure in Alhamra Islamic Income Fund was decreased.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Head of Research
Mohammad Aitazaz Farooqui, CFA	Senior Research Analyst

## Asset Quality (%age of Total Assets)



## Others

Provision against Sindh Workers' Welfare Fund's liability  
ALHIAAP-I has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 0.26 million, if the same were not made the NAV per unit of ALHIAAP-I would be higher by Rs. 0.0363 and YTD return would be higher by 0.04%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2019' of ALHIAAF.

## Asset Allocation (%age of Total Assets)

Particulars	May-19	Apr-19
Cash	2.7%	1.8%
Alhamra Islamic Income Fund	35.9%	44.0%
Alhamra Islamic Stock Fund	61.4%	54.2%

## Fund Facts / Technical Information

NAV per Unit (PKR)	91.8260
Net Assets (PKR M)	668
Total expense ratio with government levy*	0.42%
Total expense ratio without government levy	0.34%

\*This includes 0.08% representing government levy, Sindh Worker's Welfare Fund and SECP fee

## Performance Information (%)

Particulars	ALHIAAP- I	Benchmark
Year to Date Return	-1.44	-12.38
Month to Date Return	0.08	-0.50
180 Days Return	-3.64	-10.46
365 Days Return	-2.14	-13.20
Since inception	-7.44	-18.39

Returns are computed on the basis of NAV to NAV with dividends reinvested

## Absolute

Particulars	2017*	2018
Benchmark (%)	-1.34	-5.59
ALHIAAP-I (%)	0.81	-6.84

\*From December 29, 2016 to June 30, 2017.

## General Information

Plan Type	An Open End Scheme
Category	Shariah Compliant Islamic Asset Allocation Plan
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Apr-19)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	16-June-17
Fund Manager	Syed Abid Ali
Trustee	MCB Financial Services Limited
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	1% p.a. on average annual net assets on a portion not invested in mutual funds of MCB Arif Habib Savings and Investments Limited
Front end Load*	Individuals 3% Corporate Nil
Back end Load*	Nil
Contingent Load*	3% if redeemed within twelve months from the date of Investment 1% if redeemed after twelve months and before twenty four months from the date of Investment.
Min. Subscription Listing	PKR 500 Pakistan Stock Exchange
Benchmark	KMI-30 Index and six (6) months average deposit rates of three (3) "A" rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks on the basis of actual proportion held by the scheme
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Thurs (9:00 AM to 4:30 PM)
For Ramzan	(Mon-Thu) 02:00 PM   (Fri) 01:00 PM
Leverage	Nil

\*Subject to government levies

## Investment Objective

Alhamra Islamic Active Allocation Plan-II is a Shariah Compliant Islamic Asset Allocation Plan with an objective to earn a potentially high return through active asset allocation among Shariah Compliant Islamic Scheme based on the Fund Manager's outlook of the asset classes.

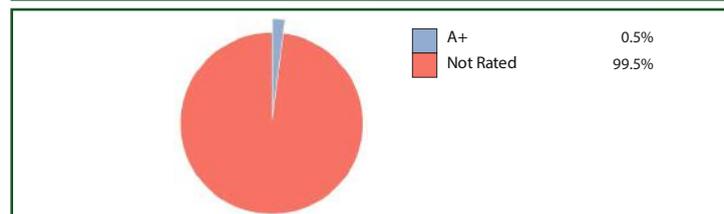
## Manager's Comment

During the month, the fund posted a return of 0.22% against its benchmark return of -0.47%. The exposure in Alhamra Islamic Income Fund was increased.

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Head of Research
Mohammad Aitazaz Farooqui, CFA	Senior Research Analyst

## Asset Quality (%age of Total Assets)



## Others

Provision against Sindh Workers' Welfare Fund's liability  
ALHIAAP-II has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 0.18 million, if the same were not made the NAV per unit of ALHIAAP-II would be higher by Rs. 0.0231 and YTD return would be higher by 0.02%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the nine months ended March 31, 2019' of ALHIAAF.

