



**Macro-Environment Review and Outlook**

High geo-political tensions revolving around Pak-US relations were the highlights of the month, which was later reduced to some extent. On the macroeconomic front, YoY CPI inflation for Aug'11 came at a low level of 11.6% amid change in CPI methodology coupled with a high base-effect of last year. Like the previous month, external current account has remained in a marginal deficit during Aug'11 as well with CAB posting a deficit of US\$ 89 million. Fiscal side, on the other hand, has remained a cause of concern for the economic managers with FY11 deficit touching to a level of 6.6% of the GDP (Rs. 1.2 trillion deficit size in absolute term). In addition of having a higher fiscal deficit, a sizeable 91% funding from domestic sources clearly highlights the crowding out of private sector.

Lower levels of CPI inflation coupled with a comfortable external account position could support further monetary easing by the SBP in its upcoming policy. In the medium term, however, the absence of sizeable foreign flows coupled with government's inability to contain budget deficit is likely to keep pressure on the exchange rate, inflation and interest rates going forward.

**Equities Market Performance Review and Outlook**

KSE-100 index moved up 5% during the month with volumes and traded value recuperating by more than 40% after Ramadan. Eyeing dividend-laden corporate results, index snapped 2% in early days of month only to stall till the 20's of the month where again a quick rise-fall-rise in index kept investors to contemplate opportunities across sectors. Apprehensive of growing risk of Euro-US economic crisis, investors withdrew large sums from both developed and emerging markets however remained relatively quiet at domestic bourse despite heightened strain in US-Pak relations (Net outflow of USD 4.8 m).

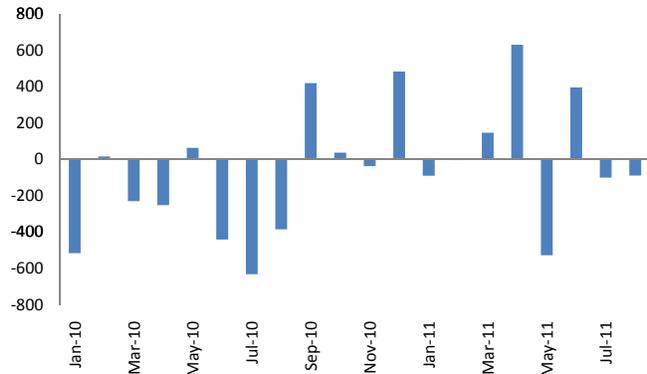
Announcements about possible lapse of IMF Program along with a low CPI figure gave credence to expectations of a possible cut in discount rate in the upcoming monetary policy. While rate cut remains the key sentiment driver, strain in US-Pak relations and deterioration in economic numbers including FDI, Current Account, Govt. Borrowing, and Fiscal Deficit warrants a cautious stance.

**Money Market Performance Review and Outlook**

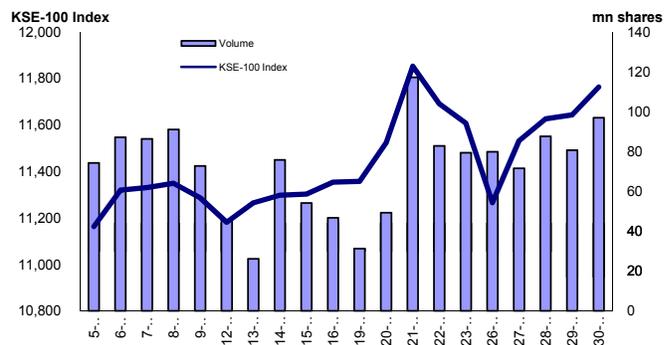
The short-end money market rates remained largely on the higher side during the month owing to relatively tight liquidity position in the system. Despite a sizeable rise in reserve money and substantial injections through Open Market Operations, monetary contraction has continued amid net private credit retirement. On a month-on-month basis, average 1 month PKRV has gone up by 14 bps to 13.3% during the month, while average 1 year PKRV, on the other hand, adjusted downwards by 9 bps to around 13.2% amid expectations of rate cut in the upcoming monetary policy.

Lack of foreign flows has been compelling the government to borrow heavily from domestic sources to fund its deficit, which would continue to crowd out private credit. We believe that the liquidity scenario and monetary outlook would largely be dependent on fiscal management and its funding profile going forward. In the absence of fresh liquidity creation through either higher borrowing from central bank or foreign flows, money markets may be severely pressured for liquidity.

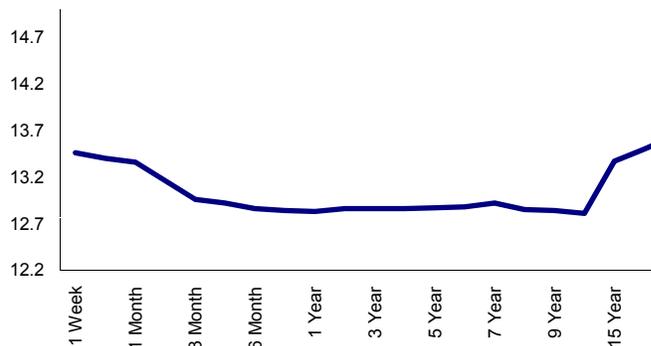
Monthly Trends in Current Account (US\$ Million)



KSE During September 2011



Yield Curve (September 30, 2011)





## Investment Objective

To provide an attractive return to 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 - Saturday
Cut Off Timing	Mon-Fri (9:00AM to 4:30 PM), Sat (9:00AM to 1:00 PM)
Leverage	Nil

## Manager's Comment

During the month, the fund generated an annualized return of 12.7% as against its benchmark return of 12.9%. The fund reduced its exposure significantly towards Treasury Bills to around 5.6%, while maintaining fund's allocation towards Term Finance Certificates (TFCs) to around 27%. The fund exposure towards GoP Ijarah Sukuk went up to around 31% 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)	13.0	12.8
Month to Date Return (Annualized)	12.7	12.9
Since inception (CAGR) **	13.2	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)	Sep-11	Aug-11
Cash	25.6%	13.6%
Term Deposits with Banks	5.6%	0.0%
PIBs	0.9%	1.0%
TFCs	26.9%	28.8%
National Saving Bonds	1.7%	1.8%
GOP Ijara Sukuk	30.9%	29.0%
T-Bills	5.6%	22.9%
Others including receivables	2.8%	2.9%

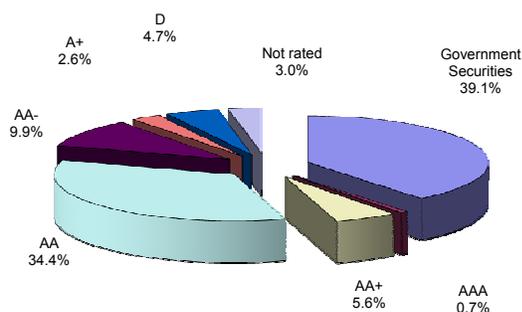
## Top 10 TFC Holdings (%age of Total Assets)

