



Bachat ka Doosra Naam

Bachat Nama

Fund Manager's Report (Jan-2014)



MCB-Arif Habib Savings and Investments Limited
(formerly: Arif Habib Investments Limited)

LONG-TERM PERFORMANCE REALLY MATTERS



Dear Investors

Greetings from your preferred investment manager!

MCB Arif Habib Savings and Investments Limited (formerly: Arif Habib Investments Limited), (MCBAH) is one of the largest assets management companies and leading marketing innovator in Pakistan which is built on fund managers' proven ability, rigorous research and efficient technologies to identify investment opportunities and bring them successfully to the clients.

We believe that real & true test for investment managers is to deliver better returns than the Funds' respective benchmarks (Alpha) and to be the best over longer periods. Mutual Funds Association of Pakistan (MUFAP) recently published its Yearbook 2013 showcasing Mutual Funds performance for not only FY'13 but also last 3, 5 & most importantly 10 years culminating on 30th June 2013. Few MCBAH's Funds which sparkled in different asset classes were as follows:

Equity Funds:

We are humbled to announce that as per MUFAP's Year Book, Equity Funds managed by MCBAH not only delivered impressive performance but also outshined peers in the same category. Pakistan Stock Market Fund (PSM) has outperformed its peers for the 10-year horizon whereas MCB Dynamic Stock Fund (MCB DSF) has topped the 5-year horizon. MCB DSF has generated a return of 250% as compared to 188% average return of Industry (excluding our funds) since its inception date of March 1st, 2007 till Jan 31st, 2014. Last but not the least, Pakistan Premier Fund has held 3rd position in 10 years horizon with 469% cumulative return.

Pakistan Stock Market Fund	629%	Best Equity Fund (10 years total return)
Pakistan Premier Fund	469%	3rd Best Equity Fund (10 years total return)
MCB Dynamic Stock Fund	143%	Best Equity Fund (5 years total return)

Income, Money Market and Aggressive Income Funds:

Fair price discovery of debt securities held in the portfolio of income funds, weak role of rating agencies and lack of an active secondary market curtails the potential growth of income category of funds. After the stock market crashed, money market funds became a favourite of investors. As quoted by MUFAP, the highest net sales of money market funds have been recorded as 105.38% through banks and financial institutions.

Pakistan Income Fund	157.1%	Best Income Fund (10 years total return)
MetroBank-Pakistan Sovereign Fund	12.2%	Best Income Fund FY'13 (1 year return)
MetroBank-Pakistan Sovereign Fund	37.9%	Jointly Best Income Fund (3 year total return)
MetroBank-Pakistan Sovereign Fund	73.06%	Best Income Fund (5 years total return)
Pakistan Cash Management Fund	71.36%	Best Money Market Fund (5 years total return)*
Pakistan Cash Management Fund	37.61%	Best Money Market Fund (3 years total return)*
Pakistan Income Enhancement Fund	73.11%	Best Aggressive Income Fund (5 years total return)**
Pakistan Income Enhancement Fund	31.28%	Best Aggressive Income Fund (3 years total return)

*Pakistan Cash Management Fund was a lone fund in this category 5 years ago.

** PIEF's inception date is 28th August 2008 i.e. 2 months short of 5 years, even then its return performance was the best

Balanced Fund:

A lot of interest has been showed by Provident Funds lately in Balanced & Asset Allocation Funds. Pakistan Capital Market Fund has proved by its track record that it was successful in providing investors a mix of income and capital growth over medium to long term from equity and debt investments and was the best performing Fund in its category for 10 years period.

Pakistan Capital Market Fund	251%	Best Balanced Fund (10 years total return)
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Islamic Asset Allocation Fund:

Lack of awareness of Shariah-compliant investments and their benefits has slowed down the potential growth of industry. Generally, the perception of the investors is that investing in conventional funds would generate more returns as compared to shariah compliant funds. There is a decrease of Rs. 250 million in Islamic Asset Allocation category of the industry but Pakistan International Element Islamic Asset Allocation Fund has still performed well in the last 3 years horizon.

Pakistan International Element Islamic Asset Allocation Fund	71%	Best Shariah compliant Asset Allocation Fund (3 years total return)
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We wish not be boastful and remain humble as our corporate culture as well as our investment style, however it is for our investors' benefit that we share facts and numbers which can help them in choosing the right fund manager and the right investment vehicle for themselves. Over the years, our investment style has been conservatively aggressive which we believe has transformed into wealth accumulation for our clients and guided our Fund Managers to always act in the best interest of investors. MCBAH now enjoys the confidence of more than 55,000 investors within & outside Pakistan, another milestone for us.

Call us at Toll Free Bachat Ghar 0800-622-24 (0800-MCBAH) from Monday to Saturday where our friendly staff will assist you or please feel free to email us at info@mcbah.com. We assure you of our best services at all times.

Yours Sincerely,

Tanweer Ahmad Haral

SVP - Head of Sales & Marketing



Macro-Environment Review and Outlook

On the macroeconomic front, inflation eased down with a YOY CPI touching 7.91% in January, bringing the average inflation to 8.75% during 7MFY14.

The current account balance remained in pressure posting a deficit of \$1.58 billion during 1HY14 as opposed to deficit of \$0.083 billion reported in corresponding period last year. Foreign reserves fell to around \$ 7.99 billion as on 24-Jan-14, from \$8.3 billion at the start of the month.

In the absence of foreign inflows, the government has no option but to resort to domestic sources to fund its fiscal deficit, given that the Government borrowings from the banking system increased by Rs 531 billion since the start of the current fiscal year till 17-Jan-2014.

Despite risks to the balance of payments position owing to uncertainty surrounding expected foreign inflows, SBP kept the policy rate unchanged at 10.0 percent in the monetary policy announced in January on the back of lower inflation estimates.

Equities Market Performance Review and Outlook

The stock market ended the month on a positive note, with KSE-100 index closing at 26771.62, generating a return of around 6% in January 2014. The KSE-100 index has registered a growth of 27.45% since the start of the current fiscal year. The rally remained broad based, with average turnover improved to 310 million shares in January as opposed to 193 million shares 1HFY14.

Despite tapering in Quantitative Easing announced by the US government, foreign investors remained net buyer, with net inflows totaled to USD \$32 million in January. The US Federal Reserve in its last Federal Open Market Committee declared that it would scale back its existing quantitative easing program by \$10 billion to \$65 billion a month. This is the second time in a row that Federal Reserve has cut its bond buying program.

While the economic environment is challenging, improvement in earnings growth is expected to keep investors interest alive in the market.

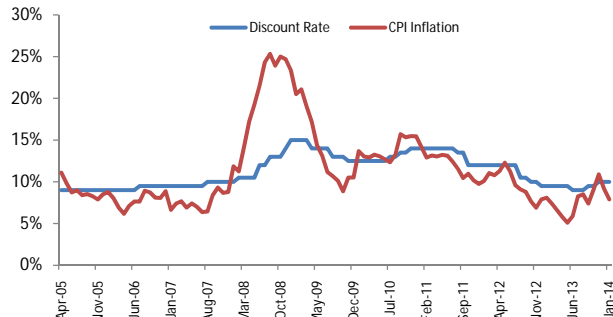
Money Market Performance Review and Outlook

Money market started on a liquid note where it witnessed floor of around PKR 34 billion in the first week. However, after that market got short of liquidity mainly as a result of high participation in PIB auction where Government accepted an amount of around PKR 199 billion. As a result of that banks were left with no other option but to exercise SBP discount window on frequent basis in order to maintain their reserve requirement. To resurrect the situation State Bank of Pakistan on number of occasions intervened in the market and injected sizeable amount of liquidity through OMO.

