



Bachat ka Doosra Naam

Bachat Nama

Fund Manager's Report (Dec-2012)



EXCITING MOVIES BASED ON INVESTMENTS & CAPITAL MARKETS

Dear Investors,

December being the last month of calendar year, we thought of introducing few interesting movies centered on investments and capital markets. Many of us are movie buffs whether based on fiction or reality with an intriguing story and direction. If you're doing a movie marathon in this category then you have to start with "Wall Street (1987)". We list such movies on the basis of our liking.

- **Wall Street (1987):** A classic and a must-see! A young and impatient stockbroker (Charlie Sheen) is willing to do anything to get to the top, including trading on illegal inside information taken through a ruthless and greedy corporate raider who takes the youth under his wing. One name, Gordon Gekko (one of Michael Douglas' finest acting)
- **The Pursuit of Happyness (2006):** My personal favourite, its based upon Chris Gardner's nearly one-year struggle with homelessness. Will Smith features as Gardner, an on-and-off-homeless salesman-turned stockbroker, who is persistent to reach out for fulfillment of his dream of being a successful. In the film, "happiness" is misspelled as "happyness" outside the daycare facility Gardner's son attends.
- **Boiler Room(2000):** A college dropout gets a job as a broker for a suburban investment firm, which puts him on the fast track to success, but the job might not be as legitimate as it sounds.
- **A Good Year(2006):** A British investment broker inherits his uncle's chateau and vineyard in Provence, where he spent much of his childhood. He discovers a new laid-back lifestyle as he tries to renovate the estate to be sold.
- **Margin Call (2011):** Story follows the key people at an investment bank, over a 24-hour period, during the early stages of the financial crisis. Reminds us of Lehman's collapse but probably it's about how Goldman Sachs would knowingly get rid of toxic asset by convincing its top clients to buy them (there was a court case on that matter).
- **Rogue Trader(1999):** One man's ambition causes one of the greatest financial disasters in history i.e. Barings Bank.
- **Wall Street: Money Never Sleeps(2010):** Now out of prison but still disgraced by his peers, Gordon Gekko works his future son-in-law, an idealistic stock broker, when he sees an opportunity to take down a Wall Street enemy and rebuild his empire.
- **Deception (2008):** An accountant is introduced to a mysterious sex club known as The List by his lawyer friend. But in this new world, he soon becomes the prime suspect in a woman's disappearance and a multi-million dollar heist.
- **Too Big to Fail (2011 TV Movie):** Chronicles the financial meltdown of 2008 and centers on Treasury Secretary Henry Paulson. HBO docu-drama on the Sep 2008 financial collapse.
- **Enron: The Smartest Guys in the Room (2005 Documentary):** A documentary about the Enron corporation, its faulty and corrupt business practices, and how they led to its fall.
- **Inside Job (2010 Documentary):** Takes a closer look at what brought about the financial meltdown of 2008.
- **The Corporation (2003 Documentary):** Documentary that looks at the concept of the corporation throughout recent history up to its present-day dominance.
- **Barbarians at the Gate: The true story of R.J.R. Nabisco CEO F. Ross Johnson's attempted leveraged buyout of the company.** Brilliant movie on corporate hostile takeover.

We are re-launching our Monthly Saving Plans, Pension Builder, shariah compliant Target/Hajj Saver Accounts and VPS which can be started with as low as Rs.500/- to Rs.1,000/- under one bundle named "Bachat Silsila" from middle of this month. You can properly plan for different objectives like education of children, retirement, rainy day savings, saving for religious pilgrimage etc.

For any further assistance do not hesitate to call our Bachat Center's toll free line 0800-62224 where you will find us eager to guide you. You can also email us on info@mcbah.com or visit the helpdesk on our website www.mcbah.com.

We wish you a Happy New Year!

Your Truly,



Tanweer Ahmad Haral
SVP - Head of Sales & Marketing

December 31, 2012

PERSPECTIVE



Macro-Environment Review and Outlook

On the macroeconomic front, YoY CPI inflation has remained under control during the 1H FY13 with an average of 8.3%, though Dec'12 YoY CPI of 7.9% was higher than that of 6.9% a month earlier mainly due to low base effect of last year. On the other hand, external current account witnessed significant pressure during Nov'12 by posting a CAD of US\$ 638 million. FX reserves have also remained under pressure amid weaker financial account flows and debt repayments including that of IMF – touching US\$ 13.4 billion mark. On the fiscal front, the government's reliance on domestic sources for fiscal funding has continued with YTD borrowing from banking system stood at PKR 582 billion by Dec'21 2012.

Despite highlighting weaker external and fiscal accounts as well as abnormally higher monetary growth, the State Bank of Pakistan decided to lower its policy DR further by 50 bps to 9.5% in Dec'12 monetary policy statement. Despite receiving another tranche of CSF as well as continued lower range of CPI inflation, we believe that further rate cut would not be possible given deteriorating fiscal and external accounts, significant IMF repayments ahead and alarming monetary growth – while the potential return to the IMF would result in a cycle of monetary tightening by 2Q CY13 in our opinion.

Equities Market Performance Review and Outlook

Touching the historic level of 17,000 during intraday this month, the local bourse managed to hold the growth momentum with the KSE-100 index appreciating by around 2% and closed 2012 at around 16,921 points. After a healthy last month, participation turned out to be relatively dull as the bourse attracted average daily volume of 165 million shares in Dec'12 as against 216 million a month ago. Foreign participation also changed ends during the last month of 2012 by recording net outflows of around \$7.7 million.

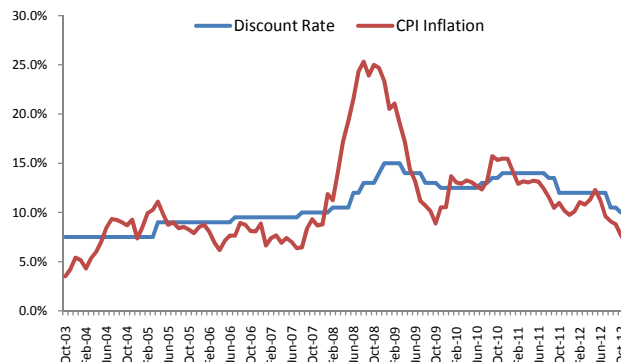
Investors are pinning hopes on Dec-end results, expecting strong payout from Commercial Banks, Electricity, Chemicals, and Oil & Gas sectors. However, on the account of mounting political uncertainty and precarious macroeconomic position especially on the external front reflected through depleting FX reserves and steady depreciation of Pak Rupee, the market could correct itself in the shorter term in our opinion.

Money Market Performance Review and Outlook

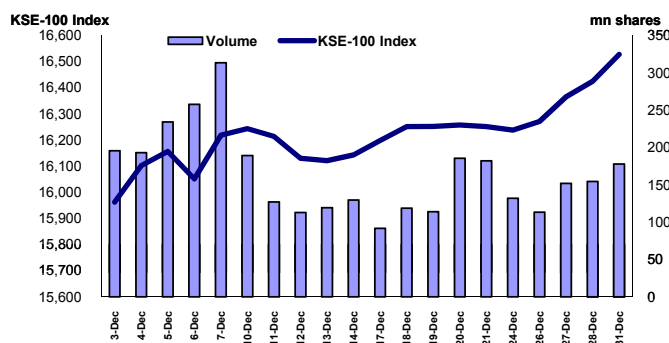
The short term money market rates remained in the higher range during most part of the month owing to relatively tight liquidity position in the system with few exceptions where the market witnessed floors also. During this month as well, the SBP continued to inject sizeable amount through Open Market Operations to provide needed liquidity in the market. Despite a 50 bps DR cut during the month, yields have adjusted upwards across the board, especially at long-end, as the market is anticipating no further rate cut going forward. Average 1 year PKRV adjusted upwards by 9 bps MoM to 9.4%, while longer tenure 10 year PKRV average went upwards by 23 bps MoM to 11.5% as of month-end.