United Bank Limited (14-Feb-2008)	4.8%
Maple Leaf Cement (03-Dec-2007)	4.1%
Jahangir Siddiqui Company Limited (04-Jul-2007)	2.3%
Askari Bank Limited (18-Nov-2009)	2.2%
Bank Al-Falah Limited (23-Nov-2004)	2.1%
United Bank Limited (08-Sept-2006)	1.4%
NIB Bank Limited (05-Mar-2008)	1.3%
Askari Bank Limited (04-Feb-2005)	1.2%
Allied Bank Limited (06-Dec-2006)	1.1%
Bank Al-Falah Limited (02-Dec-2009)	1.1%

## Fund Facts / Technical Information

NAV per Unit (PKR)	101.0656
Net Assets (PKR M)	5,246
Weighted average time to maturity (Years)	2.1
Duration (Years)	1.9
Sharpe Measure*	0.024
Correlation*	-0.3%
Standard Deviation	0.12
Alpha*	0.00%
*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	Senior Research Analyst
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	354.47	216.93	-	216.93	4.13%	4.08%
Maple Leaf Cement Factory Limited - Sukuk II	13.31	9.33	-	9.33	0.18%	0.18%
Saudi Pak Leasing Company Limited - TFC	34.35	22.21	-	22.21	0.42%	0.42%
Security Leasing Corporation Limited - Sukuk	9.77	6.83	-	6.83	0.13%	0.13%
Security Leasing Corporation Limited - TFC	11.72	8.15	-	8.15	0.16%	0.15%
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%	0.00%

MUFAP's Recommended Format.

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# Pakistan Income Fund

September 30, 2011

NAV - PKR 52.29



## 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) 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% of 6M KIBOR + 25% of 3M PKRV	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut Off Timing	Mon-Fri (9:00AM to 5:00 PM)	
Leverage	Nil	

## Manager's Comment

During the month, the fund generated an annualized return of 8.1% as against its benchmark return of 9.6%. During the month, the fund reduced its exposure in both T-Bills and GoP Ijarah Sukuk to 29.3% and 29.4% respectively, while maintaining its TFCs exposure largely unchanged at 32%.

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.

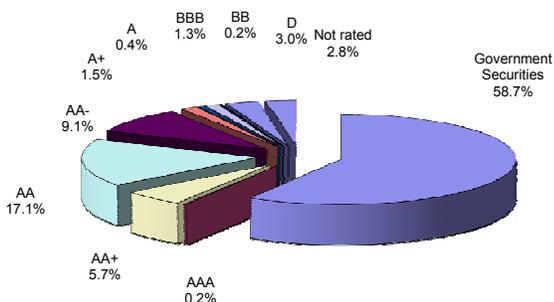
Performance Information (%)	PIF	Benchmark
Year to Date Return (Annualized)	8.6	10.2
Month to Date Return (Annualized)	8.1	9.6
Since inception (CAGR)	10.6	8.6

Asset Allocation (%age of Total Assets)	Sep-11	Aug-11
Cash	6.7%	1.5%
TFCs	31.8%	32.0%
GoP Ijarah Sukuk	29.4%	31.3%
T-Bills	29.3%	31.2%
Others including receivables	2.8%	4.0%

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

Engro Fertilizer Limited - Perpetual	18-Mar-08	6.5%
United Bank Limited	8-Sep-06	4.2%
Bank Al-Habib Limited	30-Jun-11	4.2%
Askari Bank Limited	4-Feb-05	3.8%
Bank Al-Falah Limited	2-Dec-09	1.9%
Pace Pakistan Limited	15-Feb-08	1.8%
Askari Bank Limited	18-Nov-09	1.7%
Bank Alfalah Limited	2-Dec-09	1.7%
KASB Securities	27-Jun-07	1.5%
Bank Al-Habib Limited	7-Feb-07	1.5%

## Asset Quality (%age of Total Assets)



## Fund Facts / Technical Information

NAV per Unit (PKR)	52.29
Net Assets (PKR M)	1,711
Weighted average time to maturity (Years)	2.5
Duration (Years)	2.3
Sharpe Measure*	-0.03
Correlation*	-0.5%
Standard Deviation	2.66
Alpha	-6.32%

## Members of the Investment Committee

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

## Details of non-compliant investments with the investment criteria or assigned category (secured 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 Limited Sukuk	9.99	6.11	-	6.11	0.36%	0.33%
Pace Pakistan Limited TFC	49.93	32.94	-	32.94	1.93%	1.79%
Maple Leaf Cement Limited Sukuk-II	0.38	0.26	-	0.26	0.02%	0.01%
Telecard Limited- TFC	32.30	16.15	-	16.15	0.94%	0.88%
Escorts Investment bank Limited-TFC	4.52	3.39	-	3.39	0.20%	0.18%

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## MUFAP's Recommended Format.

# Pakistan Income Enhancement Fund

September 30, 2011  
NAV - PKR 52.00



## Investment Objective

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

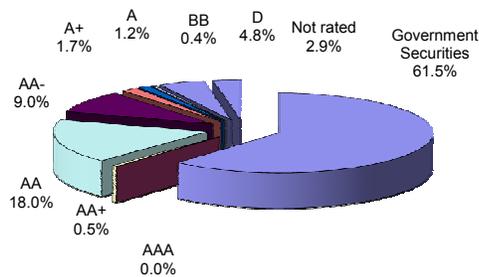
## General Information

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% of 12 M KIBOR + 10% of 3M PKRV
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)	7.1%
Bank Al-Habib Limited (30-Jun-11)	5.0%
Bank Alfalah Limited-Floating (02-Dec-09)	3.6%
Pace Pakistan Limited (15-Feb-08)	3.2%
Bank Alfalah Limited-Fixed (02-Dec-09)	2.0%
Askari Bank Limited (31-Oct-05)	2.0%
KASB Securities (27-Jun-07)	1.7%
Bank Al-Habib Limited (07-Feb-07)	1.7%
United Bank Limited (14-Feb-08)	1.6%
Eden Housing Limited - Sukuk (31-Mar-08)	1.6%

## Asset Quality (%age of Total Assets)



## Manager's Comment

During the month, the fund generated an annualized return of 5.8% as against its benchmark return of 9.9%.

The fund increased its TFCs exposure mainly of banking sector while the exposure towards CP brought down to zero. The fund increased its T-bills exposure to 29.5% as against 25.1% a month ago while keeping its exposure remained largely unchanged towards GOP Ijarah Sukuk to around 32% on the expectations of its higher demand and capital gain potential.

## Performance Information (%)

	PIEF	Benchmark
Year to Date Return (Annualized)	10.1	11.1
Month to Date Return (Annualized)	5.8	9.9
Since inception (CAGR)	14.5	12.6

## Asset Allocation (%age of Total Assets)

	Sep-11	Aug-11
Cash	1.0%	3.4%
MTS	0.0%	0.0%
TFCs	34.6%	33.6%
Commercial Papers	0.0%	1.3%
GOP Ijarah Sukuk	32.0%	32.9%
T-Bills	29.5%	25.1%
Others including receivables	2.9%	3.7%

## Fund Facts / Technical Information

NAV per Unit (PKR)	52.00
Net Assets (PKR M)	1,456
Weighted average time to maturity (Years)	2.9
Duration (Years)	2.7
Sharpe Measure*	0.06
Correlation*	16.5%
Standard Deviation	0.15
Alpha	0.47%
*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	Senior Research Analyst
Mohsin Pervaiz	Senior Research Analyst
Umair Khan	Research Analyst

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# MetroBank-Pakistan Sovereign Fund

September 30, 2011

NAV - PKR 49.76



## 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	12 M PKRV	
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 12.3% as against its benchmark return of 9.6%. The fund's exposure towards T-Bills at month-end remained largely unchanged at 88%, while exposure towards GoP Ijarah Sukuk went down to around 4.2% due to increase in fund size. The fund received sizeable inflows during the month, which were placed in Treasury Bills at attractive levels.