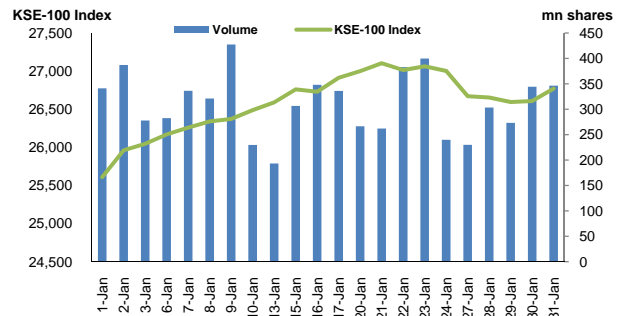
In comparison to previous month short term PKRV rates remained on the lower side where 3 Months and 6 Months PKRV went down by 14 and 16 bps respectively. 1 year PKRV also witnessed a slide with month end number of 10.01% as compare to 10.22% in previous month.

Long term bond market remained highly active in the month of January, mainly due to lower CPI level and PIB auction which generated a lot of interest from different sectors. Looking at current market developments it is expected that in the upcoming period activity in money market will remain in both short and long term Government papers.

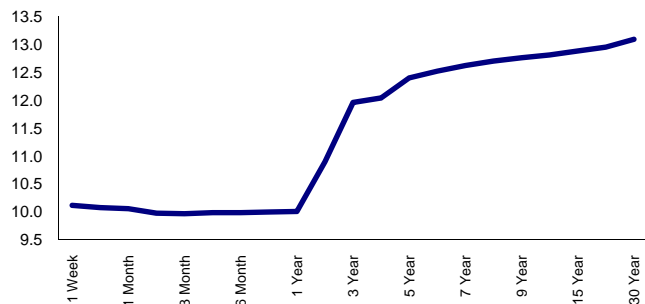
Discount Rate vs. CPI Inflation



KSE During January 2014



Yield Curve (January 31, 2014)



MCB Cash Management Optimizer

January 31, 2014 NAV - PKR 100.0887



General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	AA(f) by PACRA
Risk Profile	Low
Launch Date	1-Oct-09
Fund Manager	Kashif Rafi
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	10% of Gross Earnings subject to minimum fee of 0.25% of average daily Net Assets
Front / Back end Load*	0.75%/0%
Min. Subscription	
Growth Units	PKR 5,000
Cash Dividend Units	PKR 5,000
Income Units	PKR 100,000
Listing	Lahore Stock Exchange
Benchmark	An Average of 3 Month deposit rates of AA and above rated scheduled banks
Pricing Mechanism	Backward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 4:30 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

To provide unit-holders competitive returns from a low risk portfolio of short duration assets while maintaining high liquidity.

Manager's Comment

The fund generated an annualized return of 8.48% during the month as against its benchmark return of 7.47%.

The fund's exposure towards Treasury bills was increased to 69.9% from 55.8% at month end, while the fund reduced its exposure from cash from 31.6% to 16.7%. WAM of the fund was also increased from 33 days to 47 days.

Provision against WWF liability

MCB-CMOP has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.90.74 million, if the same were not made the NAV per unit of MCB-CMOP would be higher by Rs.0.6526 and YTD return would be higher by 0.68%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of MCB-CMOP.

Fund Facts / Technical Information	MCB CMOP	Benchmark
NAV per Unit (PKR)	100.0887	
Net Assets (PKR M)	13,917	
Weighted average time to maturity (Days)	47	
Sharpe Measure*	0.16	-1.27
Correlation*	-22%	8%
Standard Deviation	0.026	0.002
Alpha*	0.005%	-0.01%

*as against 3 month PKRV net of expenses

Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Cash	16.7%	31.6%
Term Deposits with Banks	13.2%	12.5%
T-Bills	69.9%	55.8%
Others including receivables	0.2%	0.1%

Members of the Investment Committee

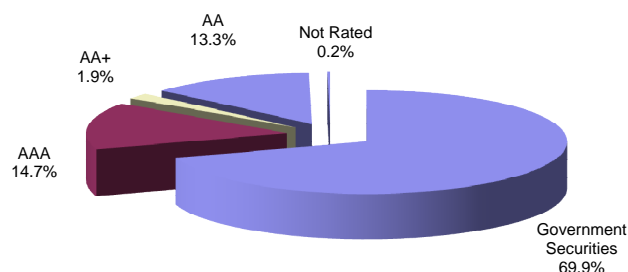
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP- Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA , FRM	SAVP - Head of Research

Performance Information (%)

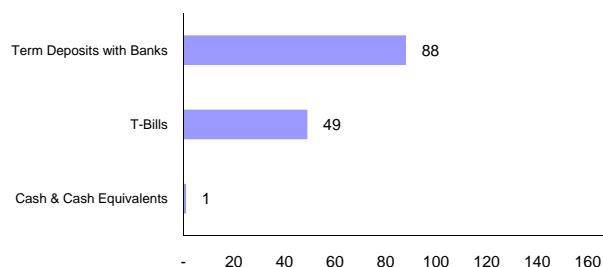
	MCB CMOP	Benchmark
Year to Date Return (Annualized)	7.84	7.01
Month to Date Return (Annualized)	8.48	7.47
180 Days Return (Annualized)	7.87	7.06
365 Days Return (Annualized)	8.04	6.76
Since inception (CAGR)*	10.36	7.05

*Adjustment of accumulated WWF since Oct 1, 2009

Asset Quality (%age of Total Assets)



Asset-wise Maturity (No. of Days)



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MUFAP's Recommended Format.

Pakistan Cash Management Fund

January 31, 2014 NAV - PKR 50.0659



General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	AAA(f) by PACRA
Risk Profile	Low
Launch Date	20-March-2008
Fund Manager	Syed Sheeraz Ali
Trustee	Habib Metropolitan Bank Limited
Auditor	M. Yousuf Adil Saleem & Co., Chartered Accountants
Management Fee	10% of Gross Earnings subject to minimum fee of 0.25% of average daily Net Assets
Front / Back end Load*	0% / 0.1% if redeemed within 3 days & if converted within 30 days
Min. Subscription	A PKR 5,000 B PKR 10,000,000
Listing	Islamabad Stock Exchange
Benchmark	3-Month T-Bill return
Pricing Mechanism	Backward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 5:00 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

The Fund aims to deliver regular income and provide high level of liquidity, primarily from short duration government securities investments.

Manager's Comment

The fund generated an annualized return of 8.55% during the month against its benchmark return of 10.10%. The fund increased exposure in T-Bills from 80.2% to 97.9% at month end. WAM for the fund at month end stood at 47 days.

The fund would remain vigilant towards the changes in macroeconomic variables and would continue to harvest attractive opportunities in the market.

Provision against WWF liability

PCF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.23.76 million, if the same were not made the NAV per unit of PCF would be higher by Rs.0.3212 and YTD return would be higher by 0.67%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PCF.

