



**Macro-Environment Review and Outlook**

Political environment remained active during the month amid hearing of memo-gate scandal in the Supreme Court, which involved both the military and political leadership. On the macroeconomic front, the downtrend in YoY CPI inflation has continued with Jan'12 inflation came at 10.1%, taking 7M FY12 average to 10.8%. Unlike previous months, external account surprised the market with Dec'11 current account posting a surplus of US\$ 160 million, taking the 1H FY12 balance to a deficit of around US\$ 2.2 billion. Despite a CA surplus during Dec'11, non-realization of official flows as well as lower FDIs remained a concern as they continued to keep a pressure on BOP position as well as the exchange rate. Moreover, energy crisis continued to impact the industrial sector with LSM declining by 4.7% MoM in Nov'11 – taking the 5M FY12 growth to a mere 1.5%.

Despite continued improvement on inflation front, vulnerabilities on both external & fiscal accounts, including higher level of government borrowings from SBP as well as currency depreciation would compel the SBP to keep its policy discount rate unchanged in its upcoming monetary policy, in our opinion. We strongly believe that the realization of sizeable foreign inflows holds the key in rejuvenating economic engine, failure of which would further derail the process of economic recovery.

**Equities Market Performance Review and Outlook**

Bull trend returned at the local bourses during the month with KSE-100 Index went up by about 4.6% while the average daily turnover also improved by 1.7 times MoM to 75 million. Although the market remained in a bearish mood during the earlier part of the month especially on the back of political disturbance over memo-gate and NRO issues, it did celebrate the much-awaited announcement regarding CGT and the KSE-100 Index went up by 8.9% till month-end from its month-low of 10,909. Positive developments on the regulatory front also served to rejuvenate the otherwise abysmal volumes and resultant domestic investors also did not hesitate from taking counter positions against foreigners in certain stocks.

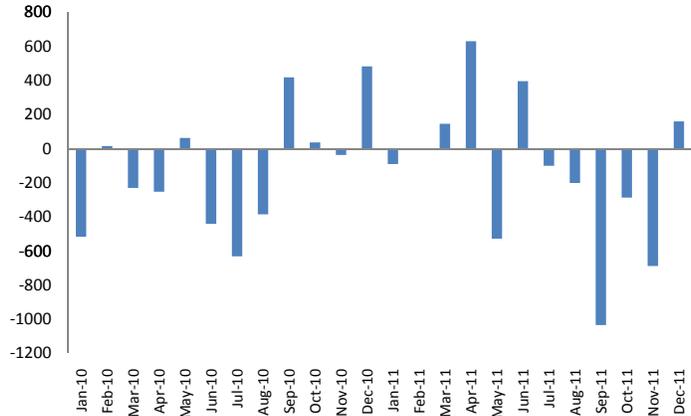
Although the external environment, both political and macroeconomic, may remain challenging, market should continue to find support from the earnings season with a focus on dividend laden results including Banking, Electricity and Chemicals Sectors.

**Money Market Performance Review and Outlook**

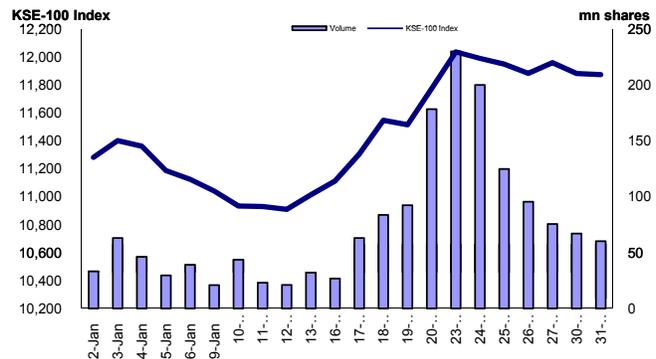
The money market rates adjusted downwards during the month due to relatively better liquidity scenario in system amid continued OMO injections by the SBP. Average 1 year PKRV declined by 21 bps MoM to 11.8%, while longer term PKRV i.e. of 10 year adjusted upwards during the period and closed the month at 12.6% primarily due to market's mixed expectations of the upcoming monetary policy especially in the backdrop of deteriorating macro variables as well as SBP's higher inflationary expectations going forward.

Lack of foreign flows has been compelling the government to rely heavily on the domestic sources for fiscal funding, where government borrowing from SBP on YTD basis has remained higher at PKR 183 billion as of January 20, 2012. We expect that the trend of rising government borrowing from the banking system would continue in the near term on the back of no major official flows as well as deteriorating BOP and NFA position. Going forward, we feel that the failure to create fresh liquidity would either keep the money market pressured for liquidity or dependent on OMO injections.

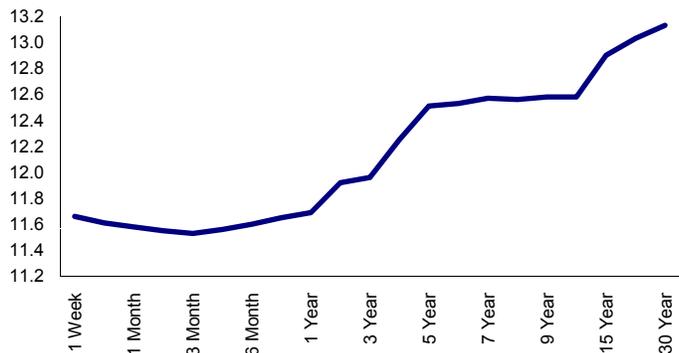
Monthly Trends in Current Account (US\$ Million)



KSE During January 2011



Yield Curve (January 31, 2011)





**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.

**General Information**

Fund Type	An Open End Scheme
Category	Income Scheme (SECP categorization in process)
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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

**Manager's Comment**

During the month, the fund generated an annualized return of 11.5% as against its benchmark return of 11.8%. The fund increased its exposure significantly towards Treasury Bills to around 29% as it diverted a sizeable portion from TDRs, which got matured post Dec-end. The fund exposure towards GoP Ijarah Sukuk and PIBs went down to around 22% and 1% respectively, while trimming TFCs exposure as well to the tune of around 25% 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.

Performance Information (%)	MCB DCF	Benchmark
Year to Date Return (Annualized)	11.2	12.5
Month to Date Return (Annualized)	11.5	11.8
Since inception (CAGR) **	10.8	11.8
** 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-12	Dec-11
Cash	13.0%	21.8%
Term Deposits with Banks	6.2%	14.9%
PIBs	0.8%	2.5%
TFCs	25.4%	27.9%
National Saving Bonds	1.4%	1.5%
GOP Ijarah Sukuk	22.2%	24.3%
T-Bills	29.0%	1.6%
Others including receivables	2.0%	5.5%

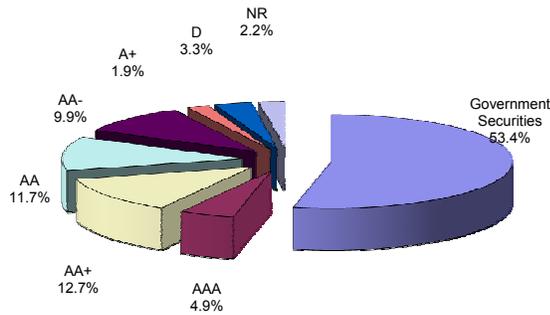
**Top 10 TFC Holdings (%age of Total Assets)**