As highlighted earlier as well, the Government bond market, which remained active for last few months on the back of soft inflation numbers and expected monetary easing, has started to become inactive with the anticipation of no rate cut and possible rate hikes in the next 4-6 months. In this backdrop, the activities are expected to be concentrated at short-end Treasury Bills going forward.

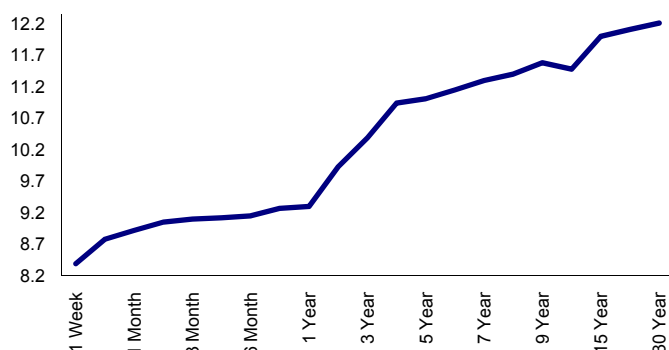
Discount Rate vs. CPI Inflation



KSE During December 2012



Yield Curve (December 31, 2012)



MCB Cash Management Optimizer

December 31, 2012 NAV - PKR 100.3022



General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	AA(r) 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, net of expenses
Pricing Mechanism	Backward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 4:30 PM)
Leverage	Nil

Investment Objective

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

Manager's Comment

During the month, the fund generated an annualized return of 8.3% as against its benchmark return of 5.5%. The fund's exposure towards Treasury Bills was reduced significantly to around 6% while increasing its exposure significantly towards TDRs, cash and bank deposits as they were offering attractive returns near quarter-end. Given the liquidity and interest rate outlook, the fund kept its portfolio WAM at a lower level of around 28 days at month-end.

The fund would remain vigilant towards the changes in key macroeconomic variables and would adjust its portfolio WAM accordingly.

Provision against WWF liability

MCB-CMOP has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.70.49 million, if the same were not made the NAV per unit of MCB-CMOP would be higher by Rs.0.833 and 12M return would be higher by 0.92%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of MCB-CMOP.

Fund Facts / Technical Information

	MCB CMOP	Benchmark
NAV per Unit (PKR)	100.3022	
Net Assets (PKR M)	8,487	
Weighted average time to maturity (Days)	28	
Sharpe Measure*	0.18	-1.65
Correlation*	-32%	3%
Standard Deviation	0.026	0.001
Alpha*	0.01%	-0.01%
*as against 3 month PKRV net of expenses		

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Asset Allocation (%age of Total Assets)

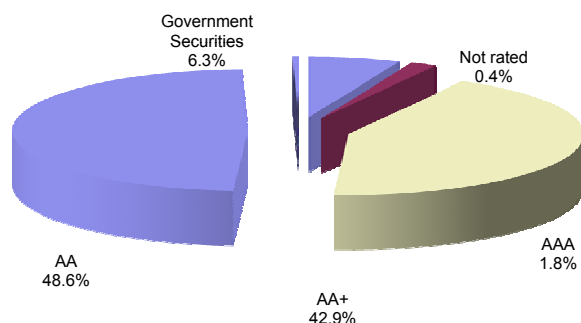
	Dec-12	Nov-12
Cash	45.8%	17.0%
Term Deposits with Banks	47.5%	14.1%
T-Bills	6.3%	68.8%
Others including receivables	0.4%	0.1%
PIBs	0.0%	0.0%

Performance Information (%)

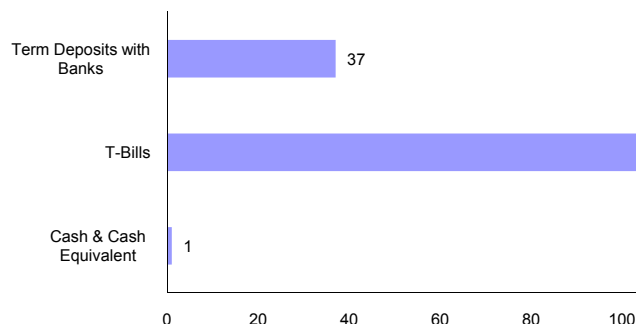
	MCB CMOP	Benchmark
Year to Date Return (Annualized)	9.9	5.9
Month to Date Return (Annualized)	8.3	5.5
Since inception (CAGR)*	11.1	5.9

*Adjustment of accumulated WWF since Oct 1, 2009

Asset Quality (%age of Total Assets)



Asset-wise Maturity (No. of Days)



MUFAP's Recommended Format.

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Pakistan Cash Management Fund

December 31, 2012 NAV - PKR 50.1565



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

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

During the month, the fund generated an annualized return of 8.4% as against its benchmark return of 9.7%. The fund's exposure towards Treasury Bills was decreased marginally to a level of around 94% while its portfolio WAM was kept at a level of 26 days at month-end.

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

Provision against WWF Liability

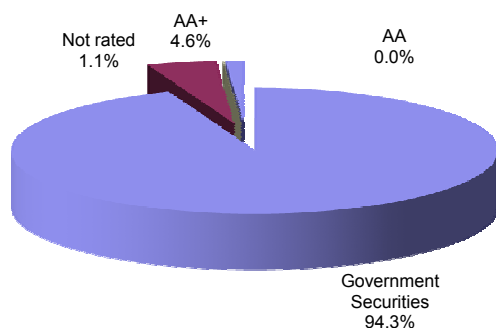
PCF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.18.81 million, if the same were not made the NAV per unit of PCF would be higher by Rs.0.426 and 12M return would be higher by 0.93%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PCF.

Fund Facts / Technical Information	PCF	Benchmark
NAV per Unit (PKR)	50.1565	
Net Assets (PKR M)	2,216	
Weighted average time to maturity (Days)	26	
Sharpe Measure*	0.02	0.14
Correlation*	50.0%	
Standard Deviation	0.02	0.03
Alpha*	-0.04%	
*as against 3 month PKRV net of expenses		

Members of the Investment Committee

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

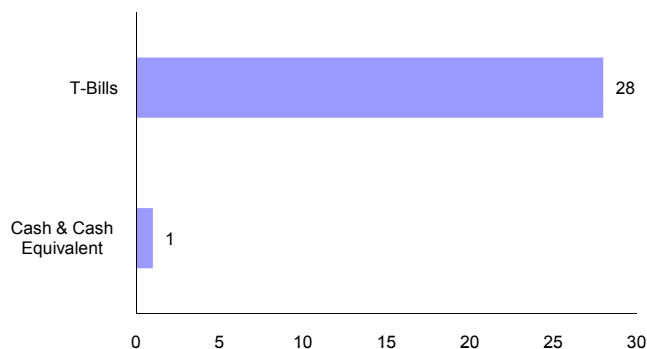
Asset Quality (%age of Total Assets)



Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Cash	4.6%	1.4%
T-Bills	94.3%	97.4%
Reverse Repo Against Government Securities	0.0%	0.0%
Others including receivables	1.1%	1.2%

Performance Information (%)	PCF	Benchmark
Year to Date Return (Annualized)	9.6	11.0
Month to Date Return (Annualized)	8.4	9.7
Since inception (CAGR)	11.2	12.3

Asset-wise Maturity (No. of Days)



MUFAP's Recommended Format.

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MetroBank-Pakistan Sovereign Fund

December 31, 2012



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 MSF-12/12 100 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

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 8.1% as against its benchmark return of 10.3%.

The fund switched its exposure from Treasury Bills towards bank deposits offering attractive return near quarter-end. T-Bills exposure was reduced to around 47% while cash and bank deposits were increased to around 27%. The fund's exposure towards GoP Ijarah Sukuk however remained largely unchanged at around 23% at month-end.