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

## Fund Facts / Technical Information

NAV per Unit (PKR)	49.76
Net Assets (PKR M)	5,155
Weighted average time to maturity (Days)	244
Sharpe Measure	-0.02
Correlation	0.4%
Standard Deviation	2.01
Alpha	-5.06%

## Members of the Investment Committee

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

## Asset Allocation (%age of Total Assets)

	Sep-11	Aug-11
Cash	5.1%	0.2%
T-Bills	88.3%	88.2%
MSF 12/12 Sub-Fund	2.2%	3.9%
GOP Ijarah sukuk	4.2%	7.4%
Others including Receivables	0.2%	0.3%

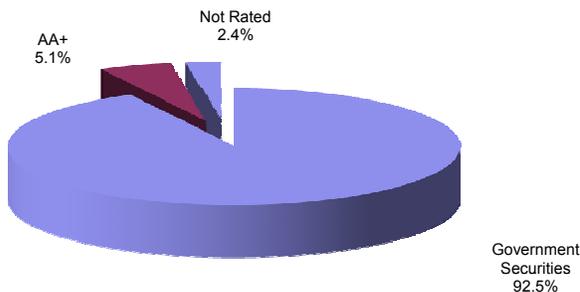
## Performance Information (%)

	MSF-Perpetual	MSF 12/12
Year to Date Return (Annualized)	12.7	14.6
Month to Date Return (Annualized)	12.3	11.6
Since inception (CAGR)	6.0	7.0

## Performance Information (%)

	Benchmark
Year to Date Return (Annualized)	10.2
Month to Date Return (Annualized)	9.6
Since inception (CAGR)	9.2

## Asset Quality (%age of Total Assets)



MUFAP's Recommended Format.

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# MCB Islamic Income Fund

September 30, 2011

NAV - PKR 102.9104



## 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 - Saturday	
Cut Off Timing	Mon-Fri (9:00AM to 4:30 PM), Sat (9:00AM to 1:00 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 10% as against its benchmark return of 6%, a significant out-performance of 4% over its benchmark. The fund has gradually built its exposure in GoP Ijarah Sukuk (GIS), which has remained at around 68% at month-end while 28% was kept in 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)	102.9104
Net Assets (PKR M)	291
Weighted average time to maturity (Years)	1.53
Sharpe Measure	0.40
Correlation	-10.63%
Standard Deviation	0.05
Alpha	1.939%

## Members of the Investment Committee

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

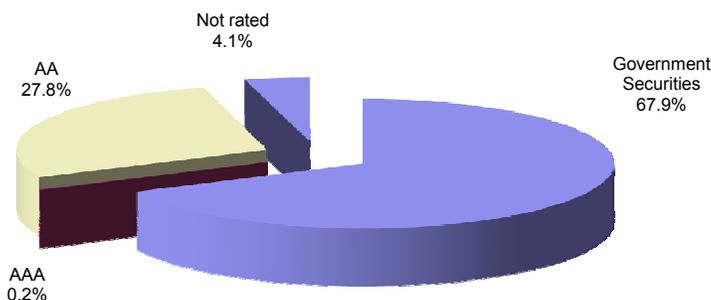
## Asset Allocation (%age of Total Assets)

	Sep-11	Aug-11
Cash	28.0%	29.0%
GoP Ijara Sukuk	67.9%	67.6%
Others including receivables	4.1%	3.4%

## Performance Information (%)

	MCB IIF	Benchmark
Year to Date Return	11.5	6.0
Month to Date Return	10.0	6.0
Since inception	11.5	6.1

## Asset Quality (%age of Total Assets)



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# MCB Cash Management Optimizer

September 30, 2011 NAV - PKR 100.0682



## 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
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	Avg. 3 Month deposit rates of AA and above rated scheduled banks, net of expenses
Pricing Mechanism	Backward
Dealing Days	Monday - Saturday
Cut Off Timing	Mon-Fri (9:00AM to 4:30 PM), Sat (9:00AM to 1:00 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's exposure in Government papers went down to around 75% from 87% a month ago. The fund's exposure towards TDRs has gone up marginally to 4.4% while the exposure towards bank deposits increased to 20% at month-end. Due to a higher expectation of DR cut in the upcoming monetary policy, the fund has started increasing its T-Bills portfolio WAM, which has gone up to 79 days from 74 days a month ago.

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)	100.0682	
Net Assets (PKR M)	8,473	
Weighted average time to maturity (Days)	66	
Sharpe Measure*	0.20	-2.34
Correlation*	-17%	6%
Standard Deviation	0.022	0.002
Alpha*	0.54%	-1.61%

\*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	Senior Research Analyst
Mohsin Pervaiz	Senior Research Analyst

## Asset Allocation (%age of Total Assets)

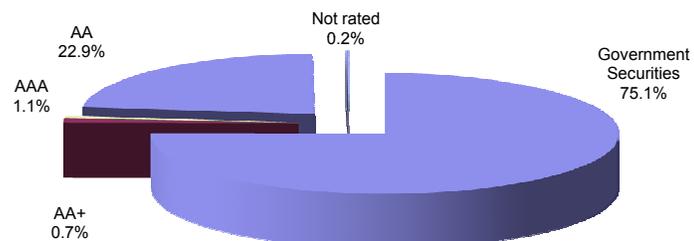
	Sep-11	Aug-11
Cash	20.3%	10.0%
Term Deposits with banks	4.4%	3.4%
T-Bills	75.1%	86.5%
Others including receivables	0.2%	0.1%

## Performance Information (%)

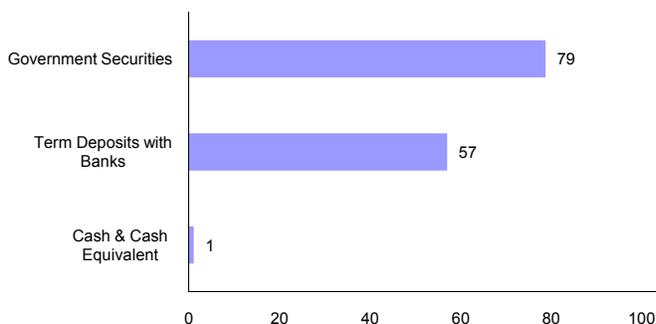
	MCB CMOP	Benchmark
Year to Date Return (Annualized)	11.7	5.8
Month to Date Return (Annualized)	11.6	6.0
Since inception (CAGR)*	11.4	5.8

\*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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## 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 Earning 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 - Saturday	
Cut Off Timing	Mon-Fri (9:00AM to 5:00 PM)	
	Sat (9:00AM to 12:15 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's exposure towards Treasury Bills was marginally reduced to around 96%, while its exposure to bank deposits went up to around 3.5%. Due to higher expectations of DR cut in the upcoming monetary policy, the fund has started increasing its portfolio WAM and has taken it to 53 days from 32 days a month ago.