United Bank Ltd (14-Feb-08)	6.3%
Maple Leaf Cement Factory Limited (03-Dec-2007)	2.9%
Jahangir Siddiqui Company Limited (4-July-07)	1.9%
Askari Bank Limited (18-Nov-09)	1.8%
Askari Bank Limited (23-Dec-11)	1.6%
Bank Alfalah Limited (2-Dec-09)	1.5%
United Bank Limited (8-Sep-06)	1.2%
Bank ALFalah Limited (23-Nov-04)	1.1%
NIB Bank Limited (5-Mar-08)	1.1%
Askari Bank Limited (4-Feb-05)	1.0%

**Fund Facts / Technical Information**

NAV per Unit (PKR)	101.1061
Net Assets (PKR M)	6,043
Weighted average time to maturity (Years)	1.9
Duration (Years)	1.8
Sharpe Measure*	0.03
Correlation*	-0.3%
Standard Deviation	0.12
Alpha*	0.33%
*as against benchmark	

**Asset Quality (%age of Total Assets)**



**Members of the Investment Committee**

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

**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	354.40	216.89	31.15	185.74	3.07%	2.88%
Maple Leaf Cement Factory Limited - Sukuk II	13.31	9.36	-	9.36	0.15%	0.15%
Saudi Pak Leasing Company Limited - TFC	32.27	20.87	-	20.87	0.35%	0.32%
Security Leasing Corporation Limited - Sukuk	8.46	5.93	-	5.93	0.10%	0.09%
Security Leasing Corporation Limited - TFC	10.16	7.08	-	7.08	0.12%	0.11%
New Allied Electronics Industries - TFC	21.98	21.98	21.98	-	0.00%	0.00%
New Allied Electronics Industries - Sukuk	35.23	35.23	35.23	-	0.00%	0.00%

MUFAP's Recommended Format.

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# Pakistan Income Fund

January 31, 2012

NAV - PKR 52.53



## 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 7.5% as against its benchmark return of 9.1%. During the month, the fund lowered its exposure marginally in TFCs to around 36% while selling some of its holding in GoP Ijarah Sukuk at attractive rates. The fund's exposure has increased towards Treasury Bills to the tune of around 35% at month-end, while PIB exposure was completely divested from 3% a month ago.

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	
Asset Manager Rating	AM2 (AM Two) with Positive Outlook by PACRA	
Stability Rating	AA-(f) by (PACRA)	
Risk Profile	Low	
Launch Date	11-Mar-2002	
Fund Manager	Umair Khan	
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 (9:00AM to 5:00 PM)	
Leverage	Nil	

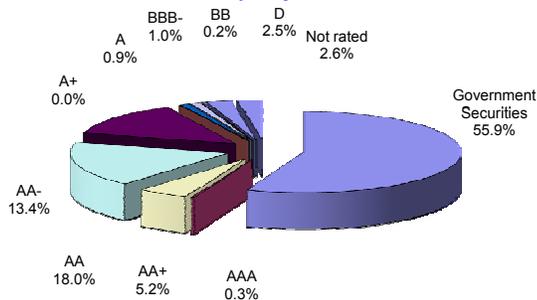
Performance Information (%)	PIF	Benchmark
Year to Date Return (Annualized)	9.0	10.6
Month to Date Return (Annualized)	7.5	9.1
Since inception (CAGR)	10.6	8.7

Asset Allocation (%age of Total Assets)	Jan-12	Dec-11
Cash	5.9%	3.2%
TFCs	35.6%	36.8%
GoP Ijarah Sukuk	21.0%	27.5%
T-Bills	34.9%	21.4%
PIB	0.0%	2.8%
Others including receivables	2.6%	8.3%

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

Engro Fertilizer Limited - Perpetual (18-Mar-08)	6.9%
Bank Al-Habib Limited (30-Jun-11)	4.6%
United Bank Limited (08-Sep-06)	4.5%
Askari Bank Limited (04-Feb-05)	4.0%
Askari Bank Limited (23-Dec-11)	3.8%
Bank Al-Falah Limited(Floating) (02-Dec-09)	2.0%
Bank Alfalah Limited(Fixed) (02-Dec-09)	1.8%
Askari Bank Limited (18-Nov-09)	1.8%
Pace Pakistan Limited (15-Feb-08)	1.7%
Bank Al-Habib Limited (07-Feb-07)	1.6%

## Asset Quality (%age of Total Assets)



## Fund Facts / Technical Information

NAV per Unit (PKR)	52.53
Net Assets (PKR M)	1,681
Weighted average time to maturity (Years)	2.5
Duration (Years)	2.3
Sharpe Measure	-0.02
Correlation	-0.5%
Standard Deviation	2.6
Alpha	-6.1%

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst
Umair Khan	Research Analyst

## Details of non-compliant investments with the investment criteria or assigned category (securities below investment grade - less than 100 days)

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	9.98	5.81	0.53	5.28	0.31%	0.30%
Pace Pakistan Limited TFC	49.93	29.96	-	29.96	1.78%	1.73%
Maple Leaf Cement Factory Limited Sukuk-II	0.38	0.26	-	0.26	0.02%	0.02%
Telecard Limited- TFC	26.06	12.25	3.50	8.75	0.52%	0.50%
Escorts Investment Bank Limited-TFC	4.52	3.33	-	3.33	0.20%	0.19%

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## MUFAP's Recommended Format.

# Pakistan Income Enhancement Fund

January 31, 2012 NAV - PKR 52.31



## Investment Objective

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

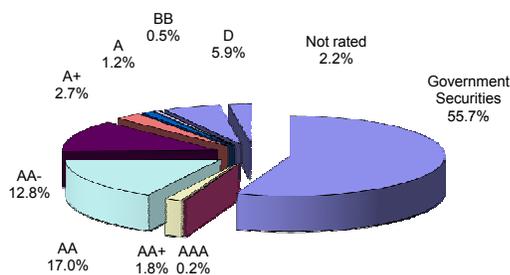
## General Information

Fund Type	An Open End Scheme
Category	Aggressive Fixed Income Scheme
Asset Manager Rating	AM2 (AM Two) with Positive Outlook by PACRA
Stability Rating	AA-(f) by (PACRA)
Risk Profile	Low
Launch Date	28-Aug-2008
Fund Manager	Umair Khan
Trustee	Central Depository Company of Pakistan Limited
Auditor	A. F. Ferguson & 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 (9:00AM to 5:00 PM)
Leverage	Nil

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

Engro Fertilizer Limited (18-Mar-08)	8.5%
Bank Al-Habib Limited (30-Jun-11)	5.2%
Bank Alfalah Limited-Floating (02-Dec-09)	4.2%
Askari Bank Limited (23-Dec-11)	3.4%
Pace Pakistan Limited (15-Feb-08)	3.4%
NIB Bank Limited (05-Mar-08)	2.7%
Bank Alfalah Limited-Fixed (02-Dec-09)	2.3%
Askari Bank Limited (31-Oct-05)	2.2%
Bank Al-Habib Limited (07-Feb-07)	1.9%
Eden Housing Limited (31-Mar-08)	1.5%

## Asset Quality (%age of Total Assets)



## Manager's Comment

During the month, the fund generated an annualized return of 9.3% as against its benchmark return of 9.6%, an under-performance of 0.3%.

During the month, the fund increased its exposure towards Government papers to around 56% from 37% a month ago. The fund exposure towards Term Finance Certificates has been marginally reduced to around 40% at month-end.