Provision against WWF liability

MSF-Perp has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.32.07 million, if the same were not made the NAV per unit of MSF-Perp would be higher by Rs.0.236 and 12M return would be higher by 0.53%. For details investors are advised to read Note 11 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of MSF-Perp.

Fund Facts / Technical Information	MSF- Perpetual
NAV per Unit (PKR)	50.14
Net Assets (PKR M)	6,789
Weighted average time to maturity (Years)	0.64
Duration (Years)	0.17
Sharpe Measure*	-0.02
Correlation	19.65%
Standard Deviation	0.19
Alpha	-0.06%

Members of the Investment Committee

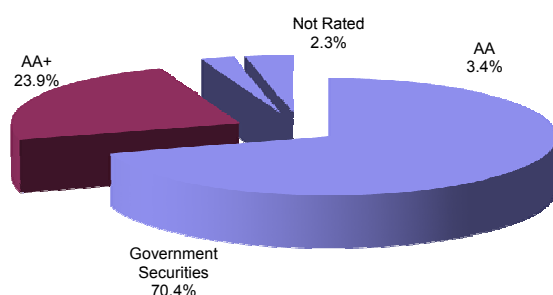
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Asset Allocation (%age of Total Assets)	MSF-Perpetual Dec-12	Nov-12
Cash	27.3%	5.3%
T-Bills	47.2%	67.7%
MSF 12/12 Sub-Fund	1.9%	1.9%
GOP Ijarah sukuk	22.7%	23.8%
PIBs	0.5%	0.5%
Others including Receivables	0.4%	0.8%
Reverse Repo against Government Securities	0.0%	0.0%

Performance Information (%)	MSF-Perpetual	Benchmark
Year to Date Return (Annualized)	15.3	12.1
Month to Date Return (Annualized)	8.1	10.3
Since inception (CAGR)	6.8	8.6

Performance Information (%)	MSF 12/12 Sub Fund
Year to Date Return (Annualized)	9.5
Month to Date Return (Annualized)	8.2
Since inception (CAGR)	7.4
NAV Per Unit (PKR)	49.32
Net Assets (PKR M)	206

Asset Quality (%age of Total Assets)



MUFAP's Recommended Format.

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MCB Dynamic Cash Fund

December 31, 2012

NAV - PKR 101.5573



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 of 10.5% as against its benchmark return of 9.2%. During the month, the fund shifted its exposure almost entirely from Treasury Bills towards bank deposits offering attractive returns. The fund's exposure towards TFCs remained largely unchanged at around 19% while GoP Ijarah Sukuk was marginally reduced to 24% at month-end.

We believe that the fund's exposure towards good quality TFCs along with well-timed accumulation of Government papers should 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

Provision against WWF liability

MCB-DCF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.67.33 million, if the same were not made the NAV per unit of MCB-DCF would be higher by Rs.0.727 and 12M return would be higher by 0.79%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of MCB-DCF.

Performance Information (%)	MCB DCF	Benchmark
Year to Date Return (Annualized)	11.1	10.2
Month to Date Return (Annualized)	10.5	9.2
Since Inception (CAGR) **	10.8	11.7
**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)	Dec-12	Nov-12
Cash	36.2%	2.5%
Term Deposits with Banks	13.6%	13.6%
Reverse Repo against Government Securities	0.0%	0.0%
PIBs	0.0%	0.0%
TFCs	18.7%	20.3%
National Saving Bonds	0.9%	1.0%
GOPIjarah Sukuk	24.2%	26.2%
T-Bills	1.9%	34.8%
Others including receivables	4.5%	1.6%

Fund Facts / Technical Information

NAV per Unit (PKR)	101.5573
Net Assets (PKR M)	9,400
Weighted average time to maturity (Years)	1.5
Duration (Years)	1.4
Sharpe Measure*	0.03
Correlation*	-0.2%
Standard Deviation	0.11
Alpha*	0.00%

*as against benchmark

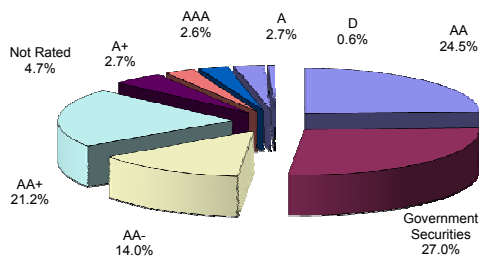
Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Top 10 TFC Holdings (%age of Total Assets)

United Bank Limited (14-Feb-08)	4.2%
Standard Chartered Bank (Pakistan) Limited (29-Jun-12)	2.6%
NIB Bank Limited (5-Mar-08)	2.3%
Askari Bank Limited (18-Nov-09)	1.3%
Jahangir Siddiqui Company Limited (4-Jul-07)	1.3%
Askari Bank Limited (23-Dec-11)	1.1%
Bank Alfalah Limited (02-Dec-09)	1.0%
Askari Bank Limited (4-Feb-05)	0.7%
Allied Bank Limited (6-Dec-06)	0.6%
Maple Leaf Cement Factory Limited (03-Dec-07)	0.6%

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	336.50	205.93	152.65	53.28	0.57%	0.56%
Saudi Pak Leasing Company Limited - TFC	31.95	21.08	-	21.08	0.22%	0.22%
Maple Leaf Cement Factory Limited - Sukuk II	5.92	5.92	5.92	-	0.00%	0.00%
Security Leasing Corporation Limited - Sukuk	4.88	3.42	3.42	-	0.00%	0.00%
Security Leasing Corporation Limited - TFC	5.86	4.08	4.08	-	0.00%	0.00%
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

December 31, 2012

NAV - PKR 52.11



Investment Objective

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

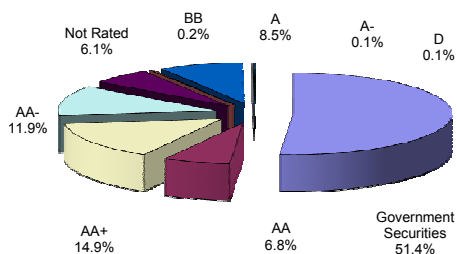
General Information

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	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load	1.35%/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

Top 10 TFC Holdings (%age of Total Assets)

Engro Fertilizer Limited (18-Mar-08)	8.5%
Askari Bank Limited (23-Dec-11)	4.4%
United Bank Limited (08-Sep-06)	4.1%
Askari Bank Limited (04-Feb-05)	3.1%
Askari Bank Limited (18-Nov-09)	2.6%
Bank Al-Habib Limited (07-Feb-07)	2.2%
Bank Alfalah Limited - Floating (02-Dec-09)	1.8%
Bank Al-Habib Limited (30-Jun-11)	0.5%
Trust Investment Bank Limited (04-July-08)	0.3%
Escorts Investment Bank Limited (15-Mar-07)	0.2%

Asset Quality (%age of Total Assets)



Manager's Comment

During the month, the fund generated an annualized return of 9.7% as against its benchmark return of 9.9%. The fund reduced its exposure from Treasury Bills towards TDRs offering attractive returns near quarter-end. At month-end, T-Bills exposure was reduced to around 41%.

The fund, however, kept its exposure largely unchanged towards GoP Ijarah Sukuk and TFCs at around 8% and 28% respectively at month-end.

Provision against WWF liability

PIF has not made provisions amounting to Rs.19.20 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PIF would be lower by Rs. 0.785 and 12M return would be lower by 1.63%. For details investors are advised to read Note 6 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PIF.