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

Fund Facts / Technical Information	PCF	Benchmark
NAV per Unit (PKR)	50.2229	
Net Assets (PKR M)	1,930	
Weighted average time to maturity (Days)	53	
Sharpe Measure*	0.00	0.06
Correlation*	52.8%	
Standard Deviation	0.02	0.03
Alpha*	-0.17%	
*as against 3 month PKRV net of expenses		

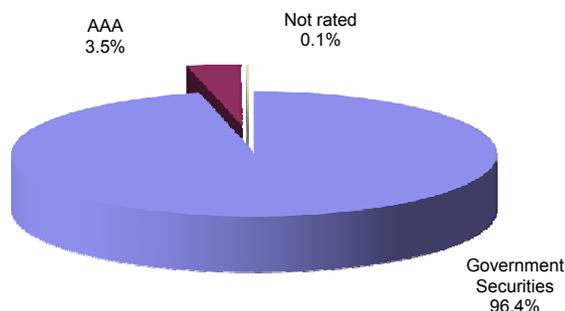
Asset Allocation (%age of Total Assets)	Sep-11	Aug-11
Cash	3.5%	0.6%
T-Bills	96.4%	98.9%
Others including receivables	0.1%	0.5%

Performance Information (%)	PCF	Benchmark
Year to Date Return (Annualized)	11.8	10.0
Month to Date Return (Annualized)	11.5	9.7
Since inception (CAGR)	11.5	12.2

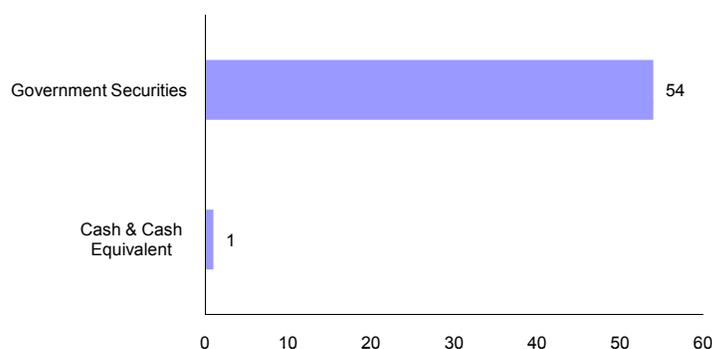
## Members of the Investment Committee

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

## Asset Quality (%age of Total Assets)



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



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# Pakistan Capital Protected Fund-Fixed Income Securities

September 30, 2011

NAV - PKR 10.35



## Investment Objective

The objective of the Fund is to provide 100% capital protection (net of front -end load) and maximise the returns by investing in Fixed Income, Money and Debt market instruments.

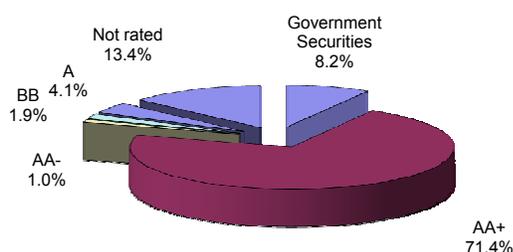
## General Information

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 Financials Service (Pvt) 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 - Saturday
Cut Off Timing	Mon-Fri (9:00AM to 5:00 PM), Sat (9:00AM to 12:15 PM)
Leverage	Nil

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

Pak Electron Limited (28-Sep-2007)	4.1%
Escorts Investment Bank Limited(15-Mar-07)	1.9%
Bank Al-Falah Limited(02-Dec-2009)	1.0%

## Asset Quality (%age of Total Assets)



## Manager's Comment

During the month, the fund generated an annualized return of 0.5% as against its benchmark return of 1.0%, an under-performance by 0.5%.

Allocation-wise, the fund kept its allocation to around 66% in TDRs, while switched its exposure completely from Commercial Papers towards Treasury Bills during the month. The fund's exposure towards TFCs largely remained unchanged at a level of 7% at month-end.

Performance Information (%)	PCPF-FIS	Benchmark
Year to Date Return	1.7	3.2
Month to Date Return	0.5	1.0
Since inception	16.1	18.6

Asset Allocation (%age of Total Assets)	Sep-11	Aug-11
Cash	5.3%	5.0%
Term Deposits with Banks	66.1%	66.4%
Commercial Papers	0.0%	8.3%
TFCs	7.0%	7.4%
T-Bills	8.2%	0.0%
Others including receivables	13.4%	12.9%

Fund Facts / Technical Information	PCPF-FIS	Benchmark
NAV per Unit (PKR)	10.35	
Net Assets (PKR M)	237	
Sharpe Measure	-0.038	0.164
Correlation	16.8%	
Standard Deviation	0.121	0.025
Alpha	0.2%	

## Members of the Investment Committee

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

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# MCB Dynamic Allocation Fund

September 30, 2011

NAV - PKR 70.2551



## 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 following the rising concerns over global double dip recession and strained US-Pak relations. The fund increased its exposure in Oil & Gas and Fixed Line Telecommunication sectors on the back of attractive valuation of few scrips, while reducing exposure in Personal Goods and Banks sectors.

On the fixed income side, TFC allocations were marginally reduced to around 12% at month-end.

## Fund Facts / Technical Information

MCB DAF

NAV per Unit (PKR)	70.2551
Net Assets (PKR M)	331
Sharp Measure*	-0.05
Beta**	0.45
Max draw up	80.0%
Max draw down	-48.6%
Standard Deviation	0.8
Alpha	0.02%

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

## Performance Information (%)

MCB DAF

Year to Date Return	0.6%
Month to Date Return	3.1%
Since inception*	-4.9%

\*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	Senior Research Analyst
Mohsin Pervaiz	Senior Research Analyst

## Asset Allocation (%age of Total Assets)

Sep-11

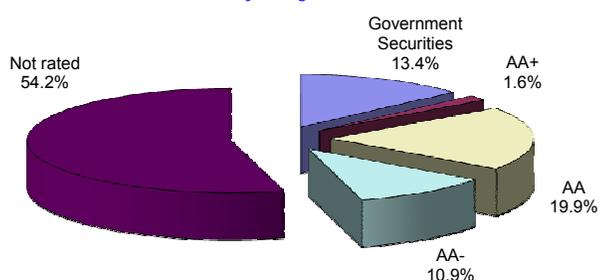
Aug-11

Cash	20.7%	19.7%
T-Bills	0.0%	0.0%
TFCs	11.7%	13.5%
GoP Ijara Sukuk	13.4%	15.4%
Stocks / Equities	34.9%	46.7%
Spread Transactions	14.1%	0.0%
Others including receivables	5.2%	4.7%