## Performance Information (%)

	PIEF	Benchmark
Year to Date Return (Annualized)	10.4	11.9
Month to Date Return (Annualized)	9.3	9.6
Since inception (CAGR)	14.1	12.6

## Asset Allocation (%age of Total Assets)

	Jan-12	Dec-11
Cash	2.5%	4.7%
PIBs	3.7%	3.6%
TFCs	39.6%	41.6%
GOP Ijara Sukuk	23.6%	25.5%
T-Bills	28.4%	7.5%
Term Deposit Receipts	0.0%	7.5%
Others including receivables	2.2%	9.6%

## Fund Facts / Technical Information

NAV per Unit (PKR)	52.31
Net Assets (PKR M)	1,330
Weighted average time to maturity (Years)	3.0
Duration (Years)	2.8
Sharpe Measure*	0.06
Correlation*	15.0%
Standard Deviation	0.14
Alpha	0.36%
*as against benchmark	

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst
Umair Khan	Research Analyst

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# MetroBank-Pakistan Sovereign Fund

January 31, 2012



## General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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	A. F. Ferguson & 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	0.1% / 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 (9:00AM 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 13.4% as against its benchmark return of 9.1%. The fund's exposure towards T-Bills at month-end was decreased to a level of 70.4%, while also reducing its exposure towards PIBs to 1.9% at month-end. Considering the current monetary scenario and interest rate outlook, the fund has gradually reduced its portfolio WAM to 216 days at month-end from 383 days a month ago.

The fund would remain vigilant towards changes in macroeconomic environment with a view of exploiting attractive opportunities in government papers.

Fund Facts / Technical Information	MSF- Perpetual
NAV per Unit (PKR)	49.74
Net Assets (PKR M)	6,309
Weighted average time to maturity (Days)	216
Duration (Days)	207
Sharpe Measure*	-0.02
Correlation	-0.02%
Standard Deviation	1.970
Alpha	-0.83%

## Members of the Investment Committee

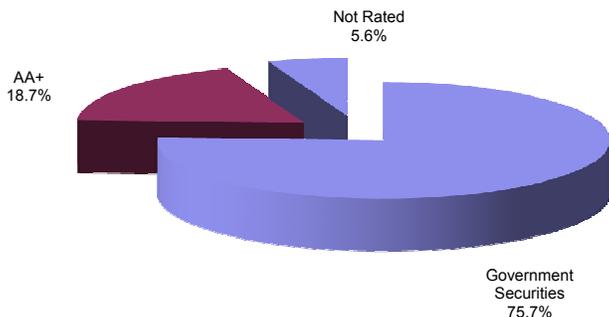
Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

Asset Allocation (%age of Total Assets)	MSF-Perpetual	
	Jan-12	Dec-11
Cash	18.7%	0.7%
T-Bills	70.4%	82.4%
MSF 12/12 Sub-Fund	1.8%	2.0%
GOP Ijara sukuk	3.4%	3.6%
PIBs	1.9%	8.2%
Others including Receivables	3.8%	3.1%

Performance Information (%)	MSF-Perpetual	Benchmark
Year to Date Return (Annualized)	12.6	10.8
Month to Date Return (Annualized)	13.4	9.1
Since inception (CAGR)	6.2	8.8

Performance Information (%)	MSF 12/12 Sub Fund
Year to Date Return (Annualized)	13.8
Month to Date Return (Annualized)	11.6
Since inception (CAGR)	7.2
NAV Per Unit (PKR)	48.22
Net Assets (PKR M)	326.11

## Asset Quality (%age of Total Assets)



MUFAP's Recommended Format.

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# MCB Islamic Income Fund

January 31, 2012

NAV - PKR 100.1259



## General Information

Fund Type	An Open End Scheme	
Category	Shariah Compliant (Islamic) Income Scheme	
Asset Manager Rating	AM2 (AM Two) with Positive Outlook by PACRA	
Stability Rating	Not Rated	
Risk Profile	Low	
Launch Date	20-June-2011	
Fund Manager	Syed Akbar Ali, CFA	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	A. F. Ferguson & Co. , Chartered Accountants	
Management Fee	10% of Gross Earnings subject to minimum fee of 0.25% of average daily Net Assets	
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 year 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 (9:00AM 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 9.6% as against its benchmark return of 6.8%, a significant out-performance of 2.8% over its benchmark. The fund has been maintaining its exposure in GoP Ijarah Sukuk (GIS) at higher levels, which has marginally been reduced to around 70% at month-end while around 28% 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.

## Fund Facts / Technical Information

NAV per Unit (PKR)	100.1259
Net Assets (PKR M)	826
Weighted average time to maturity (Years)	1.41
Sharpe Measure	0.41
Correlation	-2.08%
Standard Deviation	0.04
Alpha	1.71%

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

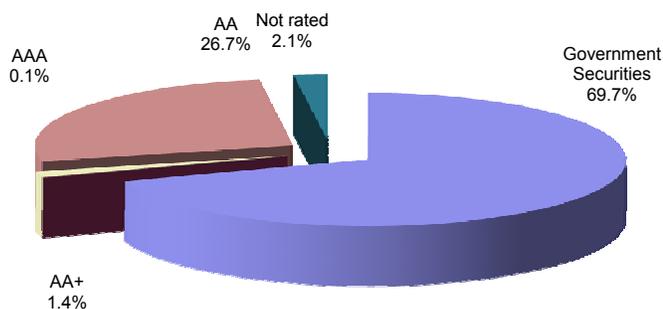
## Asset Allocation (%age of Total Assets)

	Jan-12	Dec-11
Cash	28.2%	27.0%
GoP Ijarah Sukuk	69.7%	71.7%
Others including receivables	2.1%	1.3%

## Performance Information (%)

	MCB IIF	Benchmark
Year to Date Return	11.1	6.1
Month to Date Return	9.6	6.8
Since inception	11.1	6.2

## Asset Quality (%age of Total Assets)



MUFAP's Recommended Format.

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# MCB Cash Management Optimizer

January 31, 2012 NAV - PKR 100.1334



## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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	A. F. Ferguson & 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%
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 10.8% as against its benchmark return of 6.0%. The fund's exposure towards Treasury Bills was significantly increased to around 74% as the fund diverted a sizeable portion from TDRs, which got matured post Dec-end. Due to the prevailing monetary scenario and interest rate outlook, the fund plans to gradually lower its portfolio WAM to lower levels from its current level of 74 days.

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

Fund Facts / Technical Information	MCB CMOP	Benchmark
NAV per Unit (PKR)	100.1334	
Net Assets (PKR M)	12,087	
Weighted average time to maturity (Days)	74	
Sharpe Measure*	0.22	-1.86
Correlation*	-31%	-2%
Standard Deviation	0.024	0.002
Alpha*	0.68%	-1.53%

\*as against 3 month PKRV net of expenses

Asset Allocation (%age of Total Assets)	Jan-12	Dec-11
Cash	9.1%	25.8%
Term Deposits with Banks	13.2%	43.6%
T-Bills	73.7%	30.3%
Others including receivables	4.0%	0.3%

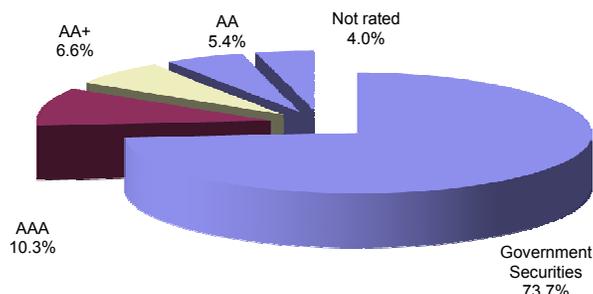
Performance Information (%)	MCB CMOP	Benchmark
Year to Date Return (Annualized)	11.7	5.9
Month to Date Return (Annualized)	10.8	5.9
Since inception (CAGR)*	11.5	5.9