Performance Information (%)	PIF	Benchmark
Year to Date Return (Annualized)	7.2	11.9
Month to Date Return (Annualized)	9.7	9.9
Since inception (CAGR)	10.4	9.1

Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Cash	1.2%	3.7%
TFCs	27.9%	27.8%
GoP Ijarah Sukuk	8.3%	8.2%
T-Bills	41.3%	56.7%
PIBs	1.8%	1.8%
Term Deposit with Banks	13.7%	0.0%
Others including receivables	5.8%	1.8%

Fund Facts / Technical Information

NAV per Unit (PKR)	52.11
Net Assets (PKR M)	1,275
Weighted average time to maturity (Years)	1.6
Duration (Years)	1.5
Sharpe Measure	0.04
Correlation	8.1%
Standard Deviation	0.1
Alpha	-0.05%

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments
Saad Ahmed	Senior Manager - Fixed Income Investments

Details of non-compliant investments with the investment criteria or assigned category (securities below investment grade - less than 1000000000)

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	9.48	5.80	4.30	1.50	0.12%	0.12%
Pace Pakistan Limited TFC	44.93	29.64	29.64	-	0.00%	0.00%
Telecard Limited- TFC	36.58	27.44	27.44	-	0.00%	0.00%
Escorts Investment Bank Limited-TFC	3.01	2.21	-	2.21	0.17%	0.17%
Maple Leaf Cement Factory Limited Sukuk II	0.17	0.17	0.17	-	0.00%	0.00%
Trust Investment Bank Limited TFC	12.50	9.34	4.97	4.37	0.34%	0.34%

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MUFAP's Recommended Format.

Pakistan Income Enhancement Fund

December 31, 2012
NAV - PKR 51.36



Investment Objective

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

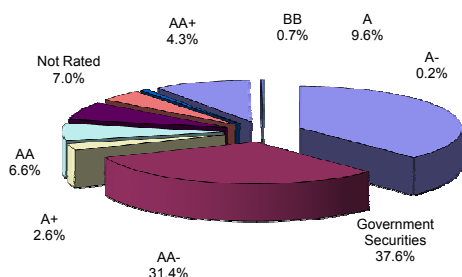
General Information

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	1.35%/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

Top 10 TFC Holdings (%age of Total Assets)

Engro Fertilizer Limited (18-Mar-08)	9.6%
Askari Bank Limited (23-Dec-11)	7.5%
Bank Alfalah Limited-Floating (02-Dec-09)	7.3%
Bank Al-Habib Limited (07-Feb-07)	4.0%
NIB Bank Limited (05-Mar-08)	2.6%
Jahangir Siddiqui Company Limited (04-Jul-07)	2.5%
Askari Bank Limited (18-Nov-09)	0.8%
Escorts Investment Bank Limited (15-Mar-07)	0.7%
Pak Elektron Limited (28-Sep-07)	0.5%
Askari Bank Limited (04-Feb-05)	0.3%

Asset Quality (%age of Total Assets)



Manager's Comment

During the month, the fund generated an annualized return of 14.8% as against its benchmark return of 10.1%. The fund switched its exposure from Treasury Bills towards cash and bank deposits offering decent returns near quarter-end. At month-end, T-Bills exposure was reduced to 26.8% while PIBs exposure remained unchanged at 4.6%. During the month, the fund exposure towards TFCs and GoP Ijarah Sukuk remained largely unchanged at 35.8% and 6.2% respectively.

Provision against WWF liability

PIEF has not made provisions amounting to Rs.12.83 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PIEF would be lower by Rs. 1.073 and 12M return would be lower by 2.21%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PIEF.

Performance Information (%)	PIEF	Benchmark
Year to Date Return (Annualized)	4.6	14.1
Month to Date Return (Annualized)	14.8	10.1
Since inception (CAGR)	12.2	13.1

Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Cash	20.1%	3.4%
Term Deposits with Banks	0.0%	0.0%
PIBs	4.6%	4.6%
TFCs	35.8%	35.8%
Commercial Papers	0.0%	0.0%
GOP Ijarah Sukuk	6.2%	6.2%
T-Bills	26.8%	43.1%
Others including receivables	6.5%	6.9%

Fund Facts / Technical Information

NAV per Unit (PKR)	51.36
Net Assets (PKR M)	614
Weighted average time to maturity (Years)	2.1
Duration (Years)	2.0
Sharpe Measure*	0.02
Correlation*	14.1%
Standard Deviation	0.14
Alpha	-0.04%
*as against benchmark	

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments
Saad Ahmed	Senior Manager Fixed Income Investments

MUFAP's Recommended Format.

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MCB Islamic Income Fund

December 31, 2012

NAV - PKR 100.2164



General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant (Islamic) Income Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	AA-(f) by PACRA
Risk Profile	Low
Launch Date	20-June-2011
Fund Manager	Syed Akbar Ali, CFA
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 end load	Class "A" 1.5%, Class "B" 0%
Back end Load	Class "A" 0%, Class "B" Units: 1.5% on redemption in the 1st year from the date of investment. 1.0% on redemption in the 2nd year from the date of investment. 0.0% on redemption after completion of 2 years from the date of Investment.
Min. Subscription	Growth Units PKR 500 Income Units PKR 100,000 Cash Dividend Units PKR 500
Listing	Lahore Stock Exchange
Benchmark	Average of the most recently published three-month profit rates of three Islamic Banks rated A and above.
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)
Leverage	Nil

Investment Objective

To generate superior 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 an annualized return of 8.1% as against its benchmark return of 5.9%, an out-performance of 2.2% over its benchmark. The fund has been maintaining its exposure in GoP Ijarah Sukuk (GIS) at higher levels and has been maintained at around 64% by month-end. Moreover, around 34% of the fund was kept in cash & bank deposits.

We believe that well-timed accumulation of GoP Ijarah Sukuk should contribute towards healthy fund returns going forward, while the fund would remain cognizant of the changes in the macroeconomic environment in order to deploy assets efficiently in Shariah compliant instruments.

Provision against WWF liability

MCB-IIF has not made provisions amounting to Rs.4.32 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of MCB-IIF would be lower by Rs. 0.148 and 12M return would be lower by 0.16%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of MCB-IIF.

Fund Facts / Technical Information

NAV per Unit (PKR)	100.2164
Net Assets (PKR M)	2,916
Weighted average time to maturity (Years)	1.31
Sharpe Measure	0.26
Correlation	7.77%
Standard Deviation	0.05
Alpha	0.02%

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

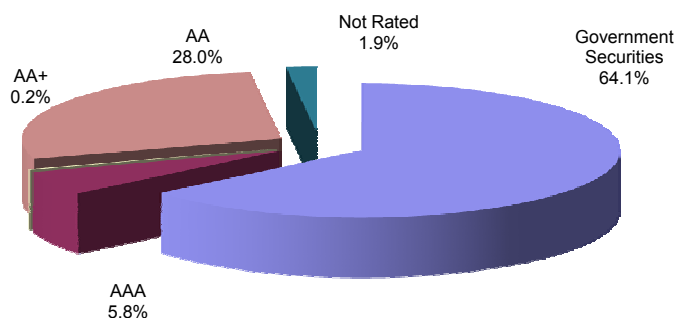
Asset Allocation (%age of Total Assets)

	Dec-12	Nov-12
Cash	34.0%	24.8%
GoP Ijara Sukuk	64.1%	73.4%
Others including receivables	1.9%	1.8%

Performance Information (%)

	MCB IIF	Benchmark
Year to Date Return (Annualized)	10.8	6.2
Month to Date Return (Annualized)	8.1	5.9
Since inception (CAGR)	10.6	6.6

Asset Quality (%age of Total Assets)



MUFAP's Recommended Format.