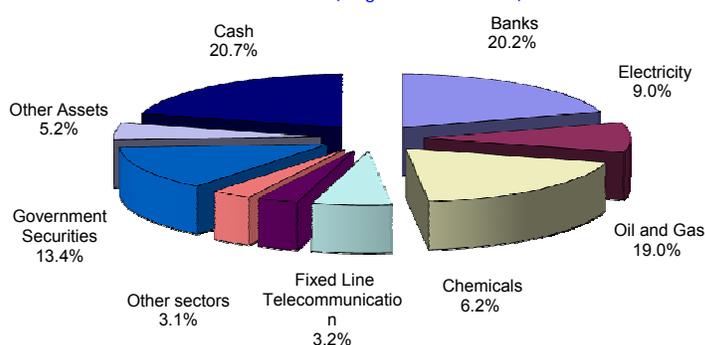
## Top 10 Holdings (%age of Total Assets)

Askari Bank Limited (18-Nov-2009)	TFC	6.9%
Hub Power Company Limited	Equity	4.5%
Nishat Power Limited	Equity	3.5%
Pakistan Telecommunication Limited	Equity	3.2%
Fauji Fertilizer Company Limited	Equity	2.8%
Lucky Cement Limited	Equity	2.7%
Bank Al Falah Limited (23-Nov-2004)	TFC	2.7%
Pakistan State Oil Company Limited	Equity	2.6%
Fatima Fertilizer Limited	Equity	2.4%
Meezan Bank Limited	Equity	2.1%

## Asset Quality (%age of Total Assets)



## Sector Allocation (%age of Total Assets)



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# Pakistan Capital Market Fund

September 30, 2011

NAV - PKR 7.48



## 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 3.9% return against benchmark return of 3.8%. Allocation of equity portion was reduced from 57% to around 54% during the month. Sector allocation of Banks was reduced from 18.6% to 17.5% by reducing ABL and NBP holdings. A major change in fund portfolio was increase in PTCL exposure from 0.8% to 3%. In Personal Goods sector PCM sold its entire 2% holding of SURC. In Electricity sector HUBC and NPL were added, exposure in KAPCO was reduced and exposure in NPL was increased. In Oil and Gas sector ATRL was the new entrant this month. Allocation of POL and PPL was reduced while 1.6% of ATRL was added in the sector. In Chemical sector FFC and ENGRO allocations were slightly truncated. During September, Fund sold entire holding of PSMC while PKGS holdings were also reduced. Out of major holdings MEBL, NBP, APL, PSO, ENGRO and FATIMA outperformed KSE100 index. 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)	7.48	
Net Assets (PKR M)	368	
Sharp Measure	0.03	0.02
Beta	0.92	
Max draw up	179.7%	137.0%
Max draw down	-44.7%	-46.2%
Standard Deviation	0.93	0.89
Alpha	0.82%	

Performance Information (%)	PCM	Benchmark
Year to Date Return	0.3	-1.8
Month to Date Return	3.9	3.8
Since inception	150.3	132.1

## Members of the Investment Committee

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

Asset Allocation (%age of Total Assets)	Sep-11	Aug-11
Cash	16.2%	12.2%
T-Bills	0.0%	0.0%
TFCs	11.5%	11.8%
Stocks / Equities	54.1%	57.0%
Preference Shares	2.2%	2.2%
GoP Ijara Sukuk	13.2%	13.4%
Others including receivables	2.8%	3.4%

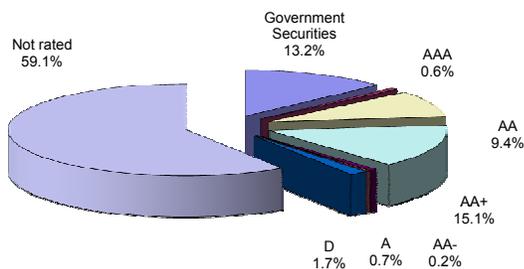
## Top 10 Holdings (%age of Total Assets)

United Bank Limited (08-Sept-06)	TFC	9.1%
Pakistan State Oil Company Limited	Equity	6.8%
Pakistan Oilfields Limited	Equity	5.2%
Allied Bank Limited	Equity	4.6%
Lucky Cement Limited	Equity	4.5%
Pakistan Petroleum Limited	Equity	4.5%
Fatima Fertilizer Company Limited	Equity	4.2%
Hub Power Company Limited	Equity	3.3%
Kot Addu Power Company Limited	Equity	3.1%
Packages Limited	Equity	3.0%

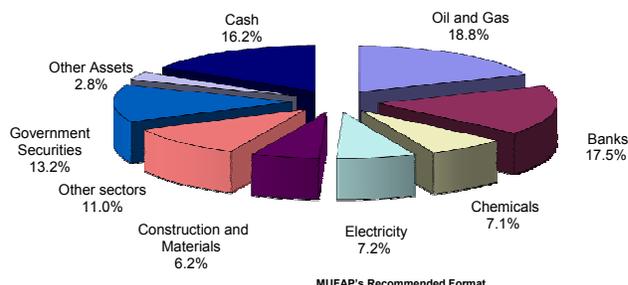
## Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. In millions)

Name & Type of Non-Compliant Investment	Outstanding face		Provision held, if any	Value of investment		% of Net Assets	% of Gross Assets
	value	before provision		before provision	provision		
Maple Leaf Cement Factory Limited - Sukuk	9.99	6.11	-	6.11	1.66%	1.60%	
Maple Leaf Cement Factory Limited - Sukuk - II	0.38	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

September 30, 2011

NAV - PKR 38.5091



## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant 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
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 PIEIF return was 5.0% as compared to benchmark return of 2.8%, an out-performance by 2.2%. Overall equity exposure was increased to around 81% at month-end. The fund increased its exposure in Banks while increase its exposure mainly in General Industries, Oil & Gas, Chemicals, Textile and Power during the month of Aug'11. Amongst major holdings POL, NML, Hubco and LUCK outperformed the benchmark while PSO and PPL remained major underperformers.

On the fixed income side, the fund marginally reduced its exposure towards GoP Ijarah Sukuk to around 12.6%, while its corporate Sukuk exposure remained largely unchanged at around 2%.

## Fund Facts / Technical Information

	PIEIF	Benchmark
NAV per Unit (PKR)	38.5091	
Net Assets (PKR M)	319	
Price to Earning (x)	7.6	6.4*
Dividend Yield (%)	6.7	7.6*
No. of Holdings	15	30*
Wt. Avg Mkt Cap (PKR Bn)	71.19	428.39*
Sharpe Measure	0.00	0.03
Beta	0.62	1.00
Correlation	81.9%	
Max draw up	88.2%	184.2%
Max draw Down	-28.9%	-39.65%
Standard Deviation	0.87	1.15
Alpha	-0.96%	
* KMI 30 Index		

## Performance Information (%)

	PIEIF	Benchmark
Year to Date Return	1.0	-2.1
Month to Date Return	5.0	2.8
Since inception	27.4	N/A

## Members of the Investment Committee

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

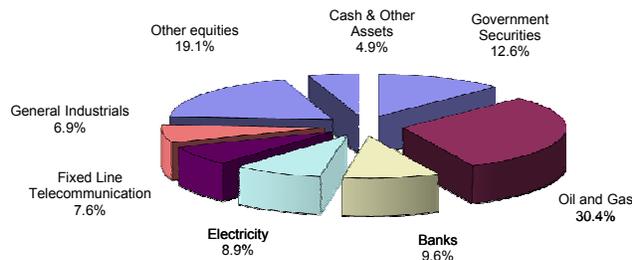
## Asset Allocation (%age of Total Assets)