\*Adjustment of accumulated WWF since Oct 1, 2009

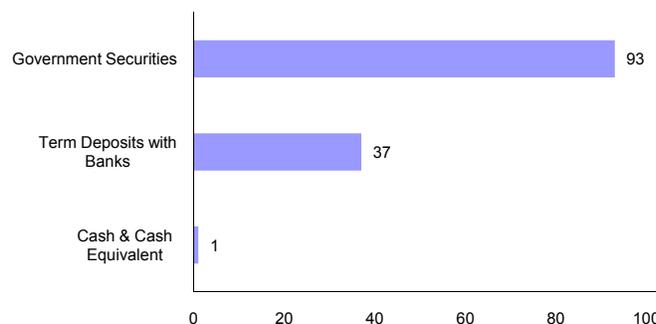
## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

## Asset Quality (%age of Total Assets)



## Asset-wise Maturity (No. of Days)



MUFAP's Recommended Format.

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## General Information

Fund Type	An Open End Scheme	
Category	Money Market Scheme	
Asset Manager Rating	AM2 (AM Two) with Positive Outlook by PACRA	
Stability Rating	AAA(f) by PACRA	
Risk Profile	Low	
Launch Date	20-March-2008	
Fund Manager	Umair Khan	
Trustee	Habib Metropolitan Bank Limited	
Auditor	A. F. Ferguson & Co., Chartered Accountants	
Management Fee	10% of Gross Earnings subject to minimum fee of 0.25% of average daily Net Assets	
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 10.5% as against its benchmark return of 8.9%. The fund's exposure towards Treasury Bills was increased to around 99% while the rest was kept in cash and bank deposits. Due to the prevalent monetary scenario and interest rate outlook, the fund reduced its portfolio WAM to lower levels and has been kept at 33 days at month-end as against 38 days a month ago.

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

Fund Facts / Technical Information	PCF	Benchmark
NAV per Unit (PKR)	50.3185	
Net Assets (PKR M)	2,051	
Weighted average time to maturity (Days)	33	
Sharpe Measure*	0.03	0.07
Correlation*	51.5%	
Standard Deviation	0.02	0.03
Alpha*	-0.12%	
*as against 3 month PKRV net of expenses		

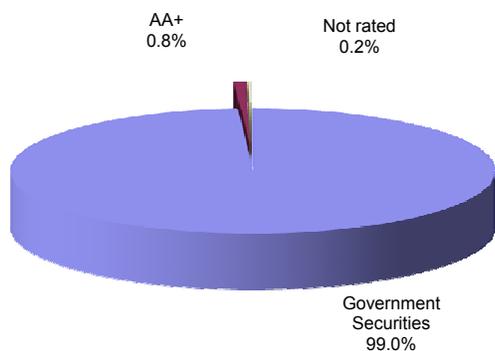
## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst
Umair Khan	Research Analyst

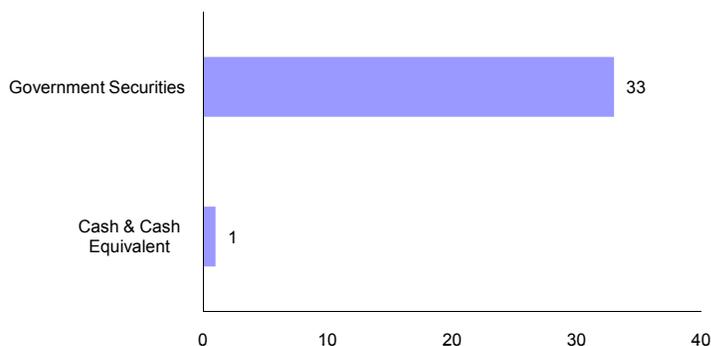
Asset Allocation (%age of Total Assets)	Jan-12	Dec-11
Cash	0.8%	4.4%
T-Bills	99.0%	92.6%
Others including receivables	0.2%	3.0%

Performance Information (%)	PCF	Benchmark
Year to Date Return (Annualized)	11.6	10.1
Month to Date Return (Annualized)	10.5	8.9
Since inception (CAGR)	11.5	12.0

## Asset Quality (%age of Total Assets)



## Asset-wise Maturity (No. of Days)



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# Pakistan Capital Protected Fund-Fixed Income Securities

January 31, 2012

NAV - PKR 10.49



## Investment Objective

The objective of the Fund is to pay investors (with certain conditions) whole of their initial investment (net of Front End Load) i.e. Rs. 10 per unit back over the term of its life in the form of dividend or return on capital on its termination and to maximize return by investing in fixed income instruments, money market and debt market instruments.

## General Information

Fund Type	An Open End Scheme
Category	Capital Protected Scheme
Asset Manager Rating	AM2 (AM Two) with Positive Outlook by PACRA
Stability Rating	Not Applicable
Risk Profile	Low
Launch Date	16-Feb-2010
Fund Manager	Zaid Hidayatullah
Trustee	MCB Financial Services Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	1.5% per annum
Front end Load	3%
Back end Load	5% of NAV per unit in 1st year 4% of NAV per unit in 2nd year 3% of NAV per unit in 3rd year
Min. Subscription	PKR 5,000
Listing	Islamabad Stock Exchange
Benchmark	Average PKRV Yield (for 2.5 years) + 200 basis points (For investment Segment only)
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut Off Timing	Mon-Fri (9:00AM to 5:00 PM)
Leverage	Nil

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

Pak Electron Limited (28-Sep-2007)	3.3%
Escorts Investment Bank Limited(15-Mar-07)	1.8%
Bank Al-Falah Limited(02-Dec-2009)	1.0%

## Manager's Comment

During the month, the fund couldn't generate decent returns as the fund had to take a provision on one Corporate Sukuk holding that was classified as non-performing during the month.

Allocation-wise, the fund kept its allocation to around 65% in TDRs, while its exposure towards Treasury Bills and TFCs largely remained unchanged at around 9% and 6% respectively at month-end.

Performance Information (%)	PCPF-FIS	Benchmark
Year to Date Return (Annualized)	5.2	12.3
Month to Date Return (Annualized)	0.0	13.3
Since inception (CAGR)	8.7	11.3

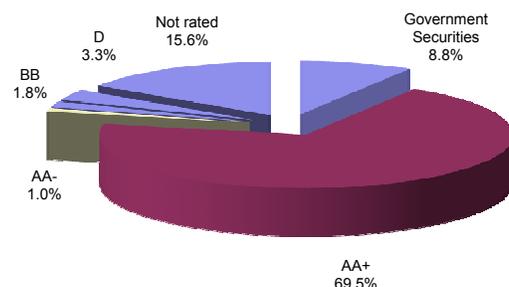
Asset Allocation (%age of Total Assets)	Jan-12	Dec-11
Cash	4.4%	4.6%
Term Deposits with Banks	65.1%	65.1%
Commercial Papers	0.0%	0.0%
TFCs	6.1%	6.5%
T-Bills	8.8%	8.7%
Others including receivables	15.6%	15.1%

Fund Facts / Technical Information	PCPF-FIS	Benchmark
NAV per Unit (PKR)	10.49	
Net Assets (PKR M)	241	
Sharpe Measure	-0.07	0.22
Correlation	10.6%	
Standard Deviation	0.11	0.03
Alpha	1.5%	

## 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
Escort Investment Bank Limited	6.02	4.43	-	4.43	1.84%	1.80%
Pak Electron Limited	10.07	9.35	1.29	8.06	3.35%	3.28%

## Asset Quality (%age of Total Assets)



## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst
Zaid Hidayatullah	Research Analyst

MUFAP's Recommended Format.