Fund Facts / Technical Information	PCF	Benchmark
NAV per Unit (PKR)	50.0659	
Net Assets (PKR M)	3,704	
Weighted average time to maturity (Days)	37	
Sharpe Measure*	0.01	0.14
Correlation*	38.1%	
Standard Deviation	0.031	0.027
Alpha*	-0.003%	
*as against 3 month PKRV net of expenses		

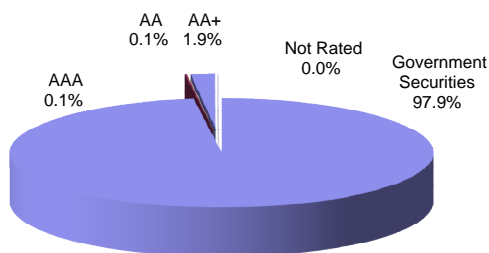
Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP- Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA , FRM	SAVP - Head of Research
Syed Sheeraz Ali	Manager Fixed Income Investments

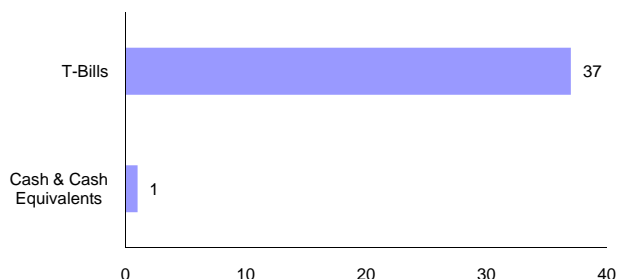
Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Cash	2.1%	19.7%
T-Bills	97.9%	80.2%
Others including receivables	0.0%	0.1%

Performance Information (%)	PCF	Benchmark
Year to Date Return (Annualized)	7.94	8.94
Month to Date Return (Annualized)	8.55	10.10
180 Days Return (Annualized)	7.93	8.88
365 Days Return (Annualized)	8.19	9.32
Since inception (CAGR)	10.65	11.78

Asset Quality (%age of Total Assets)



Asset-wise Maturity (No. of Days)



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MUFAP's Recommended Format.



Investment Objective

To provide an attractive return for short term investors or investors with a very low appetite for risk while taking into account capital security and liquidity considerations.

Manager's Comment

During the month the fund generated an annualized return 11.49% against its benchmark return of 10.12%. Exposure to T-Bills increased significantly from 25.8% to 54% while PIBs and TFC faced marginal decline..

We believe that the fund exposure towards good quality TFCs along with well-timed accumulation of Government papers would continue to contribute towards decent returns going forward.

General Information

Fund Type	An Open End Scheme
Category	Income Scheme (SECP categorization in process)
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	A+(f) by PACRA
Risk Profile	Low
Launch Date	1-Mar-07
Fund Manager	Kashif Rafi
Trustee	Central Depository Company of Pakistan Limited
Auditor	M. Yousuf Adil Saleem & Co. Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load*	1.5% / 0%
Min. Subscription	
Growth Units	PKR 5,000
Cash Dividend Units	PKR 5,000
Income Units	PKR 100,000
Listing	Lahore Stock Exchange
Benchmark	1 Month KIBOR
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 4:30 PM)
Leverage	Nil

*Subject to government levies

Provision against WWF liability

MCB-DCF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.86.69 million, if the same were not made the NAV per unit of MCB-DCF would be higher by Rs.0.8139 and YTD return would be higher by 0.84%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of MCB-DCF.

Performance Information (%)	MCB DCF	Benchmark
Year to Date Return (Annualized)	8.24	9.12
Month to Date Return (Annualized)	11.49	10.12
180 Days Return (Annualized)	8.63	9.17
365 Days Return (Annualized)	8.26	9.22
Since inception (CAGR) **	10.40	11.67

**One off hit of 4% due to SECP directive on TFCs' portfolio

Adjustment of accumulated WWF since July 1, 2008

Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Cash	2.7%	23.0%
Term Deposits with Banks	0.0%	10.7%
PIBs	19.0%	22.1%
TFCs	10.4%	11.0%
GOP Ijara Sukuk	5.6%	5.9%
T-Bills	54.0%	25.8%
Others including receivable	8.3%	1.5%

Top 10 TFC Holdings (%age of Total Assets)

Bank Alfalah Limited (20-Feb-13)	3.1%
Standard Chartered Bank Pakistan Limited (29-Jun-12)	2.1%
Askari Bank Limited (18-Nov-09)	1.0%
Askari Bank Limited (23-Dec-11)	0.9%
Bank Alfalah Limited (02-Dec-09) - Fixed	0.8%
Pakistan Mobile Communication Limited (Pre-IPO)	0.5%
Bank Alfalah Limited (02-Dec-09) - Floating	0.4%
Allied Bank Limited (28-Aug-09)	0.4%
Maple Leaf Cement Factory Limited (03-Dec-07)	0.3%
Allied Bank Limited (06-Dec-06)	0.2%

Fund Facts / Technical Information

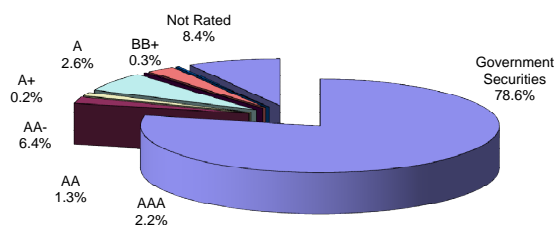
NAV per Unit (PKR)	102.0605
Net Assets (PKR M)	10,870
Weighted average time to maturity (Years)	1.4
Duration (Years)	1.3
Sharpe Measure*	0.03
Correlation*	2.0%
Standard Deviation	0.10
Alpha*	0.003%

*as against benchmark

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA ,FRM	SAVP - Head of Research

Asset Quality (%age of Total Assets)



Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. in millions)

Name & Type of Non-Compliant Investment	Outstanding face value	Value of investment before provision	Provision held, if any	Value of investment after provision	% of Net Assets	% of Gross Assets
Maple Leaf Cement Factory Limited - Sukuk	288.28	176.42	146.20	30.22	0.28%	0.25%
Saudi Pak Leasing Company Limited - TFC	28.35	14.17	-	14.17	0.13%	0.12%
Security Leasing Corporation Limited - Sukuk	6.77	2.37	-	2.37	0.02%	0.02%
Security Leasing Corporation Limited - TFC	8.12	4.78	-	4.78	0.04%	0.04%
New Allied Electronics Industries - TFC	21.98	21.98	21.98	-	0.00%	0.00%
New Allied Electronics Industries - Sukuk	35.00	35.00	35.00	-	0.00%	0.00%

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MUFAP's Recommended Format.

Pakistan Income Fund

January 31, 2014

NAV - PKR 52.20



Investment Objective

The objective of the Fund is to deliver returns primarily from debt and fixed income investments without taking excessive risk.

Manager's Comment

During the month the fund generated an annualized return of 6.81% against its benchmark return of 9.63%. Exposure towards PIBs, TBills and TFCs saw marginal shifts during the month. WAM for the fund stood at 2.3 years.

General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	A+(f) by PACRA
Risk Profile	Low
Launch Date	11-Mar-2002
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	M. Yousuf Adil Saleem & Co., Chartered Accountants
Management Fee	1.5% p.a
Front / Back end Load*	2%/0%
Min. Subscription	PIF PKR 5,000 PIF-CD PKR 10,000,000
Listing	Karachi Stock Exchange
Benchmark	75% KIBOR (6Month) + 25% PKRV (3Month)
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 5:00 PM)
Leverage	Nil

*Subject to government levies

Provision against WWF liability

PIF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 21.20 million, if the same were not made the NAV per unit of PIF would be higher by Rs. 1.1340 and YTD return would be higher by 2.26%. For details investors are advised to read Note 6 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PIF.

