

Sixth Sense Update

Iffat Ibrahim

iffat.ibrahim@bmafs.com

INDUSTRY UPDATE: AUM FALL BY 6% DESPITE NEW FUND LAUNCHES

This month the mutual fund industry witnessed a MoM fall in AUM of 6%, from PKR188bn to PKR177bn. Equity Funds led the decrease with the largest percentage fall of 10% to PKR46.9bn in Mar10. Income Funds have suffered on the back of volatile TFC prices and consequently AUM this month fell by 8% to PKR64bn.

Industry AUM suffered despite the introduction of new funds. In the Cash Fund category, ALGHP Cash Fund was introduced, increasing the total number of such funds to eight. KASB Funds introduced Pakistan's first commodity fund; the KASB Capital Protected Gold Fund with an AUM of PKR464mn. The third fund to be launched was the FAML Asset Allocation Fund. FAML took over the assets and management of the AMZ Stock Fund and have launched it as an asset allocation fund.

During Mar10, CROSBY AMC and UBL Funds had the largest percentage decrease in AUM of 28% to PKR625mn and 16% to PKR19bn respectively. Alfalah GHP Investment Management Limited and KASB Funds on the other end exhibited the largest percentage increase in AUM of 17% to PKR4.1bn and 16% to PKR3.1bn respectively.

AUM Analysis


S.#	Fund Manager	AUM (PKR mn)			
		Mar-10	Feb-10	MoM %	YTD %
1	NIT	43,520	48,876	-11%	-13%
2	UBL Funds	19,157	22,713	-16%	-9%
3	MCB	13,456	14,249	-6%	24%
5	Meezan	13,343	14,387	-7%	55%
4	NAFA	13,080	13,624	-4%	-8%
6	JS	12,638	13,296	-5%	2%
7	AHI	10,950	11,081	-1%	26%
8	ABL	10,003	10,446	-4%	46%
9	FAYSAL	7,968	7,977	0%	2%
10	HBL	4,337	3,931	10%	0%
11	Others	28,139	27,484	2%	11%
Total		176,591	188,064	-6%	4%

AUM do not include Close End and Pension Funds

Source: Sixth Sense Research, Fund Manager Reports

Equity Funds saw a sudden decline of 10% from PKR52bn to PKR46.9bn this month. A large part of this decrease can be attributed to a further redistribution of the NIT(LOC) Fund causing the NIT Equity Fund AUM to decrease by 11.4%. For the second month in a row, the CROSBY DF and UBL SAF witnessed the largest MoM decline of 22% for both funds.

Income Funds AUM decreased by 8% MoM from PKR69.3bn to PKR64bn in Mar10. The largest percentage decrease was felt by the CROSBY PF of 33.5% from

 **BMA Financial Services Ltd.** 801 Unitower, I.I.Chundrigar Road, Karachi 74000, Pakistan
 For further queries, please contact: research@bmafs.com or call UAN: 111-262-111

All information contained in this publication has been researched and compiled from sources believed to be accurate and reliable at the time of publishing. All such information and opinions are subject to change without notice. All information is provided without warranty and BMA Financial Services Limited makes no representation of any kind as to the accuracy or completeness of any information hereto contained.

Sixth Sense Update

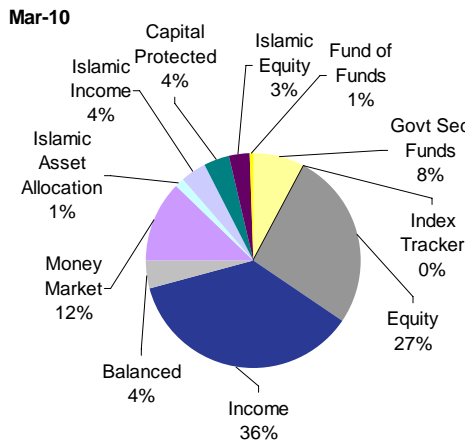
PKR486mn to PKR323mn. Other funds that decreased over this month are the BMA CSF, DCM MMF, NIT IF and the UBL GIF. Despite an overall decrease in this fund category, the HBL IF and AHI PIEF have shown a notable increase of 20% and 7% respectively.

Islamic Income Funds AUM decreased 6% MoM from 7.4bn to 6.9bn in Mar10. The largest percentage decrease was felt by the UBL IIF of 12%. Out of nine Islamic Income Funds, only 3 managed to retain or increase their AUM over this month with the largest percentage increase of 9.5% by the IGI IIF.

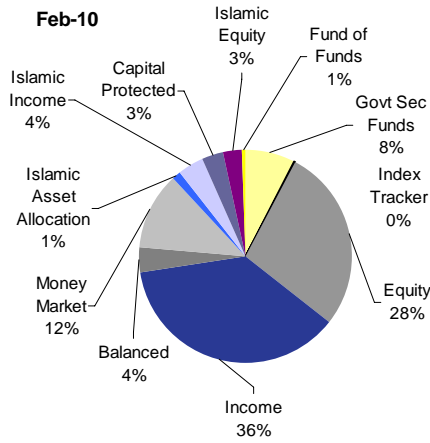
Cash Funds managed to retain their AUM with no change in size at PKR21.6bn this month. New fund in this category is the ALGHP CF, resulting in total of eight cash funds. Out of the seven existing Cash Funds, four funds had an increase in AUM.

Government Securities Funds also reported a decrease in AUM of 5% from PKR14.2bn to PKR13.6bn. AHI PCF, NAFA GSLF and ASKARI CF in the government security cash fund category fell by an average of 8% from PKR8397mn to PKR7740mn in Mar10. Government Security Income Funds, consisting of the AHI MSF and the NIT GBF retained their AUM over this month.

Mar10 AUM by Category



Feb10 AUM by Category



Number of Funds

Fund Category	Mar10	Feb10
Govt Sec Funds	5	5
Index Tracker	2	2
Equity	15	15
Income	26	26
Balanced & Asset Allocation	12	11
Money Market	8	7
Islamic Asset Allocation	7	7
Islamic Income	9	9
Capital Protected	8	7
Islamic Equity	3	3
Fund of Funds	1	1
Total	96	93

Source: Sixth Sense Research

Sixth Sense Update

DISCLAIMER

- All investments in Mutual Funds are subject to market risk. The NAV based prices of units, dividends, and returns are dependent on forces and factors affecting in the capital markets and as such these may go up or down on market conditions. BMA Financial Services Limited, its sponsors, partners, directors, affiliates or any group company neither take any responsibility nor guarantee results and performance for the third party investment products being offered through BMA Financial Services Limited. Past performance is not necessarily indicative of future results. Investors are advised to read the relevant sections of the respective Trust Deeds and Offering Documents.
- All information contained in this publication has been researched and compiled from sources believed to be accurate and reliable at the time of publishing. All such information and opinions are subject to change without notice. All information is provided without warranty and BMA Financial Services Limited makes no representation of any kind as to the accuracy or completeness of any information hereto contained.
- This is not an offer to buy or sell the investments referred to in this document. This document may not be reproduced, distributed or published for any purposes.
- BMA Financial Services Limited, its directors, officers, employees, group companies, affiliates, or sponsors may also have a position or be otherwise interested in the investments referred to in this document.
- For further queries and/or suggestions, please contact research@bmafs.com