

Funds Research Monthly



SixthSense

October - November 09

CONTENTS

1	INDUSTRY UPDATE OCT09-NOV09.....	3
2	CASH FUNDS.....	5
3	INCOME FUNDS	6
4	GOVERNMENT SECURITIES FUNDS.....	8
5	ISLAMIC INCOME FUNDS	10
6	EQUITY FUNDS.....	12
7	APPENDIX: DATA.....	14



Industry Update for Oct 2009 – Nov 2009

Faisal Zahid
Faisal.zahid@bmafs.com

INDUSTRY UPDATE: INCOME FUNDS WITNESSED A NET OUTFLOW FOR SECOND MONTH IN A ROW

The mutual fund industry saw a modest fall in size (-1%), as AUMs fell to PKR195.5bn at the end of Oct09.

Assets under Management of JS, ASKARI and AHI witnessed a rise of 5%, 22% and 6% in Oct09. CROSBY witnessed a 33% decline, as AUM fell from PKR2,100mn in Sep09 to PKR1,400mn in Oct09.

AUM Analysis

No.	Fund Manager	AUM (PKR mn)			
		Oct09	Sep09	MoM % ▲	FYTD %▲
1	NIT	59,658	60,541	-1%	19%
2	UBL Funds	24,099	25,121	-4%	14%
3	NAFA	13,278	14,735	-10%	-7%
4	MCB	13,964	13,274	5%	29%
5	Meezan	11,862	11,982	-1%	38%
6	JS	14,022	11,242	25%	13%
7	AHI	10,145	9,610	6%	17%
8	ABL	9,167	9,190	0%	33%
9	FAYSAL	7,646	8,541	-10%	-2%
10	HBL	5,035	4,631	9%	17%
11	Others	26,666	27,790	-4%	1%
Total		195,542	196,657	-1%	14%

Source: BMA Research. Fund Manager Reports

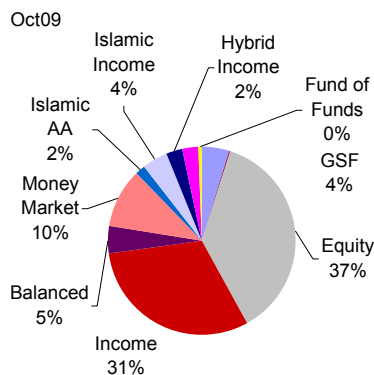
Income Funds witnessed a decline in AUM of 5% MoM and a net outflow of approximately PKR11bn during the month of Oct09. UBL GIF, MCB DCF and NAFA CF declined by PKR 1.5bn, PKR1.1bn and PKR 745mn, respectively.

Assets under Management of **Balanced Funds** also fell by 5% MoM.

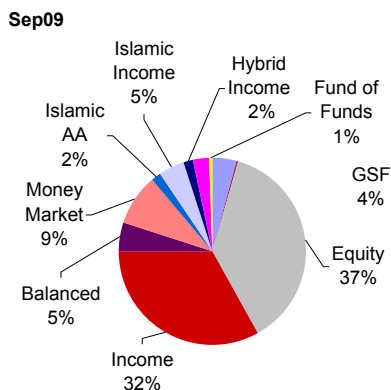
Government Securities Funds saw an approximate net inflow of PKR882mn (11% MoM) in Oct09, with UBL LPF dissipating the largest rise in AUM of PKR800mn (25%).

Cash Funds witnessed a MoM rise in AUM of PKR1.8bn in the same month.

Oct09 AUMs by Category



Sep09 AUMs by Category



Fund Category	Oct09	Sep09
Govt Sec Funds	4	4
Index Tracker	2	2
Equity	11	11
Income	24	24
Balanced	12	12
Money Market	4	4
Islamic Asset Allocation	6	6
Islamic Income	6	6
Capital Protected	5	5
Islamic Equity	3	3
Fund of Funds	1	1
Total	78	78

Movers & Shakers

ABL Asset Management: Mr. Anis ur Rehman moved to NBP.

Industry at a glance

Type of Funds	No of Funds	AUM (PKR mn)	Return		
			Oct-09	1M	6M
Cash Funds	5	4,570	10.62	N/A	N/A
Income Funds	24	76,928	13.35	10.87	13.77
Govt Sec Funds	4	9,240	12.19	11.13	15.31
Islamic Income	7	8,567	9.95	9.39	14.53
Equity Funds	12	70,806	-1.69	21.49	1.31

Source: Fund Manager Reports, BMA Research

Income Funds outperformed Cash Funds, Government Security Funds and Islamic Income Funds by 2.7%, 1.2% and 3.4% in 1M.