Performance Information (%)	PIF	Benchmark
Year to Date Return (Annualized)	6.81	8.59
Month to Date Return (Annualized)	6.81	9.63
180 Days Return (Annualized)	6.93	8.48
365 Days Return (Annualized)	7.25	9.16
Since inception (CAGR)	10.08	9.15

Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Cash	15.2%	19.0%
TFCs	37.7%	36.9%
GOP Ijara Sukuk	0.0%	0.0%
T-Bills	26.0%	26.7%
Others including receivables	7.3%	2.5%
PIBs	13.8%	14.9%

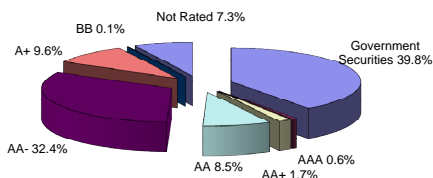
Top 10 TFC Holdings (%age of Total Assets)

Engro Fertilizer Limited (18-Mar-08)	9.6%
Bank Al-falah Limited (20-Feb-13)	6.8%
Askari Bank Limited (18-Nov-09)	5.7%
Askari Bank Limited (23-Dec-11)	4.6%
Bank Al-Habib Limited (07-Feb-07)	2.8%
Pakistan Mobile Communication Limited (Pre-IPO)	2.7%
United Bank Limited (08-Sep-06)	2.4%
Bank Alfalah Limited (02-Dec-09) - Floating	2.4%
Bank Al-Habib Limited (30-Jun-11)	0.6%
Escorts Investment Bank (15-Mar-07)	0.1%

Fund Facts / Technical Information

NAV per Unit (PKR)	52.20
Net Assets (PKR M)	976
Weighted average time to maturity (Years)	2.3
Duration (Years)	2.2
Sharpe Measure	0.03
Correlation	7.2%
Standard Deviation	0.14
Alpha	0.004%

Asset Quality (%age of Total Assets)



Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP- Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA ,FRM	SAVP - Head of Research
Saad Ahmed	AVP- Senior Manager-Fixed Income Investments

Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. in millions)

Name & Type of Non-Compliant Investment	Outstanding face value	Value of investment before provision	Provision held, if any	Value of investment after provision	% of Net Assets	% of Gross Assets
Maple Leaf Cement Factory Limited Sukuk	2.12	1.30	1.08	0.22	0.02%	0.02%
Pace Pakistan Limited TFC	34.94	23.05	23.05	-	0.00%	0.00%
Telecard Limited- TFC	27.16	20.37	20.37	-	0.00%	0.00%
Escorts Investment Bank Limited-TFC	1.51	1.11	-	1.11	0.11%	0.11%
Trust Investment Bank Limited - TFC	18.74	18.74	18.74	-	0.00%	0.00%

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MUFAP's Recommended Format.

MetroBank-Pakistan Sovereign Fund

January 31, 2014 NAV - PKR 50.53



General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	AA(f) by PACRA
Risk Profile	Low to Moderate
Launch Date	1-Mar-2003
Fund Manager	Kashif Rafi
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	Lower of 10% of Operating Revenue or 1.5% of average daily net assets subject to minimum fee of 0.5% of average daily Net Assets
Front / Back end Load*	1.50% / 0%
Min. Subscription	MSF-Perpetual 100 units
Listing	Islamabad Stock Exchange
Benchmark	6 Month T- Bill Rate
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 5:00 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

The objective of the fund is to deliver income primarily from investment in Government securities.

Manager's Comment

During the month the fund generated an annualized return of 11.77% as against its benchmark return of 10.32%.

The fund shifted its exposure from Tbills which stood at 60% at the beginning of the month to 28.5% towards PIBs which increased from 33% to 56.3% at month end. WAM of the fund also increased to 334 days.

Provision against WWF liability

MSF-Perp has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 34.70 million, if the same were not made the NAV per unit of MSF-Perp would be higher by Rs. 3.5048 and YTD return would be higher by 7.22%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of MSF-Perp.

Fund Facts / Technical Information	MSF- Perpetual
NAV per Unit (PKR)	50.53
Net Assets (PKR M)	500
Weighted average time to maturity (Days)	334
Duration (Days)	304
Sharpe Measure*	-0.02
Correlation	19.53%
Standard Deviation	0.18
Alpha	-0.005%
* Against 12M PKRV	

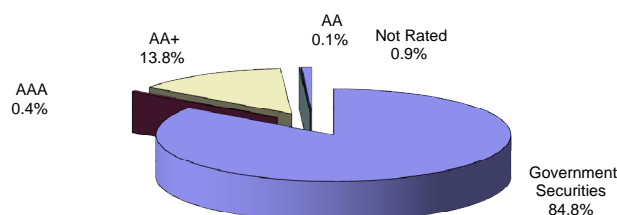
Members of the Investment Committee	
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP- Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA , FRM	SAVP - Head of Research

Asset Allocation (%age of Total Assets)	MSF-Perpetual Jan-14	Dec-13
Cash	14.3%	5.2%
T-Bills	28.5%	60.2%
PIBs	56.3%	33.2%
Others including Receivables	0.9%	1.4%

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Performance Information (%)	MSF-Perpetual	Benchmark
Year to Date Return (Annualized)	6.95	8.39
Month to Date Return (Annualized)	11.77	10.32
180 Days Return (Annualized)	7.79	8.35
365 Days Return (Annualized)	7.66	8.96
Since inception (CAGR)	6.89	8.61

Asset Quality (%age of Total Assets)



MUFAP's Recommended Format.

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Pakistan Income Enhancement Fund

January 31, 2014

NAV - PKR 50.99



Investment Objective

The objective of the Fund is to deliver returns from aggressive investment strategy in the debt and fixed income markets.

Manager's Comment

During the month the fund generated an annualized return of 12.99% as against its benchmark return of 9.65%. The fund significantly shifted its exposure from PIBs to TBills which stood at 43.9% at month end

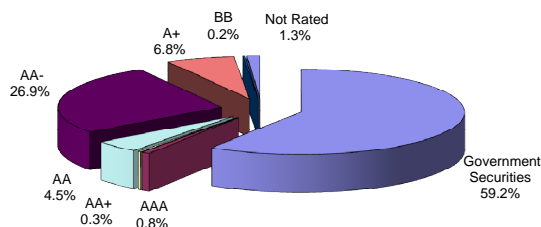
General Information

Fund Type	An Open End Scheme
Category	Aggressive Fixed Income Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	A+(f) by (PACRA)
Risk Profile	Low
Launch Date	28-Aug-2008
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front/ Back end Load *	2%/0%
Min. Subscription	A----PKR 5,000 B----PKR 10,000,000
Listing	Islamabad Stock Exchange
Benchmark	90% KIBOR (1 Year) + 10% PKRV (3 Month)
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 5:00 PM)
Leverage	Nil
*Subject to government levies	

Top TFC Holdings (%age of Total Assets)

Engro Fertilizer Limited (18-Mar-08)	6.8%
Askari Bank Limited (23-Dec-11)	5.4%
Bank Alfalah Limited (2-Dec-09) - Floating	5.3%
Askari Bank Limited (18-Nov-09)	3.5%
Bank Alfalah Limited (20-Feb-13)	3.4%
Bank Al-Habib Limited (7-Feb-07)	2.8%
Pakistan Mobile Communication Limited (Pre-IPO)	1.6%
Escorts Investment Bank Limited (15-Mar-07)	0.2%

Asset Quality (%age of Total Assets)



Provision against WWF liability

PIEF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 14.76 million, if the same were not made the NAV per unit of PIEF would be higher by Rs. 0.8504 and YTD return would be higher by 1.74%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PIEF.