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Pakistan International Element Islamic Asset Allocation Fund

December 31, 2012

NAV - PKR 45.5717



General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant Islamic Asset Allocation Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	2-May-2006
Fund Manager	Syed Akbar Ali, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	Type A & B: 2% Type C & D: 1.33%
Front end Load	Type A: 2% Type B,C & D: None
Back end Load	Type A: None
Min. Subscription	Type B,C & D: Yr 1:3%, Yr 2:2%, Yr 3:1% A & B PKR 5,000 C & D PKR 10,000,000
Listing	Karachi Stock Exchange, Lahore Stock Exchange, Islamabad Stock Exchange.
Benchmark	70% KMI-30 Index + 30% DJIM-World Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 5:00 PM)
Leverage	Nil

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 produced a return of 1.4% compared to a benchmark return of 1.9%. Overall equity exposure increased to around 63% from around 55% a month earlier. The fund increased its allocation to Chemicals and Banking sectors while diluting exposure to Construction & Materials.

On the fixed income side allocation to GoP Ijara Sukuk and other corporate Sukuks shifted marginally.

Provision against WWF liability

PIEIF has not made provisions amounting to Rs.4.13 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PIEIF would be lower by Rs. 0.673 and 12M return would be lower by 2.10%. For details investors are advised to read Note 6 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PIEIF.

Fund Facts / Technical Information	PIEIF	Benchmark
NAV per Unit (PKR)	45.5717	
Net Assets (PKR M)	279	
Price to Earning (x)	6.4	6.10*
Dividend Yield (%)	8.32	7.6*
No. of Holdings	18	30*
Wt. Avg Mkt Cap (PKR Bn)	70.66	536.748*
Sharpe Measure	0.02	0.04
Beta	0.63	1.00
Correlation	80.7%	
Max draw up	130.2%	271.5%
Max draw Down	-28.9%	-39.6%
Standard Deviation	0.81	1.04
Alpha	0.06%	
* KMI 30 Index		

Performance Information (%)	PIEIF	Benchmark
Year to Date Return	14.6	19.8
Month to Date Return	1.4	1.9
Since inception	67.3	N/A

Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Cash	4.1%	10.7%
Stock /Equities	63.0%	55.4%
Sukuk	0.4%	0.7%
GOP Ijara Sukuk	29.8%	30.3%
Others including receivables	2.7%	2.9%
Foreign Investments	0.0%	0.0%

Top 10 Holdings (%age of Total Assets)

Hub Power Company Limited	Equity	9.0%
Pakistan Oil Fields Limited	Equity	8.8%
Fauji Fertilizer Company Limited	Equity	6.6%
Lucky Cement Limited	Equity	6.5%
Pakistan Petroleum Limited	Equity	6.3%
Meezan Bank Limited	Equity	6.1%
Pakistan State Oil Company Limited	Equity	3.8%
Nishat Mills Limited	Equity	3.8%
Attock Petroleum Limited	Equity	2.9%
Clariant Pakistan Limited	Equity	2.8%

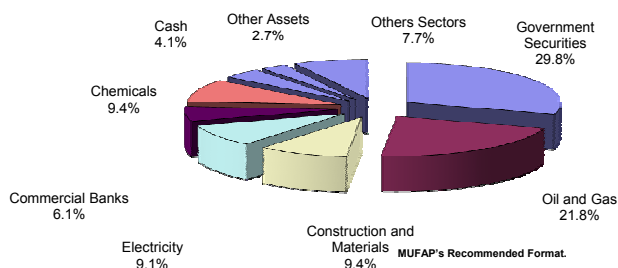
Details of non-compliant investments with the investment criteria of assigned category (Rs. in millions)

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
Pak Electron Limited- Sukuk	6.43	5.97	4.81	1.16	0.42%	0.41%

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Sector Allocation (%age of Total Assets)



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Pakistan Capital Market Fund

December 31, 2012

NAV - PKR 8.56



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

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 delivered 1.9% return against its benchmark return of 1.2%. Allocation of equities increased to 58.8% during the month. Sector-wise, exposure to Chemicals, Electricity and Banks was increased.

On the fixed income side, the fund kept the exposure to T-Bills, GoP Ijara Sukuk and TFCs largely remained unchanged.

Provision against WWF liability

PCMF has not made provisions amounting to Rs.5.17 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PCMF would be lower by Rs. 0.118 and 12M return would be lower by 1.82%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PCMF.

Fund Facts / Technical Information	PCM	Benchmark
NAV per Unit (PKR)	8.56	
Net Assets (PKR M)	374	
Sharp Measure	0.03	0.03
Beta	0.92	
Max draw up	211.5%	197.4%
Max draw down	-44.7%	-46.2%
Standard Deviation	0.88	0.84
Alpha	0.06%	

Performance Information (%)	PCM	Benchmark
Year to Date Return	13.4	12.6
Month to Date Return	1.9	1.2
Since inception	209.7	197.0

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Cash	7.9%	18.7%
T-Bills	3.7%	3.7%
TFCs	11.9%	11.9%
Stocks / Equities	58.8%	50.0%
Preference Shares	0.0%	0.0%
GoP Ijara Sukuk	10.6%	10.6%
Others including receivables	7.1%	5.1%
PIB's	0.0%	0.0%

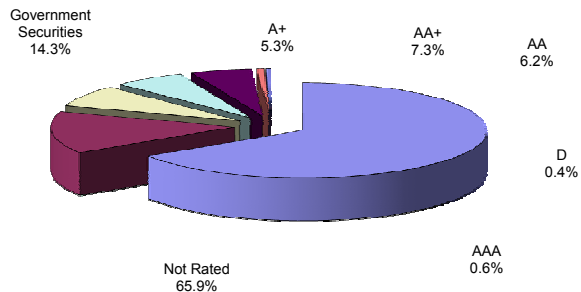
Top 10 Holdings (%age of Total Assets)

Hub Power Company Limited	Equity	10.2%
Lucky Cement Limited	Equity	6.6%
United Bank Limited (08-Sep-06)	TFC	6.3%
Pakistan Oil Fields Limited	Equity	5.9%
NIB Bank Limited (05-Mar-08)	TFC	5.3%
Fauji Fertilizer Company Limited	Equity	4.6%
Pakistan Petroleum Limited	Equity	3.9%
Bank AL-Habib Limited	Equity	3.9%
Kott Addu Power Company Limited	Equity	3.1%
Askari Bank Limited	Equity	2.6%

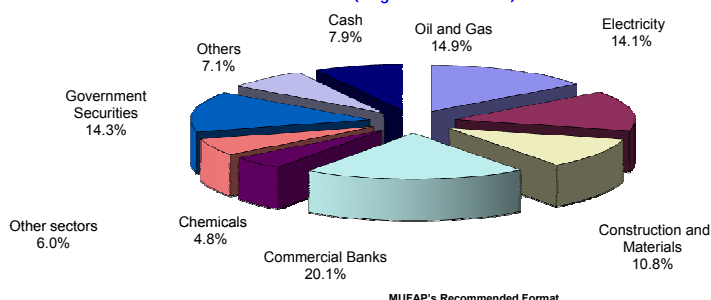
Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. In millions)

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	9.48	5.80	4.30	1.50	0.40%	0.40%
Maple Leaf Cement Factory Limited - Sukuk II	0.17	0.17	0.17	-	0.00%	0.00%

Asset Quality (%age of Total Assets)



Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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MCB Dynamic Allocation Fund

December 31, 2012

NAV - PKR 78.8716



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	1.5% 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

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

During the month, the fund generated a return of 1.1% while since inception return stood at 14.6%. Overall equity exposure increased to 30.2% compared to 15.5% last month. The fund significantly increased exposure to Electricity, Banks and Chemicals sectors. On the fixed income side, allocation to T-Bills increased from 33.7% to 47.6% while TFCs allocation remained largely unchanged.

Provision against WWF liability

MCB-DAF has not made provisions amounting to Rs.2.99 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of MCB-DAF would be lower by Rs. 1.08 and 12M return would be lower by 1.75%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of MCB-DAF.