## Asset Allocation (%age of Total Assets)

Particulars	May-19	Apr-19
Cash	0.6%	1.7%
Alhamra Islamic Income Fund	47.0%	46.2%
Alhamra Islamic Stock Fund	52.4%	52.1%

## Fund Facts / Technical Information

NAV per Unit (PKR)	96.0825
Net Assets (PKR M)	731
Total expense ratio with government levy*	0.31%
Total expense ratio without government levy	0.22%

\*This includes 0.09% representing government levy, Sindh Worker's Welfare Fund and SECP fee

## Performance Information (%)

Particulars	ALHIAAP- II	Benchmark
Year to Date Return	-3.31	-11.03
Month to Date Return	0.22	-0.47
180 Days Return	-3.60	-9.26
365 Days Return	-3.89	-11.87
Since inception	-3.55	-12.51

Returns are computed on the basis of NAV to NAV with dividends reinvested

## Absolute

Particulars	2017*	2018
Benchmark (%)	0.10	-1.77
ALHIAAP-II (%)	0.19	-0.43

\*From June 16, 2017 to June 30, 2017.



## General Information

Fund Type	An Open End Scheme
Category	Islamic Voluntary Pension Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Apr-19)
Stability Rating	Not Applicable
Launch Date	15-Nov-07
Fund Manager	Awais Abdul Sattar, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load*	3% / 0%
Min. Subscription	PKR 500
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon - Fri (9:00 AM to 5:00 PM)
For Ramzan	(Mon-Thu) 02:00 PM   (Fri) 01.00 PM
Leverage	Nil

\*Subject to government levies

## Investment Objective

The investment objective of the fund is to seek steady returns with a moderate risk for investors by investing in a portfolio of equity, short medium term debt and money market instruments.

## Manager's Comment

Equity sub-fund generated return of -1.8% during the month. Overall allocation in equity was increased.

Debt sub-fund generated a return of 7.00% during the month. Exposure in cash was maintained same.

Money Market sub-fund generated a return of 7.03% during the month. The exposure in cash was maintained same.

## MCBAH Shariah Supervisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Head of Research
Muhammad Aitazaz Farooqui, CFA	Senior Research Analyst

## Top 10 Equity Holdings (%age of Total Assets)-Equity Sub Fund

Hub Power Company Limited	10.1%
Pakistan Petroleum Limited	8.8%
Engro Corporation Limited	8.2%
Oil & Gas Development Company Limited	7.8%
Engro Fertilizer Limited	7.6%
Pakistan Oilfields Limited	6.4%
Lucky Cement Limited	4.5%
Sui Northern Gas Company Limited	4.5%
Engro Polymer and Chemicals Limited	3.8%
Systems Limited	3.8%

## Others

### Provision against Sindh Workers' Welfare Fund's liability

ALHIPF-DT has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 0.72 million, if the same were not made the NAV per unit would be higher by Rs. 0.6030 per unit and YTD return would be higher by 0.30%. For details investors are advised to read Note 6.2 of the latest Financial Statements for the nine months ended March 31, 2019' of ALHIPF.

ALHIPF-EQ has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 2.35 million, if the same were not made the NAV per unit would be higher by Rs. 2.3134 per unit and YTD return would be higher by 0.45%. For details investors are advised to read Note 6.2 of the latest Financial Statements for the nine months ended March 31, 2019' of ALHIPF.

ALHIPF-MM has maintained provisions against Sindh Workers Welfare Fund's Liability to the tune of Rs. 0.29 million, if the same were not made the NAV per unit would be higher by Rs. 0.4763 per unit and YTD return would be higher by 0.26%. For details investors are advised to read Note 6.2 of the latest Financial Statements for the nine months ended March 31, 2019' of ALHIPF.

## ALHIPF -Money Market (%age of Total Assets)

Particulars	May-19	Apr-19
Others including receivables	1.1%	1.0%
Cash	95.5%	95.6%
Commercial Paper	3.4%	3.4%

## ALHIPF -Debt (%age of Total Assets)

Particulars	May-19	Apr-19
Others including receivables	1.8%	1.5%
Sukuk	17.1%	17.4%
Cash	46.8%	46.7%
Commercial Paper	7.0%	6.9%
GoP Ijara Sukuk	27.3%	27.5%

## ALHIPF -Equity (%age of Total Assets)

Particulars	May-19	Apr-19
Other equity sectors	28.0%	29.8%
Oil & Gas Exploration Companies	23.0%	23.1%
Oil And Gas Marketing Companies	7.8%	7.5%
Cement	6.4%	6.4%
Power Generation & Distribution	10.1%	8.4%
Fertilizer	15.8%	15.5%
Others including receivables	1.2%	1.1%
Cash	7.7%	8.3%

## Performance Information & Net Assets

Particulars	ALHIPF-EQ*	ALHIPF-DT**	ALHIPF-MM**
Year to Date Return (%)	-14.60	5.70	6.47
Month to Date Return (%)	-1.83	7.00	7.03
Since inception (%)	337.72	6.59	5.71
Net Assets (PKR M)	445.67	249.15	114.22
NAV (Rs. Per unit)	438.60	209.84	190.52