Performance Information (%)

	PIEF	Benchmark
Year to Date Return (Annualized)	7.62	7.72
Month to Date Return (Annualized)	12.99	9.65
180 Days Return (Annualized)	7.99	7.54
365 Days Return (Annualized)	8.76	8.71
Since inception (CAGR)	11.53	12.25

Asset Allocation (%age of Total Assets)

	Jan-14	Dec-13
Cash	10.5%	17.6%
PIBs	15.3%	31.5%
TFCs	29.0%	27.1%
Commercial Papers	0.0%	0.0%
GOP Ijara Sukuk	0.0%	0.0%
T-Bills	43.9%	15.6%
Others including receivables	1.3%	8.2%

Fund Facts / Technical Information

NAV per Unit (PKR)	50.99
Net Assets (PKR M)	885
Weighted average time to maturity (Years)	2.1
Duration (Years)	2.0
Sharpe Measure*	0.02
Correlation*	11.6%
Standard Deviation	0.14
Alpha	-0.002%
*as against benchmark	

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP- Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA , FRM	SAVP - Head of Research
Saad Ahmed	AVP-Senior Manager Fixed Income Investments

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MUFAP's Recommended Format.

Pakistan Capital Market Fund

January 31, 2014

NAV - PKR 9.62



General Information

Fund Type	An Open End Scheme
Category	Balanced Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	24-Jan-2004
Fund Manager	Mohsin Pervaiz
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	2.0% p.a.
Front / Back end Load*	2.0% / 0%
Min. Subscription	PCM PKR 5,000 PCM-CD PKR 10,000,000
Listing	Karachi Stock Exchange, Lahore Stock Exchange & Islamabad Stock Exchange
Benchmark	50% KSE 100 Index + 50% 1 Year T-Bill
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 5:00 PM)
Leverage	Nil
*Subject to government levies	

Investment Objective

The objective of the Fund is to provide investors a mix of income and capital growth over medium to long term from equity and debt investments.

Manager's Comment

The fund generated return of 4.11% as against its benchmark return of 4.18% during the month. The fund shifted its exposure from T-Bills to PIBs which now stood at 10.2% at month end. The fund also increased its equity allocation from around 55% last month to 57.6% at month end.

Provision against WWF liability

PCMF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.7.12 million, if the same were not made the NAV per unit of PCMF would be higher by Rs. 0.1934 and YTD return would be higher by 2.31%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PCMF.

Fund Facts / Technical Information	PCM	Benchmark
NAV per Unit (PKR)	9.62	
Net Assets (PKR M)	354	
Sharp Measure	0.04	0.04
Beta	0.91	
Max draw up	305.0%	306.0%
Max draw down	-44.7%	-46.2%
Standard Deviation	0.85	0.82
Alpha	0.005%	

Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Cash	11.3%	5.9%
T-Bills	9.5%	24.7%
TFCs	9.0%	9.7%
Stocks / Equities	57.6%	54.9%
PIBs	10.2%	0.0%
Others including receivables	2.4%	4.8%

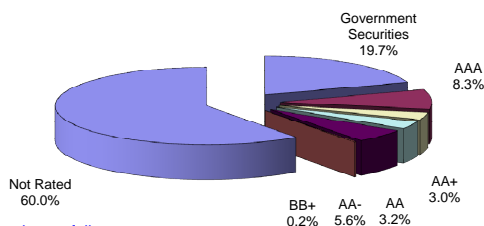
Performance Information (%)	PCM	Benchmark
Year to Date Return	14.61	18.08
Month to Date Return	4.11	4.18
180 Days Return	7.73	10.83
365 Days Return	26.37	33.89
Since inception	300.92	302.49

Top 10 Holdings (%age of Total Assets)		
Hub Power Company Limited	Equity	7.9%
Pakistan Petroleum Limited	Equity	5.9%
Bank Alfalah Limited (20-Feb-13)	TFC	5.6%
Pakistan State Oil Company Limited	Equity	3.9%
Fatima Fertilizer Company Limited	Equity	3.7%
Kohat Cement Company Limited	Equity	3.2%
United Bank Limited (08-Sep-06)	TFC	3.2%
Packages Limited	Equity	2.8%
United Bank Limited	Equity	2.7%
Attock Petroleum Limited	Equity	2.6%

Members of the Investment Committee

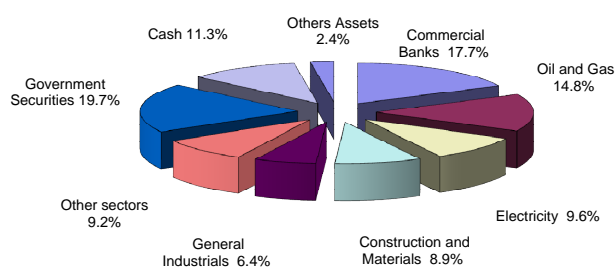
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA, FRM	SAVP - Head of Research

Asset Quality (%age of Total Assets)*



* Inclusive of equity portfolio

Sector Allocation (%age of Total Assets)



Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. in millions)

Name & Type of Non-Compliant Investment	Outstanding face value	Value of investment before provision	Provision held, if any	Value of investment after provision	% of Net Assets	% of Gross Assets
Maple Leaf Cement Factory Limited - Sukuk	8.48	5.19	4.30	0.89	0.25%	0.24%

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MUFAP's Recommended Format.

MCB Dynamic Allocation Fund

January 31, 2014

NAV - PKR 75.5360



General Information

Fund Type	An Open End Scheme
Category	Asset Allocation Scheme (SECP categorization in process)
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	17-Mar-08
Fund Manager	M.Asim, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	2% p.a.
Front / Back end Load*	3% / 0%
Min. Subscription	PKR 5,000
Listing	Lahore Stock Exchange
Benchmark	Proposed, SECP's approval pending
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 4:30 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

MCB Dynamic Allocation Fund is an asset allocation fund and its objective is to aim at providing a high absolute return by investing in equity and debt markets.

Manager's Comment

The fund generated an annualized return of 1.56% during the month, while since inception return stood at 29.64%. The fund has shifted its exposure from cash to TBills which have increased to 68.4% at month end.

On Equities, the fund kept the overall exposure unchanged while shifting exposure from Oil & Gas to Commercial Banks.

Provision against WWF liability

MCB-DAF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.4.71 million, if the same were not made the NAV per unit of MCB-DAF would be higher by Rs. 0.5390 and YTD return would be higher by 0.76%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of MCB-DAF.