Fund Facts / Technical Information

MCB DAF

NAV per Unit (PKR)	78.8716
Net Assets (PKR M)	218
Sharp Measure*	-0.03
Beta**	0.42
Max draw up	116.8%
Max draw down	-48.6%
Standard Deviation	0.7
Alpha	0.02%

*as against 3 Year PIB, ** against KSE 30

Performance Information (%)

MCB DAF

Year to Date Return	11.6%
Month to Date Return	1.1%
Since inception*	14.6%

* 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 - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Asset Allocation (%age of Total Assets)

Dec-12

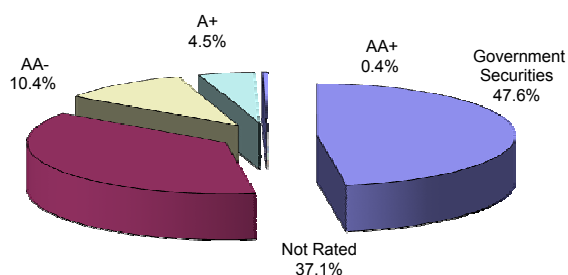
Nov-12

Cash	3.4%	19.0%
TFCs	11.9%	12.2%
GoP Ijara Sukuk	0.0%	0.0%
Stocks / Equities	30.2%	15.5%
Spread Transactions	0.0%	0.0%
Others including receivables	6.9%	19.6%
T-Bills	47.6%	33.7%
PIB's	0.0%	0.0%

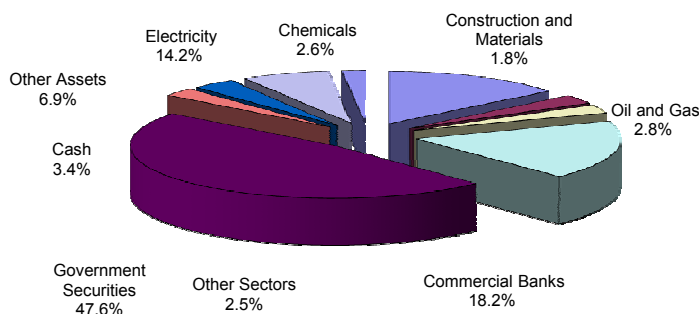
Top 10 Holdings (%age of Total Assets)

Hub Power Company Limited	Equity	9.9%
Askari Bank Limited (18-Nov-09)	TFC	7.4%
NIB Bank Limited (05-Mar-08)	TFC	4.5%
Kott Addu Power Company Limited	Equity	3.3%
Bank AL-Habib Limited	Equity	3.1%
Fauji Fertilizer Company Limited	Equity	2.6%
Pakistan State Oil Company Limited	Equity	2.0%
Meezan Bank Limited	Equity	2.0%
Unilever Pakistan Limited	Equity	1.4%
Fauji Cement Company Limited	Equity	1.2%

Asset Quality (%age of Total Assets)



Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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MCB Dynamic Stock Fund

December 31, 2012

NAV - PKR 105.9605



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

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 1.8% return as against its benchmark KSE30 index return of 2.5.0% during the month. The fund kept the overall equity allocations almost unchanged as compared to the last month, however, several changes in sector and company fundamentals. On sector level major changes include increase in allocation in Chemicals and Electricity sectors while exposure was reduced in Construction & Materials sectors.

Provision against WWF liability

MCB-DSF has not made provisions amounting to Rs.11.92 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of MCB-DSF would be lower by Rs. 1.515 and 12M return would be lower by 2.21%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of MCB-DSF.

Fund Facts / Technical Information	MCB DSF	KSE-30
NAV per Unit (PKR)	105.9605	
Net Assets (PKR M)	834	
Price to Earning (x)*	6.4	7.0
Dividend Yield (%)	7.59	7.38
No. of Holdings	38	30
Wt. Avg Mkt Cap (PKR Bn)	104.59	233.69
Sharpe Measure**	0.024	-0.015
Beta	0.77	1.00
Correlation	94.7%	
Max draw up	300.2%	211.5%
Max draw Down	-60.4%	-76.7%
Standard Deviation	1.24	1.53
Alpha	0.06%	

*prospective earnings, **as against 3 Year PIB

Performance Information (%)	MCB DSF	Benchmark
Year to Date Return	23.1	15.4
Month to Date Return	1.8	2.5
Since inception*	130.5	-2.0

*Adjustment of accumulated WWF since July 1,2008

Members of the Investment Committee

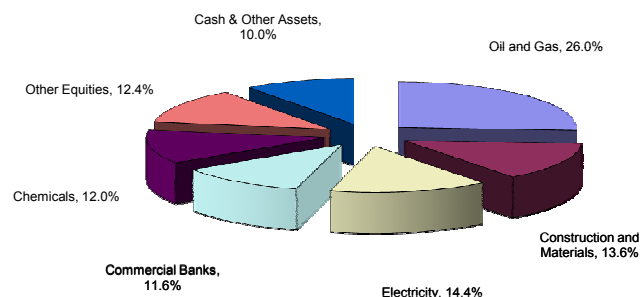
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Stock / Equities	90.0%	87.6%
Cash	6.5%	4.3%
Others including receivables	3.5%	8.1%
T-Bills	0.0%	0.0%

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	9.9%
Pakistan Oil Fields Limited	8.8%
Fauji Fertilizer Company Limited	7.3%
Lucky Cement Limited	7.0%
Oil & Gas Development Company Limited	5.4%
Pakistan Petroleum Limited	5.2%
Nishat Mills Limited	4.6%
Pakistan State Oil Company Limited	4.4%
Bank AL-Habib Limited	4.2%
Askari Bank Limited	4.0%

Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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Pakistan Stock Market Fund

December 31, 2012

NAV - PKR 63.36



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	Syed Akbar Ali, 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	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

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 2.3% as compared to its benchmark KSE100 index return of 2.0%. The fund increased its overall equity allocation to 90.7% at month end as compared to beginning allocation of 93.3%. 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 in Chemicals sector while exposure was reduced in Construction and Materials and Banks.

Provision against WWF liability

PSM has not made provisions amounting to Rs 19.89 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PSM would be lower by Rs. 1.186 and 12M return would be lower by 2.83%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PSMF.

Fund Facts / Technical Information	PSM	KSE-100
NAV per Unit (PKR)	63.36	
Net Assets (PKR M)	1,062	
Price to Earning (x)	6.4	6.9
Dividend Yield (%)	7.6	6.2
No. of Holdings	36	100
Wt. Avg Mkt Cap (PKR Bn)	105.9	3,743.5
Sharpe Measure	0.06	0.04
Beta	0.72	1.0
Correlation	91.9%	
Max draw up	1097.7%	1009.2%
Max draw Down	-56.2%	-69.3%
Standard Deviation	1.1	1.5
Alpha	0.03%	

Performance Information (%)	PSM	Benchmark
Year to Date Return	22.0	22.5
Month to Date Return	2.3	2.0
Since inception	989.0	802.7

Members of the Investment Committee

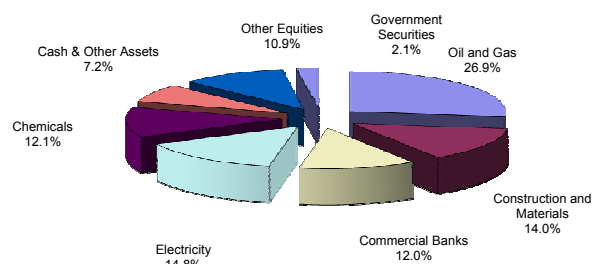
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Stock / Equities	90.7%	93.3%
Cash	3.4%	0.0%
T-Bills	2.1%	2.3%
Others including receivables	3.8%	4.4%

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	10.3%
Pakistan Oil Fields Limited	8.9%
Fauji Fertilizer Company Limited	7.5%
Lucky Cement Limited	7.2%
Oil & Gas Development Company Limited	5.5%
Pakistan Petroleum Limited	5.3%
Nishat Mills Limited	5.1%
Pakistan State Oil Company Limited	4.9%
Bank AL-Habib Limited	4.2%
Askari Bank Limited	4.2%

Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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Pakistan Premier Fund

December 31, 2012

NAV - PKR 11.88



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

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 2.3% as compared to its benchmark KSE100 index return of 2%. The fund increased its overall equity allocation to 88.4% at month end as compared to beginning allocation of 87.3%. 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 in Oil & Gas and Chemicals sectors while exposure was reduced in Construction & Materials sector.**

Provision against WWF liability

PPF has not made provisions amounting to Rs.13.16 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF would be lower by Rs. 0.316 and 12M return would be lower by 4.03%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PPF.