However **Government Security Funds** outperformed Income Funds by 0.26% and 1.54% in 6M and 12M

Islamic Income Funds outperformed Income Funds by 0.76% in 12M.

Equity Funds underperformed KSE100 by 6.76% in 6M

Investment in Funds with major allocations to TDR and Bank Deposits

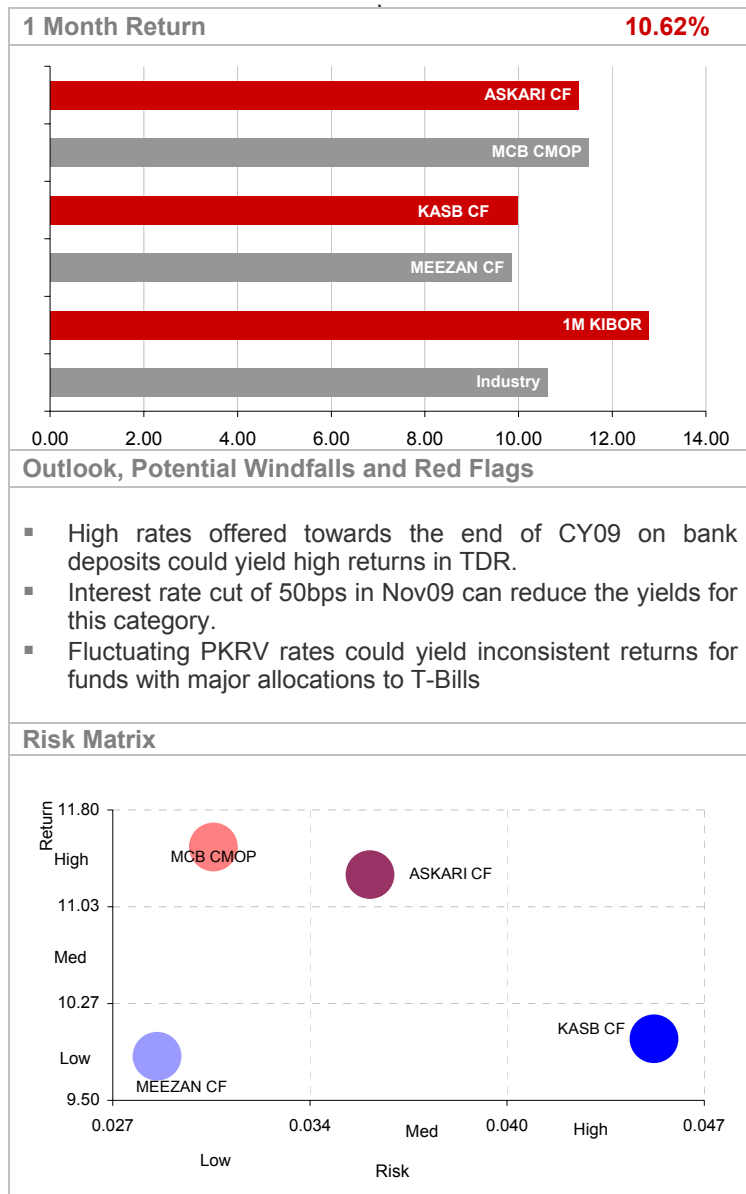
Investment in funds with high asset allocations in TDR and Bank Deposits are likely to yield high and stable returns. Banks offer high rates with the year end banking deposit targets.

2

CASH FUNDS: RATE CUT OF 0.5%

Returns: Set to take advantage of TDR rates

The universe of cash funds is slowly expanding with the introduction of BMA Empress Cash Fund on November 12, 2009. The new funds are meant to be pure money market funds with low credit and interest rate risk. Investors with excess liquidity for short tenures have the option of making fixed single digit returns on their investments.