Fund Facts / Technical Information	MCB DAF
NAV per Unit (PKR)	75.5360
Net Assets (PKR M)	660
Sharp Measure*	0.06
Beta**	0.39
Max draw up	468.30%
Max draw down	-48.57%
Standard Deviation	0.7
Alpha	0.071%
*as against 3 Year PIB, ** against KSE 30	

Performance Information (%)	MCB DAF
Year to Date Return	5.84
Month to Date Return	1.56
180 Days Return	3.88
365 Days Return	11.07
Since inception*	29.64
*Adjustment of accumulated WWF since July 1, 2008	
Benchmark is proposed to SECP and is currently under consideration of SECP	

Members of the Investment Committee

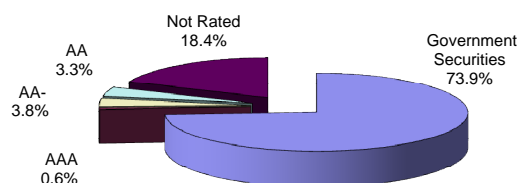
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP- Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA , FRM	SAVP - Head of Research

Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Cash	3.9%	35.4%
TFCs	3.8%	3.6%
GoP Ijara Sukuk	0.0%	0.0%
Stocks / Equities	14.8%	14.8%
Others including receivables	3.6%	5.8%
T-Bills	68.4%	40.4%
PIB's	5.5%	0.0%

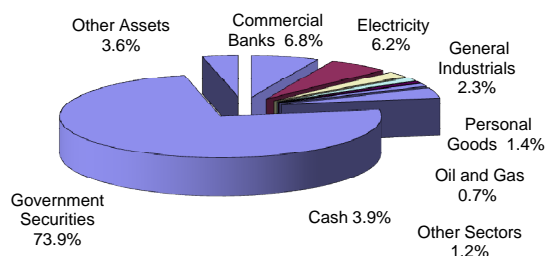
Top 10 Holdings (%age of Total Assets)

Hub Power Company Limited	Equity	3.9%
Packages Limited	Equity	2.3%
MCB Bank Limited	Equity	2.3%
Askari Bank Limited (18-Nov-09)	TFC	2.3%
Nishat Chunian Power Limited	Equity	1.6%
Bank Alfalah Limited (20-Feb-13)	TFC	1.5%
Nishat Mills Limited	Equity	1.4%
Oil & Gas Development Company Limited	Equity	0.8%
Maple Leaf Cement Factory Limited	Equity	0.8%
Kott Addu Power Company Limited	Equity	0.7%

Asset Quality (%age of Total Assets)*



Sector Allocation (%age of Total Assets)



* Inclusive of equity portfolio

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MUFAP's Recommended Format.

MCB Dynamic Stock Fund

January 31, 2014

NAV - PKR 119.6748



General Information

Fund Type	An Open End Scheme
Category	Equity Scheme (SECP categorization in process)
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	1-Mar-07
Fund Manager	M. Asim, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	2.0% p.a.
Front / Back end Load*	2.5% / 0%
Min. Subscription	PKR 5,000
Listing	Lahore Stock Exchange
Benchmark	KSE 30 Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

MCB Dynamic Stock Fund is an equity fund and its objective is to provide long term capital appreciation.

Manager's Comment

The fund generated a return of 5.34 % as against its benchmark KSE30 index return of 2.48 % during the month. The fund's equity allocations increased to 85.8% from 84.3% at month end. Major changes in response to changing sector and company fundamentals were increase in exposure towards Oil and Gas sector while the fund has reduced exposure in Commercial Banks sector.

Provision against WWF liability

MCB-DSF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 18.77 million, if the same were not made the NAV per unit of MCB-DSF would be higher by Rs. 2.2838 and YTD return would be higher by 2.34%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of MCB-DSF.

Fund Facts / Technical Information	MCB DSF	KSE-30
NAV per Unit (PKR)	119.6748	
Net Assets (PKR M)	984	
Price to Earning (x)*	8.48	8.65
Dividend Yield (%)	5.62	5.83
No. of Holdings	36	30
Wt. Avg Mkt Cap (PKR Bn)	161.35	334.57
Sharpe Measure**	0.038	-0.002
Beta	0.77	1.00
Correlation	93.7%	
Max draw up	511.6%	346.9%
Max draw Down	-60.4%	-76.7%
Standard Deviation	1.19	1.45
Alpha	0.06%	

*prospective earnings, **as against 3 Year PIB

Performance Information (%)	MCB DSF	Benchmark
Year to Date Return	22.56	18.93
Month to Date Return	5.34	2.48
180 Days Return	12.09	7.43
365 Days Return	47.56	36.86
Since inception*	250.17	37.20

*Adjustment of accumulated WWF since July 1,2008

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA , FRM	SAVP - Head of Research

DISCLAIMER

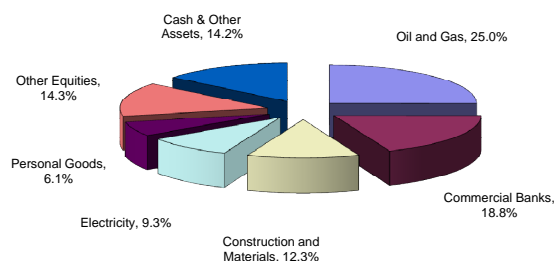
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Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Stock / Equities	85.8%	84.3%
Cash	13.2%	11.0%
Others including receivables	1.0%	4.7%
T-Bills	0.0%	0.0%

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	8.9%
Pakistan Petroleum Limited	7.7%
Pakistan State Oil Company Limited	5.4%
Bank Al-Falah Limited	5.1%
Kohat Cement Company Limited	4.8%
Oil & Gas Development Company Limited	4.8%
Attock Petroleum Limited	4.2%
Bank Al-Habib Limited	3.8%
Maple Leaf Cement Factory Limited	3.7%
Packages Limited	3.3%

Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

Pakistan Stock Market Fund

January 31, 2014

NAV - PKR 71.78



General Information

Fund Type	An Open End Scheme
Category	Equity Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	11-Mar-2002
Fund Manager	Uzma Khan, CFA, FRM
Trustee	Central Depository Company of Pakistan Limited
Auditor	M. Yousuf Adil Saleem & Co., Chartered Accountants
Management Fee	2.0% p.a.
Front / Back end Load*	2.0% / 0%
Min. Subscription	PSM PKR 5,000 PSM CD PKR 10,000,000
Listing	Karachi Stock Exchange
Benchmark	KSE 100 Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 5:00 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

The objective of the fund is to provide investors long term capital appreciation from its investment in Pakistani equities

Manager's Comment

During the month, the fund generated a return of 5.61% as compared to its benchmark KSE100 index return of 5.98%. The fund increased its overall equity allocation from 81.5% to 84.6%. Several changes in sector and company allocations were made in response to changing sector and company fundamentals. During the period, exposure increased in Oil & Gas sector while decreased in Commercial Banks sector.

Provision against WWF liability

PSM has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.28.96 million, if the same were not made the NAV per unit of PSM would be higher by Rs. 1.6406 and YTD return would be higher by 2.78%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PSMF.

Fund Facts / Technical Information	PSM	KSE-100
NAV per Unit (PKR)	71.78	
Net Assets (PKR M)	1,267	
Price to Earning (x)*	8.48	9.04
Dividend Yield (%)	5.64	5.90
No. of Holdings	41	100
Wt. Avg Mkt Cap (PKR Bn)	164.6	264.8
Sharpe Measure	0.06	0.05
Beta	0.73	1.0
Correlation	91.4%	
Max draw up	1693.1%	1674.4%
Max draw Down	-56.2%	-69.3%
Standard Deviation	1.12	1.42
Alpha	0.03%	
*prospective earnings		

Performance Information (%)	PSM	Benchmark
Year to Date Return	21.74	27.45
Month to Date Return	5.61	5.98
180 Days Return	11.46	15.94
365 Days Return	45.03	55.26
Since inception	1,523.26	1,329.57

Members of the Investment Committee

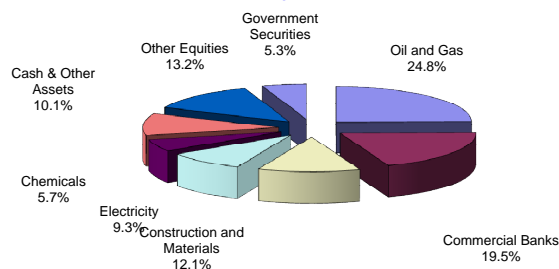
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA, FRM	SAVP - Head of Research

Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Stocks / Equities	84.6%	81.5%
Cash	9.5%	8.6%
T-Bills	5.3%	5.5%
Others including receivables	0.6%	4.4%

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	9.0%
Pakistan Petroleum Limited	7.7%
Pakistan State Oil Company Limited	5.6%
Bank Al-Falah Limited	5.1%
Oil & Gas Development Company Limited	4.8%
Kohat Cement Company Limited	4.3%
Bank Al-Habib Limited	4.0%
Attock Petroleum Limited	3.9%
Maple Leaf Cement Factory Limited	3.8%
Packages Limited	3.4%

Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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Pakistan Premier Fund

January 31, 2014

NAV - PKR 13.52



General Information

Fund Type	An Open End Scheme
Category	Equity Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	01-Jan-2003
Fund Manager	M. Asim, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	2.0% p.a.
Front / Back end Load*	2.0% / 0%
Min. Subscription	PKR 5,000
Listing	Lahore Stock Exchange
Benchmark	KSE 100 Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 5:00 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

The objective of the Fund is to provide investors long term capital appreciation from its investments in Pakistani equities.

Manager's Comment

During the month, the fund generated a return of 5.71% as compared to its benchmark KSE100 index return of 5.98%. The fund marginally reduced its exposure in equities to 77.8% compared to 80.0% last month. Many changes in sector and company allocations were made in response to changing sector and company fundamentals. Major sector level changes include increase in allocation of Oil and Gas, Personal Goods & Food Producers while exposure to Commercial Banks, Electricity, Fixed Line Telecommunications and Construction & Materials sectors were reduced.

Provision against WWF liability

PPF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.18.78 million, if the same were not made the NAV per unit of PPF would be higher by Rs. 0.3437 and YTD return would be higher by 3.09%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PPF.

Fund Facts / Technical Information	PPF	KSE-100
NAV per Unit (PKR)	13.52	
Net Assets (PKR M)	739	
Price to Earning (x)	8.55	9.04
Dividend Yield (%)	5.7	5.9
No. of Holdings	35	100
Wt. Avg Mkt Cap (PKR Bn)	166.7	264.8
Sharpe Measure	0.06	0.04
Beta	0.29	1.00
Correlation	52.2%	
Max draw up	875.2%	1029.8%
Max draw Down	-59.7%	-69.3%
Standard Deviation	1.3	2.3
Alpha	0.070%	
*prospective earnings		

Performance Information (%)	PPF	Benchmark
Year to Date Return	21.65	27.45
Month to Date Return	5.71	5.98
180 Days Return	11.18	15.94
365 Days Return	43.49	55.26
Since inception	1026.00	903.99

Members of the Investment Committee

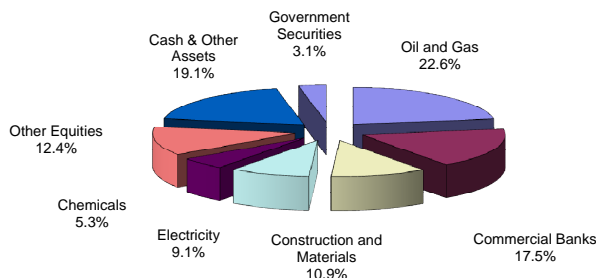
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA, FRM	SAPV - Head of Research

Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Stock / Equities	77.8%	80.0%
Cash	18.1%	11.3%
Others including receivables	1.0%	4.9%
T-Bills	3.1%	3.8%

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	8.8%
Pakistan Petroleum Limited	6.9%
Pakistan State Oil Company Limited	4.9%
Bank Alfalah Limited	4.8%
Oil & Gas Development Company Limited	4.6%
Bank Al-Habib Limited	3.8%
Attock Petroleum Limited	3.7%
Kohat Cement Company Limited	3.6%
Packages Limited	3.3%
Fatima Fertilizer Company Limited	3.2%

Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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Pakistan Strategic Allocation Fund

January 31, 2014 NAV - PKR 11.47



General Information

Fund Type	An Open End Scheme
Category	Equity Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	11-Sept-2004
Fund Manager	Mohsin Pervaiz
Trustee	Central Depository Company of Pakistan Limited
Auditor	M. Yousuf Adil Saleem & Co., Chartered Accountants
Management Fee	2.0% p.a.
Front / Back end Load*	2.0% / 0%
Min. Subscription	PKR 5,000
Listing	Karachi Stock Exchange
Benchmark	KSE 100 Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 5:00 PM)
Leverage	Nil

*Subject to government levies

Investment Objective

The objective of the Fund is to provide investors capital growth over medium to long term primarily from investment in more liquid Pakistani equities.

Manager's Comment

During the month, the fund generated a return of 3.24% as compared to its benchmark KSE100 index return of 5.98%. The fund reduced its overall equity allocation to 55% from 66.6% at month end. Several changes in sector and company allocations were made in response to changing sector and company fundamentals. Exposure was reduced in Electricity, General Industries, Construction & Material, Oil & Gas while marginally increased towards Fixed Line Telecommunications and Chemicals sectors.

Provision against WWF liability

PSAF has maintained provisions against Workers' Welfare Funds' liability to the tune of Rs.14.04 million, if the same were not made the NAV per unit of PSAF would be higher by Rs. 0.4471 and YTD return would be higher by 4.80%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PSAF.

Fund Facts / Technical Information	PSAF	KSE-100
NAV per Unit (PKR)	11.47	
Net Assets (PKR M)	360	
Price to Earning (x)*	8.2	9.0
Dividend Yield (%)	5.8	5.9
No. of Holdings	32	100
Wt. Avg Mkt Cap (PKR Bn)	214.54	264.80
Sharpe Measure	0.03	0.04
Beta	0.76	1.00
Correlation	89.7%	
Max draw up	304.8%	462.9%
Max draw Down	-60.1%	-69.3%
Standard Deviation	1.15	1.37
Alpha	0.005%	
*prospective earnings		

Performance Information (%)	PSAF	Benchmark
Year to Date Return	23.13	27.45
Month to Date Return	3.24	5.98
180 Days Return	13.34	15.94
365 Days Return	35.70	55.26
Since inception	282.34	403.19

Members of the Investment Committee

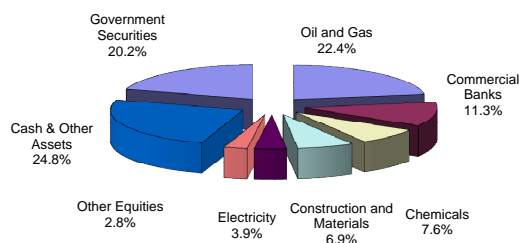
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
Uzma Khan, CFA, FRM	SAVP - Head of Research

Asset Allocation (%age of Total Assets)	Jan-14	Dec-13
Stock / Equities	55.0%	66.6%
Cash	21.8%	11.3%
T-Bills	20.2%	20.8%
Others including receivables	3.0%	1.3%

Top 10 Equity Holdings (%age of Total Assets)

Pakistan Petroleum Limited	6.7%
Maple Leaf Cement Factory Limited	5.1%
Pakistan State Oil Company Limited	4.8%
Pakistan Oil Fields Limited	4.7%
Oil & Gas Development Company Limited	4.0%
Fatima Fertilizer Company Limited	3.6%
Kott Addu Power Company Limited	2.9%
United Bank Limited	2.9%
Engro Corporation Limited	2.8%
MCB Bank Limited	2.2%

Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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Pakistan Pension Fund

January 31, 2014



General Information

Fund Type	An Open End Scheme
Category	Voluntary Pension Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not Applicable
Launch Date	29-Jun-07
Fund Manager	M. Asim, CFA
Trustee	Habib Metropolitan Bank Limited
Auditor	Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load*	3% / 0%
Min. Subscription	PKR 1,000
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 5:00 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

During the month, equity sub-fund generated a return 7.74% while the KSE-100 index increased by 5.98%. Allocation was increased towards Construction & Material and Personal Goods while exposure was reduced in Oil & Gas, Commercial Banks and Electricity sectors.