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# MCB Dynamic Allocation Fund

January 31, 2012

NAV - PKR 69.6316



## General Information

Fund Type	An Open End Scheme
Category	Asset Allocation Scheme (SECP categorization in process)
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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	A. F. Ferguson & 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, equity exposure has been reduced from 55% to 50% amid concerns over deteriorating macroeconomic indicators and geo-political scenario. Therefore the fund reduced its exposure in Power, Banks and Chemical sector on the back of mature valuation of few scrips, while increasing exposure in Oil & Gas and Construction sector on the back of attractive valuation.

On the fixed income side, TFC allocations were marginally reduced to around 12.4% while GoP Ijarah Sukuk allocations were slightly reduced to 15.4% at month-end.

## Fund Facts / Technical Information

MCB DAF

NAV per Unit (PKR)	69.6316
Net Assets (PKR M)	324
Sharp Measure*	-0.05
Beta**	0.44
Max draw up	83.0%
Max draw down	-48.6%
Standard Deviation	0.8
Alpha	0.01%

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

## Performance Information (%)

MCB DAF

Year to Date Return	-0.3%
Month to Date Return	4.9%
Since inception*	-5.7%

\*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	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

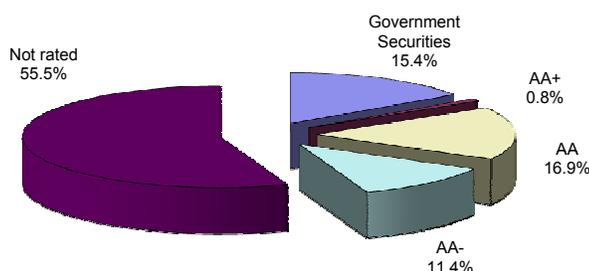
## Asset Allocation (%age of Total Assets)

	Jan-12	Dec-11
Cash	16.7%	10.7%
T-Bills	0.0%	0.0%
TFCs	12.4%	12.9%
GoP Ijarah Sukuk	15.4%	16.1%
Stocks / Equities	50.3%	55.2%
Spread Transactions	0.0%	0.0%
Others including receivables	5.2%	5.1%

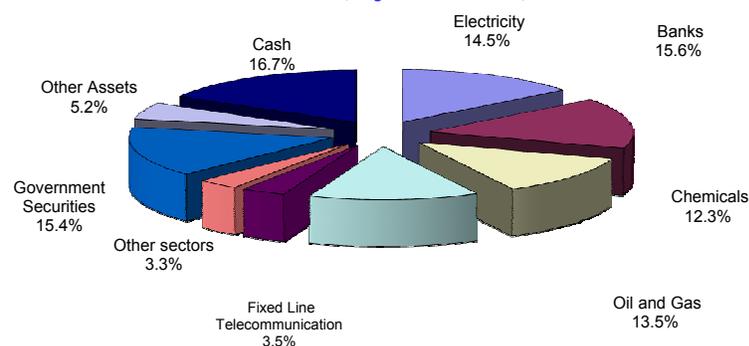
## Top 10 Holdings (%age of Total Assets)

Askari Bank Limited (18-Nov-09)	TFC	7.9%
Engro Corporation Limited	Equity	5.1%
Nishat Power Limited	Equity	5.1%
Fauji Fertilizer Company Limited	Equity	5.1%
Hub Power Company Limited	Equity	4.8%
Kot Addu Power Company Limited	Equity	4.6%
Pakistan Oil Fields Limited	Equity	4.6%
Attock Petroleum Limited	Equity	4.2%
Pakistan Telecommunication Company Limited	Equity	3.5%
Lucky Cement Limited	Equity	3.1%

## Asset Quality (%age of Total Assets)



## Sector Allocation (%age of Total Assets)



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# Pakistan Capital Market Fund

January 31, 2012

NAV - PKR 7.41



## General Information

Fund Type	An Open End Scheme	
Category	Balanced Scheme	
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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	A. F. Ferguson & 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

PCM delivered 5.7% return against benchmark return of 2.9%. Allocation of equity portion was reduced from 63% to around 56% during the month. Sector allocation of Oil & Gas sector was increased from 19.5% to 21.4% on the back of higher earnings expectation. However sector allocation in Banking sector reduced from 16.5% to 13.5% while exposure in Electricity sector reduced from 15.9% to 10.1%.

On the fixed income side, the fund maintained its TFC/ GIS positions during the month.

Fund Facts / Technical Information	PCM	Benchmark
NAV per Unit (PKR)	7.41	
Net Assets (PKR M)	349	
Sharp Measure	0.02	0.02
Beta	0.92	
Max draw up	179.7%	139.1%
Max draw down	-44.7%	-46.2%
Standard Deviation	0.92	0.88
Alpha	0.61%	

Performance Information (%)	PCM	Benchmark
Year to Date Return	-0.7	0.5
Month to Date Return	5.7	2.9
Since inception	148.0	137.6

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

Asset Allocation (%age of Total Assets)	Jan-12	Dec-11
Cash	17.0%	9.0%
T-Bills	0.0%	0.0%
TFCs	11.4%	11.7%
Stocks / Equities	55.7%	63.3%
Preference Shares	2.4%	2.4%
GoP Ijara Sukuk	11.4%	11.7%
Others including receivables	2.1%	1.9%

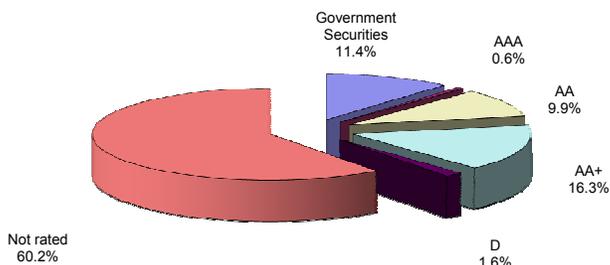
## Top 10 Holdings (%age of Total Assets)

United Bank Limited (08-Sept-06)	TFC	9.8%
Pakistan Oil Fields Limited	Equity	7.4%
Engro Corporation Limited	Equity	5.4%
Fauji Fertilizer Company Limited	Equity	5.3%
Kot Addu Power Company Limited	Equity	5.1%
Pakistan Petroleum Limited	Equity	5.0%
Pakistan State Oil Company Limited	Equity	4.9%
Attock Petroleum Limited	Equity	4.0%
HUB Power Company Limited	Equity	3.5%
Pakistan Telecommunication Company Limited	Equity	3.0%

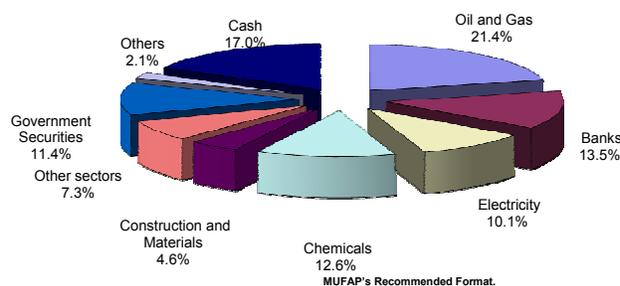
## Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. In millions)