Fund Facts / Technical Information	PPF	KSE-100
NAV per Unit (PKR)	11.88	
Net Assets (PKR M)	494	
Price to Earning (x)	6.4	6.9
Dividend Yield (%)	7.6	6.2
No. of Holdings	34	100
Wt. Avg Mkt Cap (PKR Bn)	105.5	3743.5
Sharpe Measure	0.05	0.03
Beta	0.28	1.00
Correlation	51.2%	
Max draw up	538.6%	606.2%
Max draw Down	-59.7%	-69.3%
Standard Deviation	1.3	2.4
Alpha	0.07%	

Performance Information (%)	PPF	Benchmark
Year to Date Return	21.8	22.5
Month to Date Return	2.3	2.0
Since inception	639.5	534.0

Members of the Investment Committee

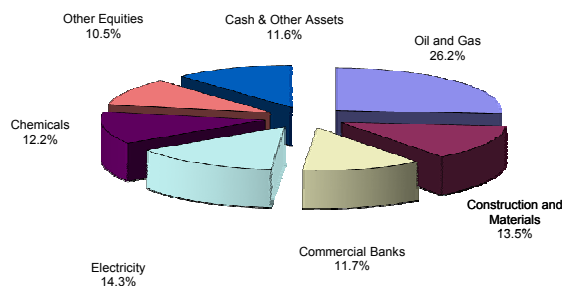
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Stock / Equities	88.4%	87.3%
Cash	8.2%	9.2%
Others including receivables	3.4%	3.5%
T-Bills	0.0%	0.0%

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	9.9%
Pakistan Oil Fields Limited	8.7%
Fauji Fertilizer Company Limited	7.2%
Lucky Cement Limited	6.9%
Oil & Gas Development Company Limited	5.3%
Pakistan Petroleum Limited	5.1%
Pakistan State Oil Company Limited	4.9%
Nishat Mills Limited	4.6%
Bank AL-Habib Limited	4.1%
Askari Bank Limited	4.0%

Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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Pakistan Strategic Allocation Fund

December 31, 2012

NAV - PKR 9.93



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

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 2.8% as compared to its benchmark KSE100 index return of 2.0%. The fund marginally increased its equity allocation to around 76%. 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 in Oil & Gas and Chemicals sectors while exposure was reduced in Fixed Line Telecommunications.

Provision against WWF liability

PSAF has not made provisions amounting to Rs.11.75 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PSAF would be lower by Rs. 0.385 and 12M return would be lower by 5.47%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PSAF.

Fund Facts / Technical Information	PSAF	KSE-100
NAV per Unit (PKR)	9.93	
Net Assets (PKR M)	303	
Price to Earning (x)	6.2	6.9
Dividend Yield (%)	7.6	6.2
No. of Holdings	32	100
Wt. Avg Mkt Cap (PKR Bn)	98.17	3,743.47
Sharpe Measure	0.02	0.03
Beta	0.76	1.00
Correlation	90.4%	
Max draw up	186.0%	251.9%
Max draw Down	-60.1%	-69.3%
Standard Deviation	1.19	1.42
Alpha	0.05%	

Performance Information (%)	PSAF	Benchmark
Year to Date Return	15.9%	22.5%
Month to Date Return	2.8%	2.0%
Since inception	171.8%	217.7%

Members of the Investment Committee

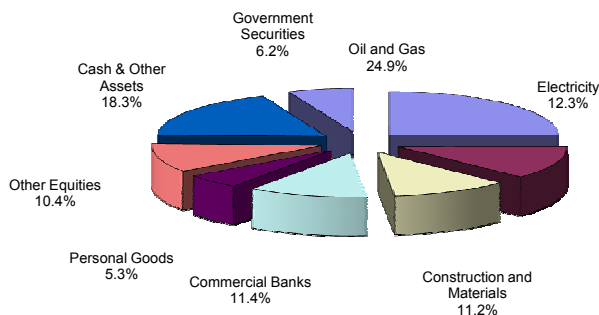
Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Stock / Equities	75.5%	71.6%
Cash	15.1%	9.9%
T-Bills	6.2%	13.1%
Others including receivables	3.2%	5.4%

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	8.7%
Pakistan Oil Fields Limited	7.2%
Lucky Cement Limited	6.5%
Pakistan State Oil Company Limited	5.3%
Pakistan Petroleum Limited	5.1%
Nishat Mills Limited	4.7%
Oil & Gas Development Company Limited	3.9%
Attock Petroleum Limited	3.5%
Askari Bank Limited	3.3%
Millat Tractors Limited	2.9%

Sector Allocation (%age of Total Assets)



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MUFAP's Recommended Format.

AH Dow Jones SAFE Pakistan Titans 15 Index Fund

December 31, 2012

NAV - PKR 66.23



General Information

Fund Type	An Open End Scheme
Category	Index Tracker Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not applicable
Risk Profile	High
Launch Date	14-Oct-2010
Fund Manager	Mohsin Pervaiz
Trustee	MCB Financial Services Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	1% p.a.
Front / Back end Load	2% / 0%
Min. Subscription	PKR 5,000
Listing	Karachi Stock Exchange
Benchmark	Dow Jones SAFE Pakistan Titans 15 Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 1:00 PM)
Leverage	Nil

Investment Objective

The Fund aims to provide investors with a total return that before expenses closely corresponds to the return of the Dow Jones SAFE Pakistan Titans 15 index by tracking the returns of Dow Jones SAFE Pakistan Titans 15 Index, thus providing exposure to the constituents of Dow Jones SAFE Pakistan Titans 15 Index in a single security.

Manager's Comment

During the month, the fund underperformed its benchmark by delivering 1.9% return as compared to benchmark return of 4.0%. Overall equity allocation at the end of the month was 86.5% vis-à-vis 90.8% at the beginning of the month.

Provision against WWF liability

AHDJPF has not made provisions amounting to Rs.0.53 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of AHDJPF would be lower by Rs. 1.443 and 12M return would be lower by 3.00%. For details investors are advised to read Note 5 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of AHDJPF.

Fund Facts / Technical Information	AHDJPF	Benchmark
NAV per Unit (PKR)	66.23	
Net Assets (PKR M)	24	
Price to Earning (%)	7.2	7.2
Dividend Yield (%)	7.8	7.8
Sharpe Measure	0.03	0.05
Beta	0.92	1
Correlation	95.1%	
Max draw up	43.4%	55.2%
Max draw Down	-15.5%	-14.9%
Standard Deviation	0.95	0.99
Alpha	-0.01%	

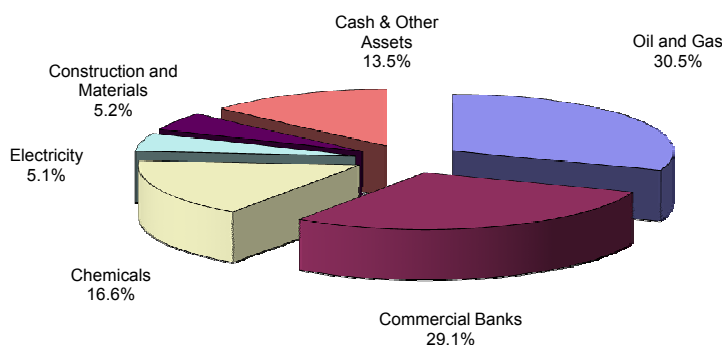
Performance Information (%)	AHDJPF	Benchmark
Year to Date Return	15.2	20.1
Month to Date Return	1.9	4.0
Since inception	42.3	55.6