Returns are computed on the basis of NAV to NAV with dividends reinvested

Particulars	2014	2015	2016	2017	2018
ALHIPF - EQ*	42.10	39.53	14.84	33.21	-12.16
ALHIPF - DT**	8.22	4.76	4.04	4.46	2.99
ALHIPF - MM**	6.86	4.80	2.36	3.78	3.34

\* Total Return \*\* Annualized return

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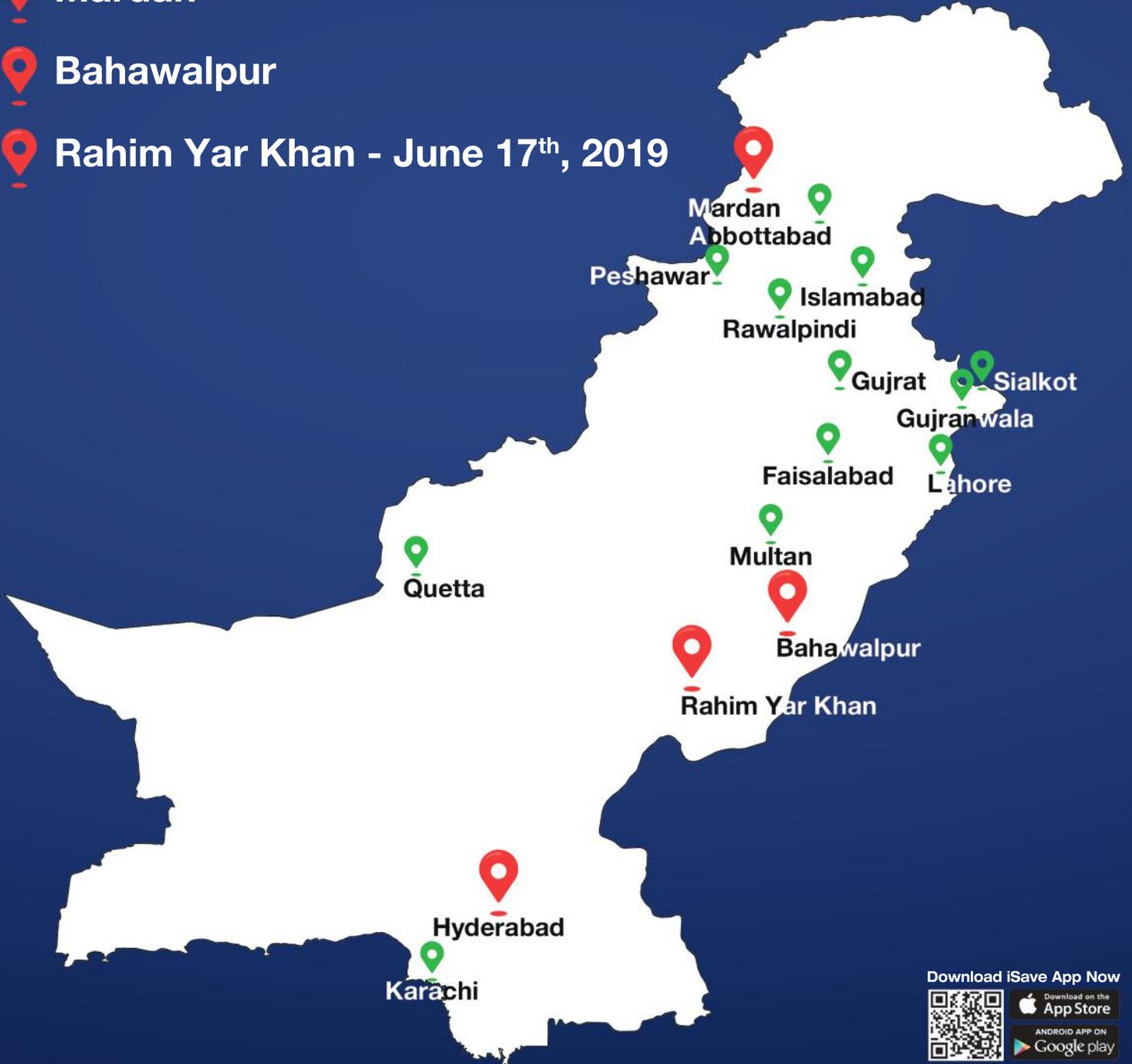
## MUFAP's Recommended Format



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