Name & Type of Non-Compliant Investment	Outstanding face		Provision held, if any	Value of investment after		% of Net Assets	% of Gross Assets
	value	before provision		provision	provision		
Maple Leaf Cement Factory Limited - Sukuk	9.98	6.11	0.70	5.41	5.41	1.55%	1.53%
Maple Leaf Cement Factory Limited - Sukuk - II	0.38	0.26	-	0.26	0.26	0.07%	0.07%

## Asset Quality (%age of Total Assets)



## Sector Allocation (%age of Total Assets)



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# Pakistan International Element Islamic Asset Allocation Fund

January 31, 2012

NAV - PKR 38.5696



## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant Islamic Asset Allocation
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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	A. F. Ferguson & Co., Chartered Accountants
Management Fee	Type A & B: 3% Type C & D: 2%
Front end Load	Type A: 2% Type B,C & D: None
Back end Load	Type A: None Type B,C & D: Yr 1:3%, Yr 2:2%, Yr 3:1%
Min. Subscription	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 generated a return of 8.2% as compared to its benchmark return of 7.3%, out-performance of 0.9%. Overall equity exposure was trimmed marginally to around 77%. The fund reduced its exposure mainly in Oil & Gas and Chemical sectors, while increasing its holding in Construction Materials sector.

On the fixed income side, the fund kept its exposure towards both GOP Ijara Sukuk as well as Corporate Sukuk largely unchanged at around 9.0% and 1.8% respectively.

## Fund Facts / Technical Information

	PIEIF	Benchmark
NAV per Unit (PKR)	38.5696	
Net Assets (PKR M)	283	
Price to Earning (x)	5.7	6.1*
Dividend Yield (%)	10.342	9.3*
No. of Holdings	13	30*
Wt. Avg Mkt Cap (PKR Bn)	64.13	417.0*
Sharpe Measure	0.00	0.03
Beta	0.62	1.00
Correlation	81.1%	
Max draw up	88.2%	188.5%
Max draw Down	-28.9%	-39.6%
Standard Deviation	0.88	1.14
Alpha	-1.20%	
* KMI 30 Index		

## Performance Information (%)

	PIEIF	Benchmark
Year to Date Return	1.1	2.5
Month to Date Return	8.2	7.3
Since inception	27.6	N/A

## Asset Allocation (%age of Total Assets)

	Jan-12	Dec-11
Cash	11.1%	1.1%
Stock /Equities	76.7%	81.8%
Sukuk	1.8%	2.1%
GOP Ijara Sukuk	9.0%	9.3%
Others including receivables	1.4%	5.7%

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

Meezan Bank Limited	Equity	10.6%
Pakistan Telecommunication Company Limited	Equity	10.2%
Lucky Cement Limited	Equity	9.4%
Pakistan Oil Fields Limited	Equity	8.4%
Hub Power Company Limited	Equity	8.0%
Attock Petroleum Limited	Equity	7.6%
Pakistan Petroleum Limited	Equity	6.8%
Pakistan State Oil Company Limited	Equity	6.0%
Fauji Fertilizer Company Limited	Equity	5.5%
Pak Electron Limited (28-Sep-07)	Sukuk	1.8%

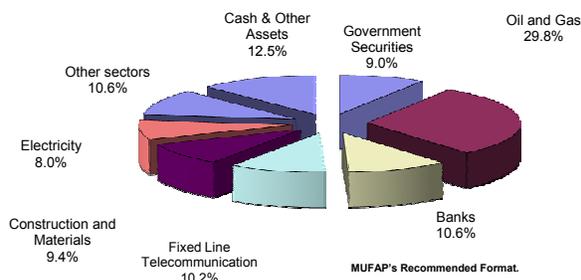
## Details of non-compliant investments with the investment criteria of assigned category (Rs. In millions)

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	5.14	-	5.14	1.82%	1.80%

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

## Sector Allocation (%age of Total Assets)



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## General Information

Fund Type	An Open End Scheme
Category	Equity Scheme (SECP categorization in process)
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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	3.0% 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

DSF ended delivering 8.1% return vis-à-vis KSE30 index return of 9.8% in January. Fund decreased its overall equity allocation to around 85.5% from previous 87.2%. Several changes in sector and company allocations were made in response to changing sector and company fundamentals.

On sector level allocation in Banks, Oil and Gas, Electricity and Chemicals were reduced while allocation in Construction and Materials was increased.

Fund Facts / Technical Information	MCB DSF	KSE-30
NAV per Unit (PKR)	84.5022	
Net Assets (PKR M)	750	
Price to Earning (x)*	5.6	6.0
Dividend Yield (%)	9.82	8.97
No. of Holdings	24	30
Wt. Avg Mkt Cap (PKR Bn)	64.81	192.69
Sharpe Measure**	0.010	-0.023
Beta	0.77	1.00
Correlation	95.2%	
Max draw up	190.3%	181.7%
Max draw Down	-60.4%	-76.7%
Standard Deviation	1.31	1.63
Alpha	0.05%	

\*prospective earnings, \*\*as against 3 Year PIB

Performance Information (%)	MCB DSF	Benchmark
Year to Date Return	2.2	-3.6
Month to Date Return	8.1	9.8
Since inception*	61.1	-20.5

\*Adjustment of accumulated WWF since July 1,2008

## Members of the Investment Committee

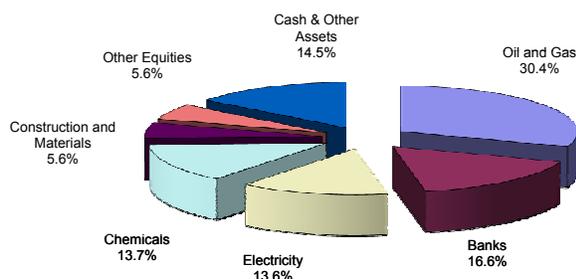
Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

Asset Allocation (%age of Total Assets)	Jan-12	Dec-11
Stock / Equities	85.5%	87.2%
Cash	13.8%	12.0%
Others including receivables	0.7%	0.8%

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

Pakistan Oil Fields Limited	9.9%
Pakistan Petroleum Limited	7.8%
Hub Power Company Limited	7.3%
Attock Petroleum Limited	7.3%
Fauji Fertilizer Company Limited	6.3%
Lucky Cement Limited	5.6%
Engro Corporation Limited	5.3%
Pakistan State Oil Company Limited	5.0%
MCB Bank Limited	4.7%
Pakistan Telecommunication Company Limited	4.0%

## Sector Allocation (%age of Total Assets)



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# Pakistan Premier Fund

January 31, 2012

NAV - PKR 9.27



## General Information

Fund Type	An Open End Scheme
Category	Equity Scheme
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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	A. F. Ferguson & 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

PPF outperformed the market by delivering 7.7% return vis-à-vis KSE100 index return of 4.6%. Fund decreased its overall equity allocation from 83.9% end December to around 78.7% end January. Many changes were done in company and sector allocations during the month.

Major sector changes include decrease in Banks, Personal Goods, Electricity and Industrial Transportation while increasing Oil and Gas and Construction and Materials.