	Sep-11	Aug-11
Cash	2.5%	9.9%
Stock /Equities	80.6%	72.8%
Sukuk	1.9%	1.9%
GOP Ijara Sukuk	12.6%	13.0%
Others including receivables	2.4%	2.4%

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

Pakistan State Oil Company Limited	Equity	10.6%
Meezan Bank Limited	Equity	9.6%
Hub Power Company Limited	Equity	8.9%
Pakistan Petroleum Limited	Equity	8.4%
Pakistan Oil Fields Limited	Equity	8.1%
Pakistan Telecommunication Limited	Equity	7.6%
Lucky Cement Limited	Equity	6.0%
Packages Limited	Equity	5.5%
Nishat Mills Limited	Equity	5.1%
Fauji Fertilizer Company Limited	Equity	3.6%

## 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 5.9% return vis-à-vis KSE 30 return of 6.4% in September. The fund increased its overall equity allocation to around 89% from previous 85%. During the month, the fund sold out NML while built decent exposure in PTCL. In Electricity sector exposure of HUBC was increased while exposure towards KAPCO and NPL was reduced. Allocations in ATRL, OGDC and POL were increased within the Oil & Gas sector during the month thereby increasing sector exposure to around 30%.

Major holdings that outperformed KSE100 index remained BAHF, MEBL, NBP, SNBL, APL, PSO, ENGRO and FATIMA.

Fund Facts / Technical Information	MCB DSF	KSE-30
NAV per Unit (PKR)	84.3523	
Net Assets (PKR M)	636	
Price to Earning (x)*	5.8	6.33
Dividend Yield (%)	8.9	8.51
No. of Holdings	26	30
Wt. Avg Mkt Cap (PKR Bn)	76.18	166.71
Sharpe Measure**	0.012	-0.023
Beta	0.77	1.00
Correlation	95.1%	
Max draw up	180.3%	181.75%
Max draw Down	-60.4%	-76.69%
Standard Deviation	1.34	1.66
Alpha	0.05%	

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

Performance Information (%)	MCB DSF	Benchmark
Year to Date Return	2.0	-3.2
Month to Date Return	5.9	6.4
Since inception*	60.9	-20.1

\*Adjustment of accumulated WWF since July 1,2008

## Members of the Investment Committee

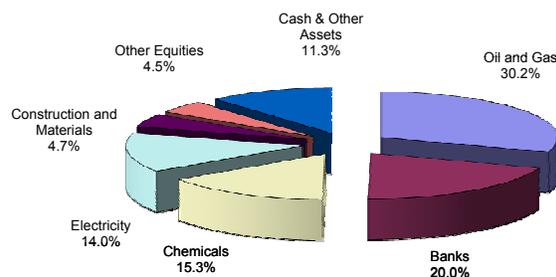
Yasir Qadri	Chief Executive Officer
Ahsan Mehanti	Director Wealth Management
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Senior Research Analyst
Mohsin Pervaiz	Senior Research Analyst

Asset Allocation (%age of Total Assets)	Sep-11	Aug-11
Stock / Equities	88.7%	84.9%
Cash	10.0%	13.7%
Others including receivables	1.3%	1.4%

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

Pakistan Oil Fields Limited	8.8%
Pakistan State Oil Company Limited	8.5%
Hub Power Company Limited	7.5%
Fauji Fertilizer Company Limited	6.5%
Engro Corporation Limited	6.2%
Pakistan Petroleum Limited	5.0%
Attock Petroleum Limited	4.9%
Lucky Cement Limited	4.7%
Allied Bank Limited	4.2%
Meezan Bank Limited	3.9%

## Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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# Pakistan Premier Fund

September 30, 2011

NAV - PKR 9.44



## 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 underperformed the market by delivering 4.3% return vis-à-vis KSE100 index return of 6.2%. Fund marginally increase its overall equity allocation from 79.8% end August to around 82.1% end September. In Banks, Fund started building position in BAHF while sold some quantity of NBP. Fixed Line Communication sector was the new entrant this month. Fund added around 2.5% PTCL in the sector. In Oil and Gas sector, exposure was increased from 20.1% to around 22.4%. Major change in sector was around 2.6% increase in APL holdings. In Chemical sector Fund switched some of its FFC holdings with ENGRO. Out of major holdings MEBL, NBP, APL, PSO, ENGRO and FATIMA outperformed KSE100 index.

Fund Facts / Technical Information	PPF	KSE-100
NAV per Unit (PKR)	9.44	
Net Assets (PKR M)	602	
Price to Earning (x)	6.0	5.8
Dividend Yield (%)	8.0	8.0
No. of Holdings	25	100
Wt. Avg Mkt Cap (PKR Bn)	61.8	3103.9
Sharpe Measure	0.05	0.03
Beta	0.27	1.00
Correlation	50.5%	
Max draw up	490.1%	553.41%
Max draw Down	-59.7%	-69.28%
Standard Deviation	1.4	2.5
Alpha	6.71%	

Performance Information (%)	PPF	Benchmark
Year to Date Return	0.1	-5.9
Month to Date Return	4.3	6.2
Since inception	434.6	341.1

## Members of the Investment Committee

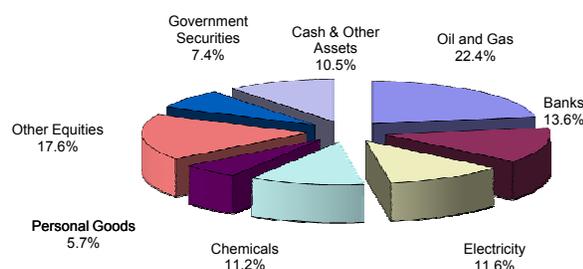
Yasir Qadri	Chief Executive Officer
Ahsan Mehanti	Director Wealth Management
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Senior Research Analyst
Mohsin Pervaiz	Senior Research Analyst

Asset Allocation (%age of Total Assets)	Sep-11	Aug-11
Stock / Equities	82.1%	79.8%
Cash	8.1%	7.6%
T-Bills	7.4%	8.7%
Others including receivables	2.4%	3.9%

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

Pakistan Oil Fields Limited	8.3%
Allied Bank Limited	7.7%
Pakistan Petroleum Limited	7.2%
Hub Power Company Limited	6.3%
Nishat Mills Limited	5.6%
Fauji Fertilizer Company Limited	5.5%
Packages Limited	4.9%
Engro Corporation Limited	4.6%
Pakistan State Oil Company Limited	4.3%
Lucky Cement Limited	4.2%

## Sector Allocation (%age of Total Assets)



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# Pakistan Stock Market Fund

September 30, 2011

NAV - PKR 53.25



## 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 September 2011, PSM delivered 4.2% return as compared to KSE100 return of 6.2%. Fund increased its overall equity allocation from 85% end August to around 88% end September. Exposure in Banks was increased from 12% to 13.6% by taking new positions in MCB and increasing some exposure in BAH. In Personal Goods sector NML was reduced from 4.3% to around 2%. Fixed Line Communication sector was the new entrant this month. Fund added around 3.5% PTCL in the sector. In Electricity sector around 2% of HUBC was switched with KAPCO. In Oil and Gas sector OGD was added while exposure in POL and PPL was slightly reduced. Fund kept building its position in APL and overall allocation of Oil and Gas sector was increased by around 5% during the month. In Chemical sector two major changes were made. FFC was reduced by around 3% while Engro was increased by around 1%. Allocation in Chemical was around 14% as compared to last month allocation of 16%. Out of major holdings BAH, NBP, SNBL, PSO, ENGRO and FATIMA outperformed KSE100 index.