Debt sub-fund generated an annualized return of 9.73% during the month. Exposure was substantially increased in PIBs from 5.6% last month to 22.8% at month end.

Money Market sub-fund generated an annualized return of 7.66% during the month. The fund exposure towards T-bill increased from 97.6% last month to 99.2% at month end.

Provision against WWF liability

PPF-EQ has not made provisions amounting to Rs 1.17 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF-EQ would be lower by Rs 1.8185 and YTD return would be lower by 1.00%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PPF.

PPF-DT has not made provisions amounting to Rs 0.80 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF-DT would be lower by Rs 0.7094 and YTD return would be lower by 0.43%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PPF.

PPF-MM has not made provisions amounting to Rs 0.59 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF-MM would be lower by Rs 0.8396 and YTD return would be lower by 0.50%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2013 of PPF.

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

Hub Power Company Limited	7.9%
Pakistan Petroleum Limited	7.0%
Bata Pakistan Limited	6.8%
Pakistan State Oil Company Limited	6.4%
Attock Petroleum Limited	5.1%
Pakistan Oil Fields Limited	4.8%
Maple Leaf Cement Factory Limited	4.3%
Meezan Bank Limited	3.7%
Ferozsons Laboratories Limited	3.6%
Packages Limited	3.5%

Performance Information & Net Assets	PPF-EQ*	PPF-DT**	PPF-MM**
Year to Date Return (%)	33.85	4.64	6.71
Month to Date Return (%)	7.74	9.73	7.66
Since inception (%)	143.76	10.36	11.33
Net Assets (PKR M)	156.64	189.97	123.23
NAV (Rs. Per unit)	243.81	168.31	174.72
* Total Return ** Annualized return			

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Head of Fixed Income Investments
Muhammad Asim, CFA	SVP - Head of Equities
Mohsin Pervaiz	VP - Investments
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PPF-Money Market (%age of Total Assets)	Jan-14	Dec-13
Cash	0.7%	2.3%
T-Bills	99.2%	97.6%
Others including receivables	0.1%	0.1%

PPF-Debt (%age of Total Assets)	Jan-14	Dec-13
Cash	3.4%	0.7%
PIBs	22.8%	5.9%
GoP Ijara Sukuk	2.6%	2.7%
TFCs	5.1%	5.2%
T-Bills	65.7%	85.1%
Others including receivables	0.4%	0.4%

PPF-Equity (%age of Total Assets)	Jan-14	Dec-13
Cash	1.4%	0.8%
Oil and Gas	26.8%	29.9%
Construction and Materials	11.5%	11.0%
Electricity	8.9%	9.7%
Commercial Banks	13.6%	17.9%
Personal Goods	11.2%	8.7%
Other equity sectors	23.0%	20.2%
Other including receivables	3.6%	1.8%

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FAISALABAD

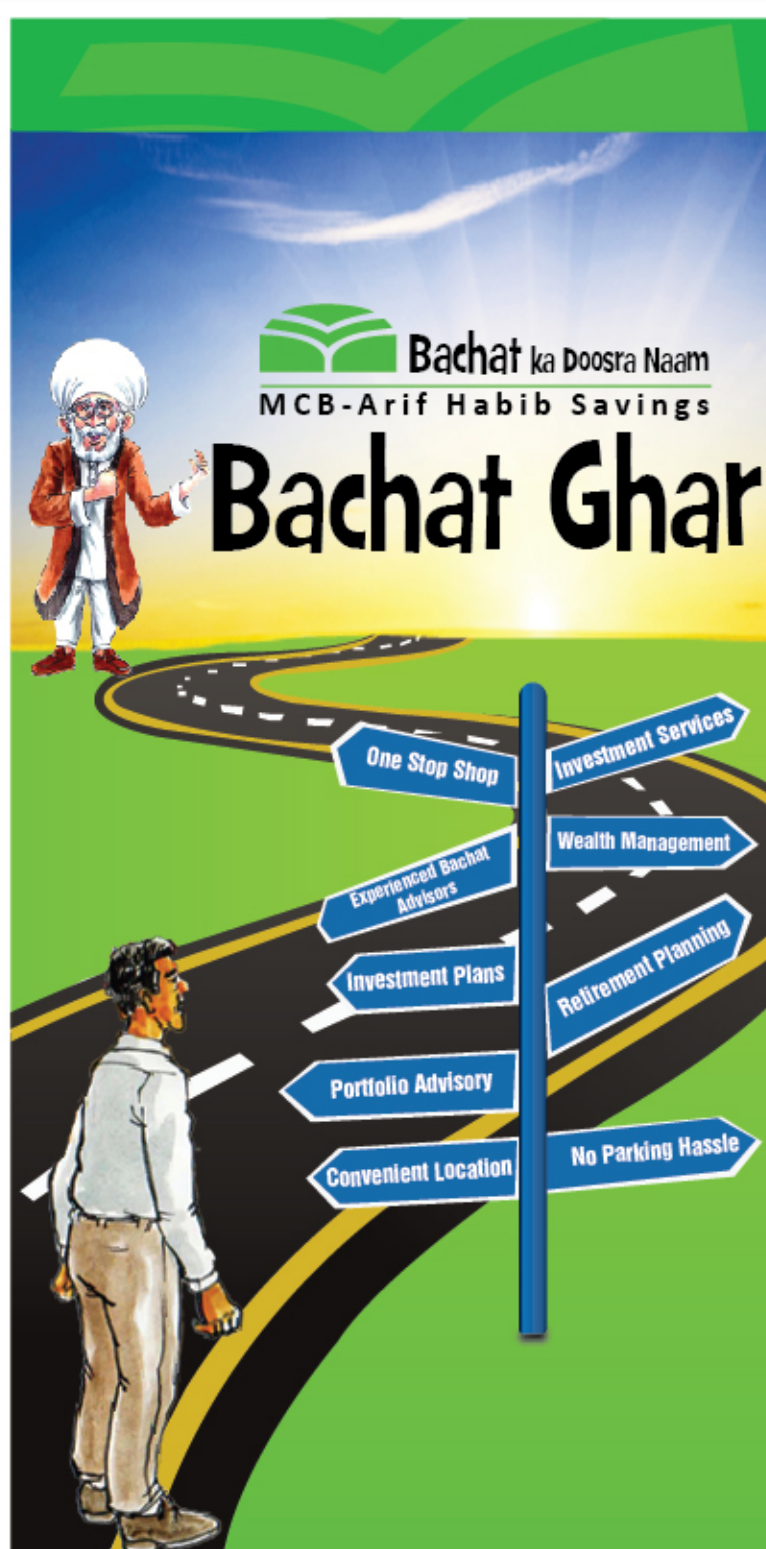
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