<p>Returns</p> <ul style="list-style-type: none"> Average 1M KIBOR was 12.78% All Cash Funds underperformed 1M KIBOR MCB CMOP yielded the highest return
<p>Asset Allocation</p> <ul style="list-style-type: none"> Cash/TDR: MEEZAN CF and KASB CF have made major allocations to TDR and Cash T-Bills: ASKARI CF, MCB CMOP and KASB CF have 78%, 59% and 43% invested in T-Bills
<p>Credit Quality</p> <ul style="list-style-type: none"> All Cash Funds have credit splits of AA and Above Money Market Funds cannot make investments to TFC or debt instruments with a duration of more than 6 month

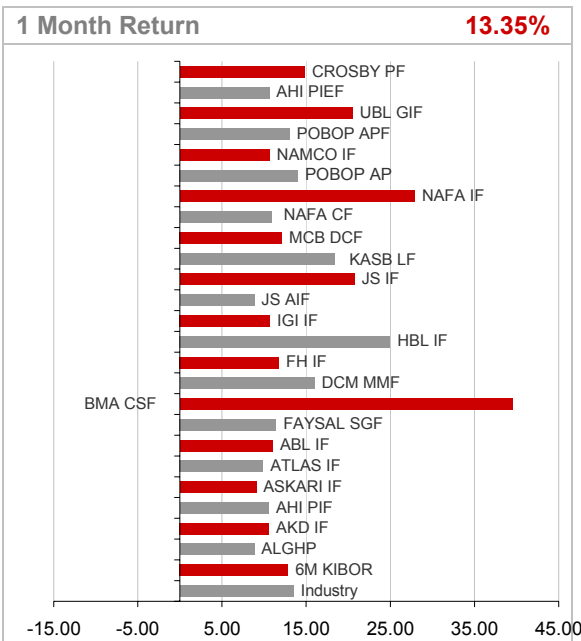
Source: BMA Research
Cut off dates for returns is 25th November' 09

3

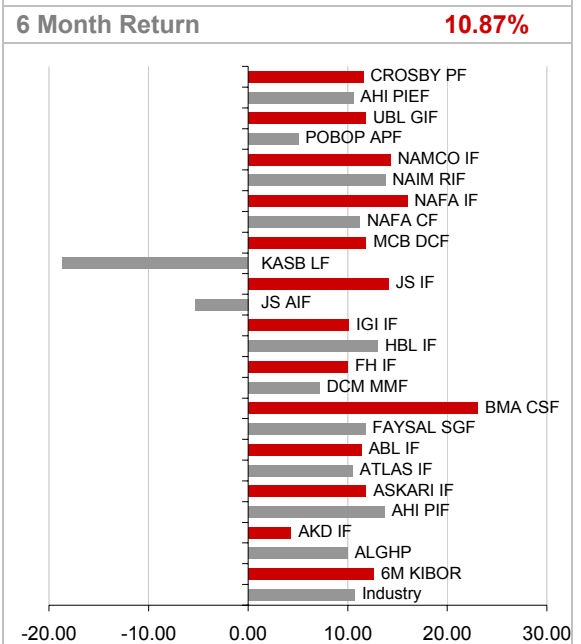
FIXED INCOME: BEATING KIBOR, LOSING AUM!

Returns: AUM Fell from PKR81bn to PKR77bn in Oct09

Assets under Management in this category fell by 5% to PKR 77bn in the month of Oct09. Investors were hesitant to invest in funds with major TFC allocations, as volatility in the price movement of this debt instrument persists. Introduction of BATS in Nov09 could be a major factor as to why investors have chosen to shy away from fixed income investments.