## Fund Facts / Technical Information

	PSM	KSE-100
NAV per Unit (PKR)	53.25	
Net Assets (PKR M)	1,073	
Price to Earning (x)	6.0	5.8
Dividend Yield (%)	7.5	8.0
No. of Holdings	30	100
Wt. Avg Mkt Cap (PKR Bn)	686.2	3,103.9
Sharpe Measure	0.05	0.04
Beta	0.71	1.0
Correlation	92.2%	
Max draw up	837.6%	926.22%
Max draw Down	-56.2%	-69.28%
Standard Deviation	1.2	1.5
Alpha	0.03%	

## Performance Information (%)

	PSM	Benchmark
Year to Date Return	-1.0	-5.9
Month to Date Return	4.2	6.2
Since inception	693.4	528.1

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Ahsan Mehanti	Director Wealth Management
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Senior Research Analyst
Mohsin Pervaiz	Senior Research Analyst

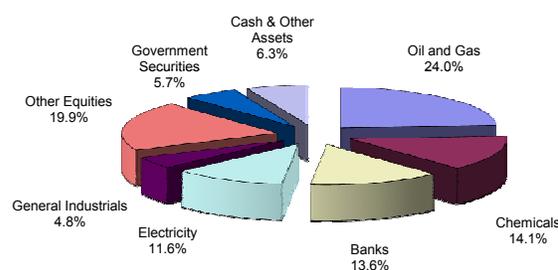
## Asset Allocation (%age of Total Assets)

	Sep-11	Aug-11
Stock / Equities	88.0%	85.3%
Cash	3.6%	3.2%
T-Bills	5.7%	9.2%
Others including receivables	2.7%	2.3%

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

Pakistan Oil Fields Limited	8.4%
Pakistan Petroleum Limited	8.2%
Hub Power Company Limited	6.5%
Allied Bank Limited	5.9%
Packages Limited	4.8%
Pakistan State Oil Company Limited	4.8%
Engro Corporation Limited	4.6%
Fauji Fertilizer Company Limited	4.5%
Pakistan International Container Terminal	3.8%
Lucky Cement Limited	3.6%

## Sector Allocation (%age of Total Assets)



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# Pakistan Strategic Allocation Fund

September 30, 2011

NAV - PKR 8.36



## 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 6% return as compared to KSE100 return of 6.2%. Overall equity allocation of the fund was reduced from 85.3% to 72.6% during the month. Exposure in Banks was reduced from 13% to around 11% by cutting some exposure in ABL, NBP and UBL. Some exposure in NML and LUCK was reduced while exposure in PTCL was increased. In Electricity sector exposure was sharply reduced from 14% to 10% by selling HUBC and KAPCO. Exposure in Oil and Gas sector was reduced from 26% to around 23%. During the month Fund offloaded its NRL and OGDC holdings while APL, POL, PPL and PSO holdings were slightly downward adjusted. In Chemicals sector exposure was reduced from 14% to around 10%. Fund sold its entire 2% holdings of FFBL and reduced around 1% exposure in FFC. Exposure in ENGR0 and FATIMA was also truncated slightly. Major holdings that outperformed KSE100 index include APL, PSO, ENGR0, FATIMA, NBP and SNBL.

Fund Facts / Technical Information	PSAF	KSE-100
NAV per Unit (PKR)	8.36	
Net Assets (PKR M)	593	
Price to Earning (x)	5.8	5.8
Dividend Yield (%)	7.7	8.0
No. of Holdings	21	100
Wt. Avg Mkt Cap (PKR Bn)	64.89	3,103.90
Sharpe Measure	0.02	0.02
Beta	0.76	1.00
Correlation	90.6%	
Max draw up	146.1%	220.57%
Max draw Down	-60.1%	-69.28%
Standard Deviation	1.27	1.50
Alpha	0.61%	

Performance Information (%)	PSAF	Benchmark
Year to Date Return	0.8	-5.9
Month to Date Return	6.0	6.2
Since inception	105.8	121.1

## Members of the Investment Committee

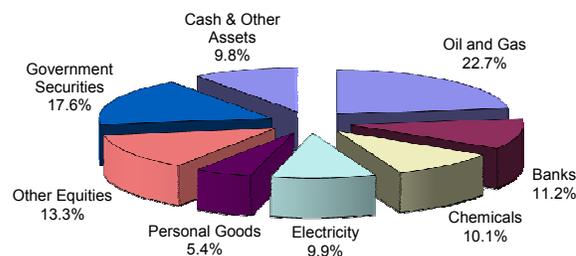
Yasir Qadri	Chief Executive Officer
Ahsan Mehanti	Director Wealth Management
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Senior Research Analyst
Mohsin Pervaiz	Senior Research Analyst

Asset Allocation (%age of Total Assets)	Sep-11	Aug-11
Stock / Equities	72.6%	85.3%
Cash	8.0%	6.1%
T-Bills	17.6%	7.4%
Others including receivables	1.8%	1.2%

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

Pakistan Petroleum Limited	7.4%
Hub Power Company Limited	7.2%
Pakistan State Oil Company Limited	7.1%
Allied Bank Limited	6.3%
Pakistan Oil Fields Limited	6.1%
Nishat Mills Limited	5.4%
Packages Limited	5.3%
Lucky Cement Limited	4.0%
Engro Corporation Limited	3.6%
Fatima Fertilizer Company Limited	3.4%

## Sector Allocation (%age of Total Assets)



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# AH Dow Jones SAFE Pakistan Titans 15 Index Fund

September 30, 2011

NAV - PKR 54.42



## General Information

Fund Type	An Open End Scheme
Category	Index Tracker Fund
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 (Pvt) 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 generated a positive return of 6.6% as compared to benchmark's return of negative 7.3%. During the month, the fund maintained a cash balance of about 1.8% and remained underweight in MCB Bank to comply the limit on Group Company Exposure. However, post month-end, SECP has notified amendments in NBFC Regulations which now permit the fund to replenish its exposure in MCB Bank according to index weight enabling the fund to track benchmark constituents more closely going forward.