Fund Facts / Technical Information	PPF	KSE-100
NAV per Unit (PKR)	9.27	
Net Assets (PKR M)	503	
Price to Earning (x)	5.5	6.5
Dividend Yield (%)	9.7	7.8
No. of Holdings	25	100
Wt. Avg Mkt Cap (PKR Bn)	62.4	2852.9
Sharpe Measure	0.05	0.03
Beta	0.28	1.00
Correlation	50.9%	
Max draw up	490.1%	553.4%
Max draw Down	-59.7%	-69.3%
Standard Deviation	1.4	2.5
Alpha	6.30%	

Performance Information (%)	PPF	Benchmark
Year to Date Return	-1.7	-5.0
Month to Date Return	7.7	4.6
Since inception	425.0	345.3

## Members of the Investment Committee

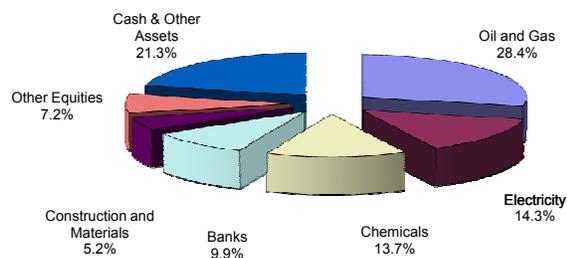
Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

Asset Allocation (%age of Total Assets)	Jan-12	Dec-11
Stock / Equities	78.7%	83.9%
Cash	18.6%	14.2%
Others including receivables	2.7%	1.9%

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

Pakistan Oil Fields Limited	8.7%
Pakistan Petroleum Limited	8.3%
Hub Power Company Limited	7.0%
Attock Petroleum Limited	6.5%
Fauji Fertilizer Company Limited	6.2%
Allied Bank Limited	5.4%
Engro Corporation Limited	5.3%
Lucky Cement Limited	5.2%
Pakistan State Oil Company Limited	4.8%
Kot Addu Power Company Limited	4.2%

## Sector Allocation (%age of Total Assets)



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# Pakistan Stock Market Fund

January 31, 2012

NAV - PKR 51.79



## General Information

Fund Type	An Open End Scheme	
Category	Equity Scheme	
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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

In January 2011, PSM outperformed KSE100 index by delivering 7.1% return as compared to KSE100 return of 4.6%. Fund reduced its overall equity allocation which stood at 87.3% at month end as compared to beginning allocation of 91.4%. Many changes in sector and company allocations were made in response to changing sector and company fundamentals. Major sector level changes include reduction in allocation in Banks, Electricity, Industrial Metals and Mining, Forestry and Paper and Industrial Transportation and increase in allocation Construction and Materials.

Fund Facts / Technical Information	PSM	KSE-100
NAV per Unit (PKR)	51.79	
Net Assets (PKR M)	989	
Price to Earning (x)	5.5	6.5
Dividend Yield (%)	9.0	7.8
No. of Holdings	29	100
Wt. Avg Mkt Cap (PKR Bn)	61.0	2,852.9
Sharpe Measure	0.05	0.04
Beta	0.72	1.0
Correlation	92.2%	
Max draw up	837.6%	926.2%
Max draw Down	-56.2%	-69.3%
Standard Deviation	1.2	1.5
Alpha	2.82%	

Performance Information (%)	PSM	Benchmark
Year to Date Return	-3.7	-5.0
Month to Date Return	7.1	4.6
Since inception	671.6	534.1

## Members of the Investment Committee

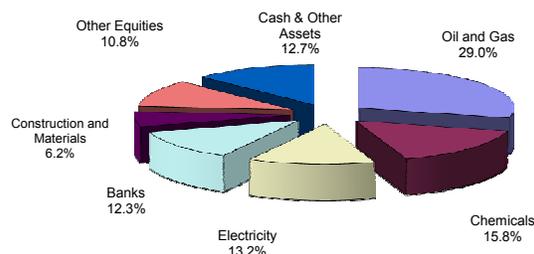
Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

Asset Allocation (%age of Total Assets)	Jan-12	Dec-11
Stock / Equities	87.3%	91.4%
Cash	10.9%	6.6%
T-Bills	0.0%	0.0%
Others including receivables	1.8%	2.0%

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

Pakistan Oil Fields Limited	8.8%
Pakistan Petroleum Limited	8.8%
Hub Power Company Limited	7.0%
Fauji Fertilizer Company Limited	6.3%
Lucky Cement Limited	6.2%
Attock Petroleum Limited	6.1%
Pakistan State Oil Company Limited	5.3%
Engro Corporation Limited	5.2%
Allied Bank Limited	4.9%
Pakistan Telecommunication Company Limited	3.8%

## Sector Allocation (%age of Total Assets)



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# Pakistan Strategic Allocation Fund

January 31, 2012

NAV - PKR 8.38



## General Information

Fund Type	An Open End Scheme
Category	Equity Scheme
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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

PSAF delivered 7.2% return as compared to KSE100 return of 4.6%. Overall equity allocation of the fund was decreased from 77.3% to 69.6% during the month.

Major allocation decrease was in Oil and Gas, Electricity and Chemicals. In Oil and Gas sector POL and PPL were reduced while OGDC stake was liquidated, in Electricity HUBC was decreased and in Chemicals FFC exposure was reduced.

## Fund Facts / Technical Information

	PSAF	KSE-100
NAV per Unit (PKR)	8.38	
Net Assets (PKR M)	452	
Price to Earning (x)	5.5	6.5
Dividend Yield (%)	9.6	7.8
No. of Holdings	21	100
Wt. Avg Mkt Cap (PKR Bn)	64.07	2,852.87
Sharpe Measure	0.01	0.02
Beta	0.76	1.00
Correlation	90.6%	
Max draw up	146.1%	220.6%
Max draw Down	-60.1%	-69.3%
Standard Deviation	1.25	1.49
Alpha	0.55%	

## Performance Information (%)

	PSAF	Benchmark
Year to Date Return	1.1	-5.0
Month to Date Return	7.2	4.6
Since inception	106.3	123.2

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

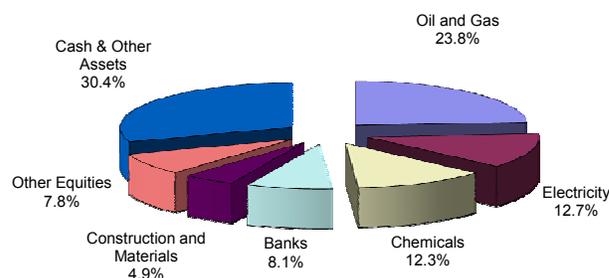
## Asset Allocation (%age of Total Assets)

	Jan-12	Dec-11
Stock / Equities	69.6%	77.3%
Cash	29.4%	21.9%
Others including receivables	1.0%	0.8%

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

Pakistan Petroleum Limited	8.6%
Hub Power Company Limited	7.2%
Pakistan Oil Fields Limited	5.9%
Allied Bank Limited	5.6%
Kot Addu Power Company Limited	5.4%
Engro Corporation Limited	5.3%
Lucky Cement Limited	4.9%
Pakistan State Oil Company Limited	4.9%
Attock Petroleum Limited	4.4%
Pakistan Telecommunication Limited	4.3%

## Sector Allocation (%age of Total Assets)



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# AH Dow Jones SAFE Pakistan Titans 15 Index Fund

January 31, 2012

NAV - PKR 55.28



## General Information

Fund Type	An Open End Scheme
Category	Index Tracker Scheme
Asset Manager Rating	AM2 (AM Two) with Positive Outlook by PACRA
Stability Rating	Not applicable
Risk Profile	High
Launch Date	14-Oct-2010
Fund Manager	Junaid Khalid, FRM
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

The fund delivered 11.2% return as compared to benchmark return of 12.8%. Overall equity allocation at the end of January was 96.3% vis-à-vis 95.6% at the beginning of the month.