Asset Allocation (%age of Total Assets)	Dec-12	Nov-12
Cash	0.5%	0.9%
Stocks / Equities	86.5%	90.8%
Others including receivables	13.0%	8.3%

Top 10 Equity Holdings (%age of Total Assets)

MCB Bank Limited	19.3%
Oil & Gas Development Company Limited	14.8%
Fauji Fertilizer Company Limited	8.4%
Pakistan Petroleum Limited	7.6%
Pakistan Oil Fields Limited	5.2%
Hub Power Company Limited	5.2%
Lucky Cement Limited	5.2%
Bank AL-Habib Limited	3.5%
Fatima Fertilizer Company Limited	3.4%
Engro Corporation Limited	3.4%

Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
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Pakistan Pension Fund

December 31, 2012



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-June-2007
Fund Manager	M. Asim, CFA
Trustee	Habib Metropolitan Bank Limited
Auditor	M.Yousuf Adil Saleem & 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

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

Equities sub-fund out generated a return of 1.9% while KSE-100 index produced a return of 2%. The fund increased exposure to Chemicals and Oil & Gas sectors while reducing exposure to Construction and Materials sector.

Debt sub-fund generated an annualized return of around 7.8% during the month. The fund exposure to TFCs, T-Bills and PIBs remained largely unchanged.

Money Market sub-fund generated an annualized return of 7.2% during the month. Investments in T-bills increased marginally to 97.7% compared to 95.7% the previous month.

Provision against WWF liability

PPF-EQ has not made provisions amounting to Rs 0.92 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF-EQ would be lower by Rs 1.527 and 12M return would be lower by 1.64%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PPF-EQ.

PPF-DT has not made provisions amounting to Rs 0.72 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF-DT would be lower by Rs 0.834 and 12M return would be lower by 0.58%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PPF-DT.

PPF-MM has not made provisions amounting to Rs 0.53 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF-MM would be lower by Rs 0.924 and 12M return would be lower by 0.62%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PPF-MM.

Top 10 Equity Holdings (%age of Total Assets)

Bank AL-Habib Limited	6.0%
Fauji Fertilizer Company Limited	5.9%
Pakistan State Oil Company Limited	5.1%
Pakistan Oil Fields Limited	5.0%
Hub Power Company Limited	4.9%
Kott Addu Power Company Limited	4.9%
Pakistan Petroleum Limited	4.8%
Oil & Gas Development Company Limited	4.6%
Lucky Cement Limited	4.2%
Millat Tractors Limited	3.8%

Performance Information & Net Assets

	PPF-EQ*	PPF-DT**	PPF-MM**
Year to Date Return (%)	27.9	11.1	8.6
Month to Date Return (%)	1.9	7.8	7.2
Since inception (%)	49.6	10.4	11.3
Net Assets (PKR M)	90.23	134.92	93.63
NAV (Rs. Per unit)	149.60	157.16	162.06
* Total Return ** Annualized return			

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
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PPF -Money Market (%age of Total Assets)	Dec-12	Nov-12
Cash	2.2%	2.6%
T-Bills	97.7%	95.7%
Others including receivables	0.1%	1.7%

PPF-Debt (%age of Total Assets)	Dec-12	Nov-12
Cash	1.7%	2.1%
PIBs	8.3%	8.3%
GoP Ijara Sukuk	3.7%	3.7%
TFCs	7.9%	8.1%
T-Bills	77.8%	76.2%
Others including receivables	0.6%	1.6%

PPF-Equity (%age of Total Assets)	Dec-12	Nov-12
Cash	0.8%	0.7%
Oil and Gas	23.4%	20.4%
Commercial Banks	18.6%	19.3%
Electricity	9.8%	9.0%
Chemicals	11.1%	3.4%
Construction and Materials	8.7%	14.4%
Other equity sectors	22.1%	25.0%
Others including receivables	5.5%	7.8%

Pakistan Islamic Pension Fund

December 31, 2012



General Information

Fund Type	An Open End Scheme
Category	Islamic Voluntary Pension Scheme
Asset Manager Rating	AM2 (AM Two) by PACRA
Stability Rating	Not Applicable
Launch Date	15-Nov-2007
Fund Manager	Syed Akbar Ali, CFA
Trustee	Habib Metropolitan Bank Limited
Auditor	M.Yousuf Adil Saleem & 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

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

Equities sub-fund generated a positive return of 2.5% vis-à-vis KSE-100 index return of 2%. The fund kept exposure to equities to 93.9% compared to 90% last month. The Fund increased exposure to Banks and Chemicals sectors while diluting exposure to Construction & Materials and Food Producers sectors.

Debt sub-fund generated an annualized return of 4.2% during the month. The fund's exposure towards GoP Ijarah Sukuk increased marginally from 90.8% to 94.8% at month end.

Money Market sub-fund generated an annualized return of around 6.3% during the month. Exposure to GoP Ijara Sukuk increased from 72.3% to 74.6% at month end.

Provision against WWF Liability

PIPF-EQ has not made provisions amounting to Rs 0.56 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PIPF-EQ would be lower by Rs 1.40 and 12M return would be lower by 1.32%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PIPF-EQ.

PIPF-DT has not made provisions amounting to Rs 0.32 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PIPF-DT would be lower by Rs 0.74 and 12M return would be lower by 0.52%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PIPF-DT.

PIPF-MM has not made provisions amounting to Rs 0.22 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PIPF-MM would be lower by Rs 0.626 and 12M return would be lower by 0.48%. For details investors are advised to read Note 7 of the latest Quarterly Financial Statements for the period ended September 30, 2012 of PIPF-MM.

Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	9.5%
Pakistan Petroleum Limited	9.1%
Fauji Fertilizer Company Limited	8.3%
Meezan Bank Limited	7.8%
Pakistan Oil Fields Limited	7.4%
Oil & Gas Development Company Limited	6.8%
Lucky Cement Limited	6.5%
Pakistan State Oil Company Limited	6.0%
Millat Tractors Limited	5.7%
Bank Islami Pakistan Limited	4.9%

PIPF -Money Market (%age of Total Assets)

	Dec-12	Nov-12
Cash	23.1%	25.7%
GoP Ijara Sukuk	74.6%	72.3%
Others including receivables	2.3%	2.0%
Bank Deposits	0.0%	0.0%

PIPF-Debt (%age of Total Assets)

	Dec-12	Nov-12
Cash	1.6%	5.5%
GoP Ijara Sukuk	94.8%	90.8%
Sukuk	0.3%	0.6%
Others including receivables	3.3%	3.1%

Performance Information & Net Assets

	PIPF-EQ*	PIPF-DT**	PIPF-MM**
Year to Date Return (%)	21.5	7.6	9.0
Month to Date Return (%)	2.5	4.2	6.3
Since inception (%)	64.8	10.1	8.1
Net Assets (PKR M)	66.00	65.28	50.33
NAV (Rs. Per unit)	165.15	152.74	141.95
* Total Return ** Annualized return			

PIPF-Equity (%age of Total Assets)

	Dec-12	Nov-12
Oil and Gas	33.1%	32.5%
Construction and Materials	9.2%	15.4%
Commercial Banks	12.7%	7.6%
Other equity sectors	17.8%	22.0%
Cash	0.1%	0.0%
Others including receivables	6.0%	10.4%
Chemicals	11.6%	3.4%
Electricity	9.5%	8.7%

Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	SVP - Investments
Muhammad Asim, CFA	VP - Head of Equities
Syed Akbar Ali, CFA	VP - Head of Research
Mohsin Pervaiz	VP - Investments

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.

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