Fund Facts / Technical Information	AHDJPF	Benchmark
NAV per Unit (PKR)	54.42	
Net Assets (PKR M)	117	
Price to Earning (%)	6.4	6.4
Dividend Yield (%)	8.3	8.4
Sharpe Measure	0.02	0.03
Beta	0.93	1
Correlation	97.4%	
Max draw up	22.1%	23.4%
Max draw Down	-14.7%	-14.90%
Standard Deviation	1.04	1.08
Alpha	-0.6%	

Performance Information (%)	AHDJPF	Benchmark
Year to Date Return	-2.5	-3.2
Month to Date Return	6.6	7.3
Since inception	13.1	15.8

## Members of the Investment Committee

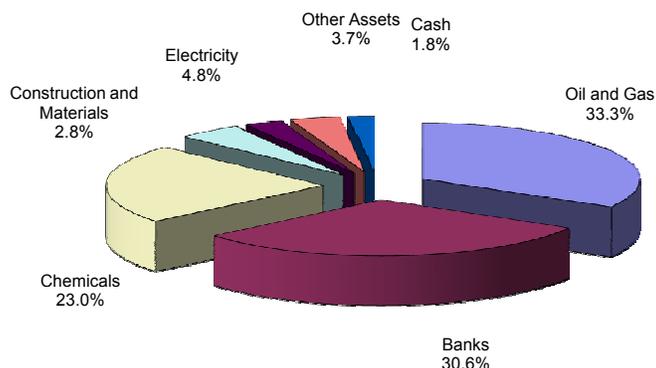
Yasir Qadri	Chief Executive Officer
Ahsan Mehanti	Director Wealth Management
Kashif Rafi	Fund Manager
Muhammad Asim, CFA	Fund Manager
Syed Akbar Ali, CFA	Senior Research Analyst
Mohsin Pervaiz	Senior Research Analyst
Junaid Khalid, FRM	Head of PD & ALM

Asset Allocation (%age of Total Assets)	Sep-11	Aug-11
Cash	1.8%	12.6%
Stocks / Equities	94.5%	83.7%
Others including receivables	3.7%	3.7%

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

MCB Bank Limited	19.1%
Oil & Gas Development Company Limited	13.6%
Fauji Fertilizer Company Limited	12.3%
Pakistan Petroleum Limited	8.3%
Pakistan Oilfields Limited	6.4%
Engro Corporation Limited	5.6%
Pakistan State Oil Company Limited	5.0%
Hub Power Company Limited	4.8%
Bank AL-Habib Limited	3.4%
National Bank of Pakistan Limited	3.1%

## Sector Allocation (%age of Total Assets)



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# Pakistan Pension Fund

September 30, 2011



## 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 - Saturday
Cut Off Timing	Mon-Fri (9:00AM to 5:00 PM), Sat (9:00AM to 12:15 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 return of 5.9% during the month while KSE-100 index increased by 6.2%. The fund divested its holding in NCL and NML while increasing its exposure in PTC.

Debt sub-fund generated an annualized return of 13.3% during the month. The overall allocation in GoP Ijara Sukuk, PIB and T-bill remained largely unchanged compared to last month with a marginal increase in cash.

Money Market sub-fund generated an annualized return of 10.6% during the month. The fund investment in T-bills stands at around 97.3%, while exposure to cash stands at 2.2%.

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

Fauji Fertilizer Company Limited	5.5%
Hub Power Company Limited	5.5%
Lucky Cement Limited	5.2%
Meezan Bank Limited	5.1%
National Bank of Pakistan Limited	4.8%
Pakistan Oilfields Limited	4.7%
Pakistan Petroleum Limited	4.5%
Allied Bank Limited	4.5%
Pakistan Telecommunication Limited	4.5%
Bank Al-Habib limited	4.2%

## Performance Information & Net Assets

	PPF-EQ*	PPF-DT**	PPF-MM**
Year to Date Return (%)	-1.1	13.5	11.0
Month to Date Return (%)	5.9	13.3	10.6
Since inception (%)	0.5	9.1	10.5
Net Assets (PKR M)	56.48	87.07	68.45
NAV (Rs. Per unit)	100.52	138.75	144.67
* Total Return ** Annualized return			

## Members of the Investment Committee

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

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

	Sep-11	Aug-11
Cash	2.2%	2.0%
T-Bills	97.3%	97.2%
Others including receivables	0.4%	0.8%

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

	Sep-11	Aug-11
Cash	2.5%	1.1%
PIBs	43.9%	43.9%
GoP Ijara Sukuk	5.7%	5.8%
TFCs	9.9%	9.9%
T-Bills	36.0%	37.0%
Others including receivables	2.0%	2.3%

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

	Sep-11	Aug-11
Cash	10.4%	3.8%
Banks	21.4%	21.3%
Chemicals	15.5%	15.4%
Oil and Gas	15.2%	16.1%
Electricity	9.4%	9.8%
General Industrials	5.7%	6.1%
Other equity sectors	20.5%	24.3%
Others including receivables	1.9%	3.2%

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# Pakistan Islamic Pension Fund

September 30, 2011



## 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 - Saturday
Cut Off Timing	Mon-Fri (9:00AM to 5:00 PM), Sat (9:00AM to 12:15 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 return of 5.3% while KSE-100 index increased by 6.25% during the month. The Fund increased its exposure to PTC and SEPL while divesting in NML. The overall exposure to equities was decreased to 89% compared to 90% last month.

Debt sub-fund generated an annualized return of 7.6% during the month. The fund exposure towards GoP Ijarah Sukuk and other corporate Sukuk stood at 85.2% and 2.4% respectively with a cash exposure of 9.4%.

Money Market sub-fund generated an annualized return of 4.7% during the month. The fund's exposure to GoP Ijarah Sukuk was reduced to 25.1% as compared to 50.4% last month, while exposure towards bank deposits went up to 39.3% during the month.

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

Pakistan Oilfields Limited	9.1%
Lucky Cement Limited	8.9%
Pakistan Petroleum Limited	8.2%
Meezan Bank Limited	8.1%
Hub Power Company Limited	7.4%
Fauji Fertilizer Company Limited	7.1%
Pakistan Telecommunication Limited	5.9%
Pakistan State Oil Company Limited	5.8%
Fauji Fertilizer Bin Qasim Limited	5.7%
Packages Limited	5.2%

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

	Sep-11	Aug-11
Cash	34.1%	45.3%
GoP Ijarah Sukuk	25.1%	50.4%
Others including receivables	1.5%	4.3%
Bank Deposits	39.3%	0.0%

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

	Sep-11	Aug-11
Cash	9.4%	3.4%
GoP Ijarah Sukuk	85.2%	87.9%
Sukuk	2.4%	2.4%
Others including receivables	3.0%	6.3%

Performance Information & Net Assets	PIPF-EQ*	PIPF-DT**	PIPF-MM**
Year to Date Return (%)	3.8	10.7	7.4
Month to Date Return (%)	5.3	7.6	4.7
Since inception (%)	12.8	10.0	7.0
Net Assets (PKR M)	41.54	48.23	39.94
NAV (Rs. Per unit)	113.07	139.32	127.67
* Total Return ** Annualized return			

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

	Sep-11	Aug-11
Oil and Gas	23.2%	23.6%
General Industrials	11.3%	11.9%
Chemicals	15.5%	15.3%
Construction and Materials	8.9%	9.1%
Electricity	7.4%	7.5%
Other equity sectors	22.9%	22.6%
Cash	9.3%	4.7%
Others including receivables	1.5%	5.3%

## Members of the Investment Committee

Yasir Qadri	Chief Executive Officer
Kashif Rafi	Fund Manager
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