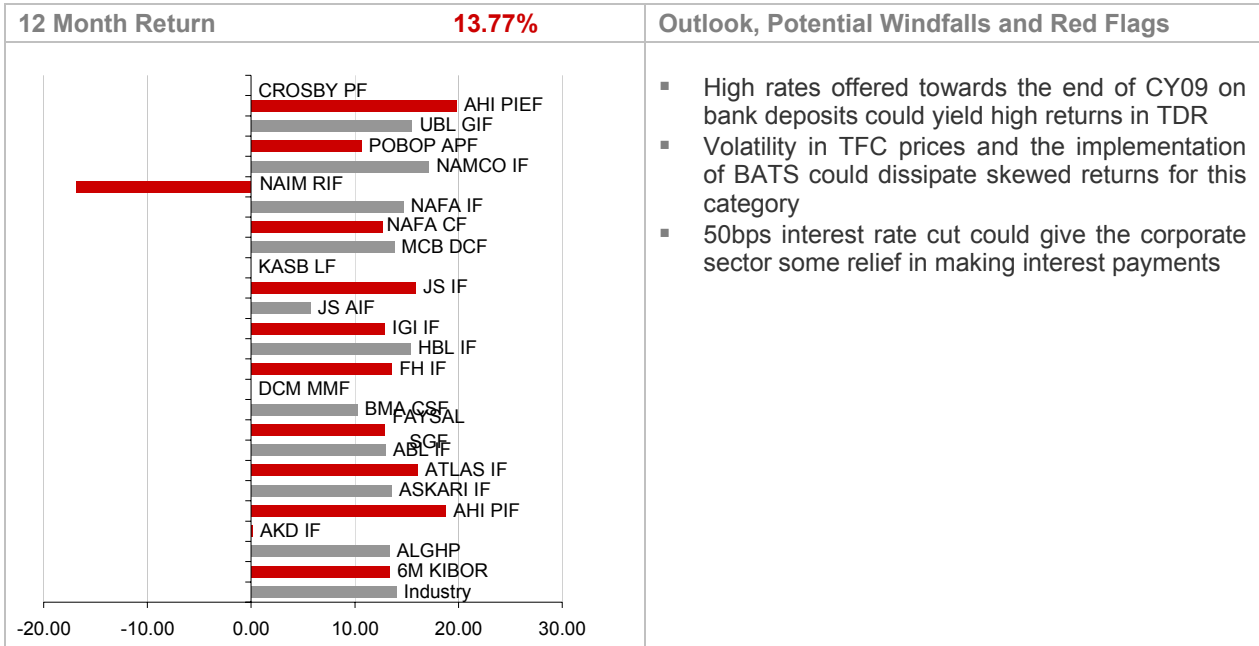


- Returns**
- 1M Return**
- Average 6M KIBOR and Industry average were 12.76% and 13.35%
 - 11 Funds outperformed 6M KIBOR
 - BMA CSF yielded the highest return
- 6M Return**
- Average 6M KIBOR and Industry average were 12.63% and 10.87%
 - 6 Funds outperformed 6M KIBOR
 - BMA CSF recorded the highest return
- 12M Return**
- Average 6M KIBOR and Industry average were 13.36% and 13.77%
 - 11 funds outperformed 6M KIBOR
 - AHI PIEF yielded the highest return