Around 2.8% of total assets remained stuck in receivables which increased tracking error of the fund. All fund holdings delivered positive returns except Dawood Hercules Chemicals Limited.

Fund Facts / Technical Information	AHDJPF	Benchmark
NAV per Unit (PKR)	55.28	
Net Assets (PKR M)	119	
Price to Earning (%)	6.2	6.2
Dividend Yield (%)	8.8	8.8
Sharpe Measure	0.01	0.02
Beta	0.94	1
Correlation	97.1%	
Max draw up	22.1%	23.4%
Max draw Down	-15.5%	-14.9%
Standard Deviation	1.09	1.12
Alpha	-0.7%	

Performance Information (%)	AHDJPF	Benchmark
Year to Date Return	-1.0	-0.6
Month to Date Return	11.2	12.8
Since inception	14.9	18.9

## Members of the Investment Committee

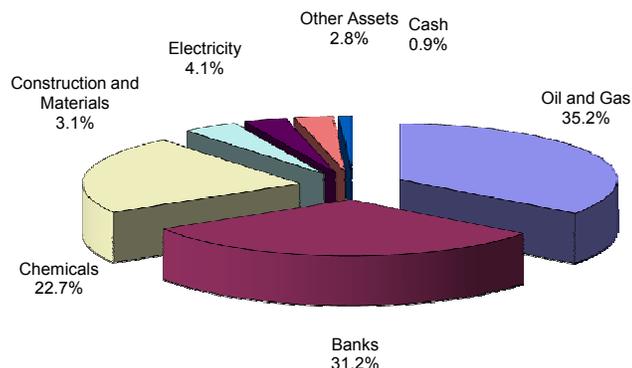
Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst
Junaid Khalid, FRM	Head of PD & ALM

Asset Allocation (%age of Total Assets)	Jan-12	Dec-11
Cash	0.9%	1.1%
Stocks / Equities	96.3%	95.6%
Others including receivables	2.8%	3.3%

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

MCB Bank Limited	19.7%
Oil & Gas Development Company Limited	15.7%
Fauji Fertilizer Company Limited	14.2%
Pakistan Petroleum Limited	8.0%
Pakistan Oilfields Limited	6.3%
Pakistan State Oil Company Limited	5.2%
Engro Corporation Limited	4.5%
Hub Power Company Limited	4.1%
Bank AL-Habib Limited	3.7%
Lucky Cement Limited	3.1%

## Sector Allocation (%age of Total Assets)



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# Pakistan Pension Fund

January 31, 2012



## General Information

Fund Type	An Open End Scheme
Category	Voluntary Pension Scheme
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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 generated a positive return of 8.1% during the month while KSE-100 index increased by 4.6%. The overall exposure to equities stands at 91% compared to 94% last month. The fund's exposure to Banks, Construction & Material and Oil & Gas sectors declined marginally.

Debt sub-fund generated an annualized return of 12.6% during the month. The fund exposure to PIBs and T-Bills stands at around 45% and 34% respectively.

Money Market sub-fund generated an annualized return of 9.7% during the month. Investment in T-bills stands at around 95%, with a cash exposure of 3%

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

Meezan Bank Limited	5.4%
Engro Corporation Limited	5.3%
Pakistan Telecommunication Company Limited	5.2%
Fauji Fertilizer Company Limited	5.2%
Bank AL-Habib Limited	5.1%
Pakistan State Oil Company Limited	5.1%
Attock Petroleum Limited	5.0%
United Bank Limited	4.9%
Pakistan Oil Fields Limited	4.9%
Lucky Cement Limited	4.9%

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

	Jan-12	Dec-11
Cash	3.3%	3.3%
T-Bills	94.9%	95.6%
Others including receivables	1.8%	1.1%

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

	Jan-12	Dec-11
Cash	1.8%	2.0%
PIBs	44.5%	33.8%
GoP Ijara Sukuk	5.7%	5.8%
TFCs	9.9%	10.1%
T-Bills	33.6%	45.1%
Others including receivables	4.5%	3.2%

## Performance Information & Net Assets

	PPF-EQ*	PPF-DT**	PPF-MM**
Year to Date Return (%)	-0.8	13.1	10.5
Month to Date Return (%)	8.1	12.6	9.7
Since inception (%)	0.8	9.7	10.8
Net Assets (PKR M)	55.39	88.06	68.42
NAV (Rs. Per unit)	100.84	144.58	149.48
* Total Return ** Annualized return			

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

	Jan-12	Dec-11
Cash	2.8%	0.4%
Oil and Gas	28.8%	29.4%
Banks	20.3%	21.9%
Chemicals	15.1%	14.1%
Electricity	9.4%	9.9%
Fixed Line Telecommunication	5.2%	5.2%
Other equity sectors	12.5%	13.4%
Others including receivables	5.9%	5.7%

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Head of Research
Mohsin Pervaiz	Senior Research Analyst

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# Pakistan Islamic Pension Fund

January 31, 2012



## General Information

Fund Type	An Open End Scheme
Category	Islamic Voluntary Pension Scheme
Asset Manager Rating	AM2 (AM Two) with Positive Outlook 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 8.9% while KSE-100 index increased by 4.6% during the month. The overall exposure to equities reduced further to around 91% compared to 93% last month. The fund reduced exposure to Electricity and Chemicals sectors with marginal adjustments to exposure in Oil & Gas sector.

Debt sub-fund generated an annualized return of 8.2% during the month. The fund exposure towards GoP Ijarah Sukuk and other corporate Sukuk stands at around 92% and 2% respectively with cash exposure of around 2%.

Money Market sub-fund generated an annualized return of 7.3% during the month. Exposure to Ijara Sukuk and Term Deposits stands at around 61% and 15% respectively with a cash exposure of 21% at month end.

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

Meezan Bank Limited	9.9%
Lucky Cement Limited	9.8%
Pakistan Petroleum Limited	9.6%
Hub Power Company Limited	8.7%
Pakistan Telecommunication Company Limited	8.5%
Pakistan Oil Fields Limited	8.4%
Fauji Fertilizer Company Limited	7.8%
Tri-Pack Films Limited	7.3%
Pakistan State Oil Company Limited	6.0%
Attock Petroleum Limited	4.8%

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

	Jan-12	Dec-11
Cash	20.7%	23.3%
GoP Ijarah Sukuk	61.3%	59.1%
Others including receivables	3.4%	2.9%
Bank Deposits	14.6%	14.7%

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

	Jan-12	Dec-11
Cash	1.9%	2.6%
GoP Ijarah Sukuk	92.2%	91.9%
Sukuk	2.2%	2.2%
Others including receivables	3.7%	3.3%

## Performance Information & Net Assets

	PIPF-EQ*	PIPF-DT**	PIPF-MM**
Year to Date Return (%)	6.2	10.2	8.1
Month to Date Return (%)	8.9	8.2	7.3
Since inception (%)	15.5	10.2	7.3
Net Assets (PKR M)	42.31	49.13	40.97
NAV (Rs. Per unit)	115.78	143.84	131.32
* Total Return ** Annualized return			

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

	Jan-12	Dec-11
Oil and Gas	33.3%	33.5%
Chemicals	10.2%	11.2%
Construction and Materials	9.8%	9.3%
General Industrials	9.4%	9.4%
Banks	9.9%	9.4%
Other equity sectors	18.5%	19.9%
Cash	2.3%	0.1%
Others including receivables	6.6%	7.2%

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
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