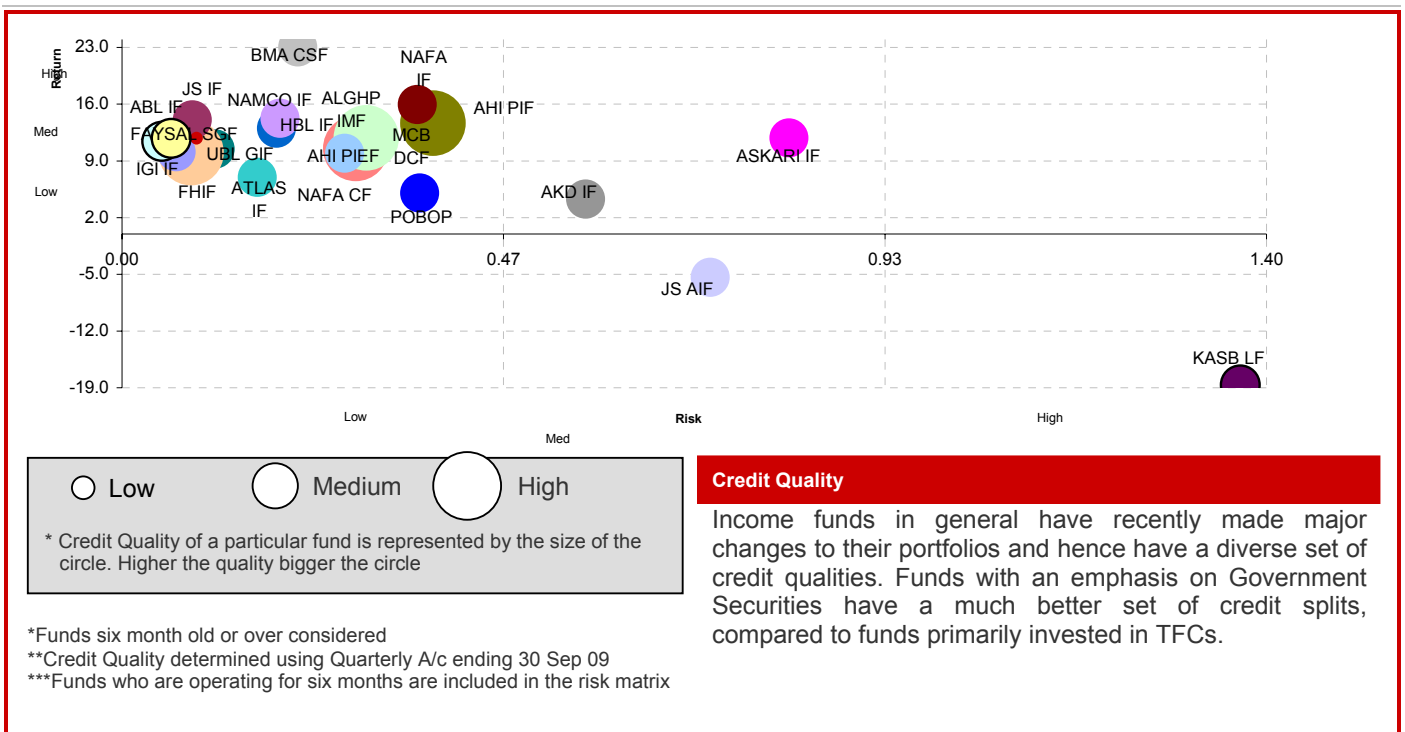
- Asset Allocation**
- Cash/TDR:** NAMCO IF, IGI IF and ATLAS IF have allocated 89%, 72% and 43% to TDR and cash
 - TFC/Sukuk:** NAFA IF, KASB LF and NAFA CF have allotted 89%, 87% and 83% to TFC/ Sukuk
 - Govt Sec:** JS AIF, AHI PIEF and CROSBY PF have invested 57%, 57% and 56% in Government Securities

Source: BMA Research
Cut off dates for returns is 25th November' 09



Source: BMA Research

Risk Matrix



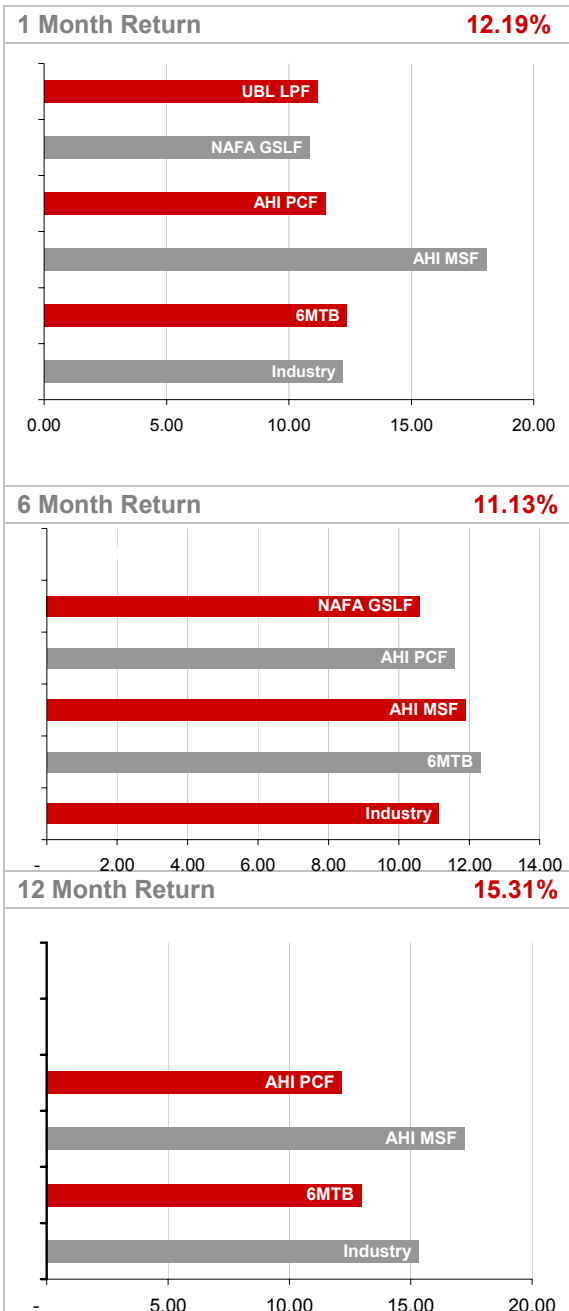
Source: BMA Research

4

GOVERNMENT SECURITIES: GREW BY 11%

Returns: Driven by PKRV rates

Investors were attracted to Government Securities Funds in view of safe and high yielding investments, as the AUMs in this category rose by 11% to PKR9.2bn in Oct09. The industry average return for 1M rose from 9.7% in Oct09 to 12.2% in Nov09. Bulk of their portfolios comprises of cash and government securities and their returns are, therefore, dependant on PKRV movements in the economy.



Period	Industry Average	Top Performer
1 Month Return	12.19%	UBL LPF
6 Month Return	11.13%	NAFA GSLF
12 Month Return	15.31%	AHI PCF

Returns

1M Returns

- Average 6M T-Bill and Industry average were 12.76% and 13.35%
- 1 Fund outperformed 6MTB

6M Returns

- Average 6M T-Bill and Industry average were 12.63% and 11.13%.
- All Funds underperformed 6MTB

12M Returns

- Average 6M T-Bill and Industry average were 12.76% and 15.31%
- 1 Fund underperformed 6MTB
- AHI MSF yielded the highest return

Asset Allocation

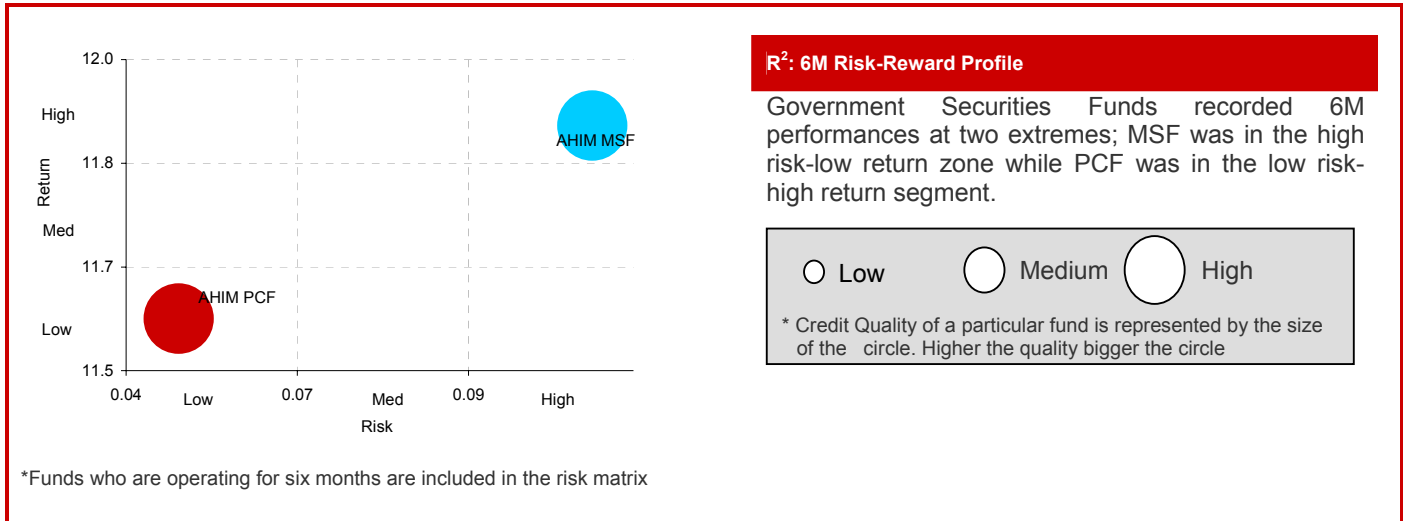
- **PIB:** AHI MSF allocated 44% to PIBs, thus having a longer duration
- **T-Bills:** AHI PCF, UBL LPF and NAFA GSLF invested 91%, 79% and 71% in T-Bills

Outlook, Potential Windfalls and Red Flags

- As the yield curve becomes steeper, returns of funds with a longer duration could rise
- Volatile in PKRV rates could yield inconsistent returns

Source: BMA Research
Cut off dates for returns is 25th November' 09

Risk Matrix

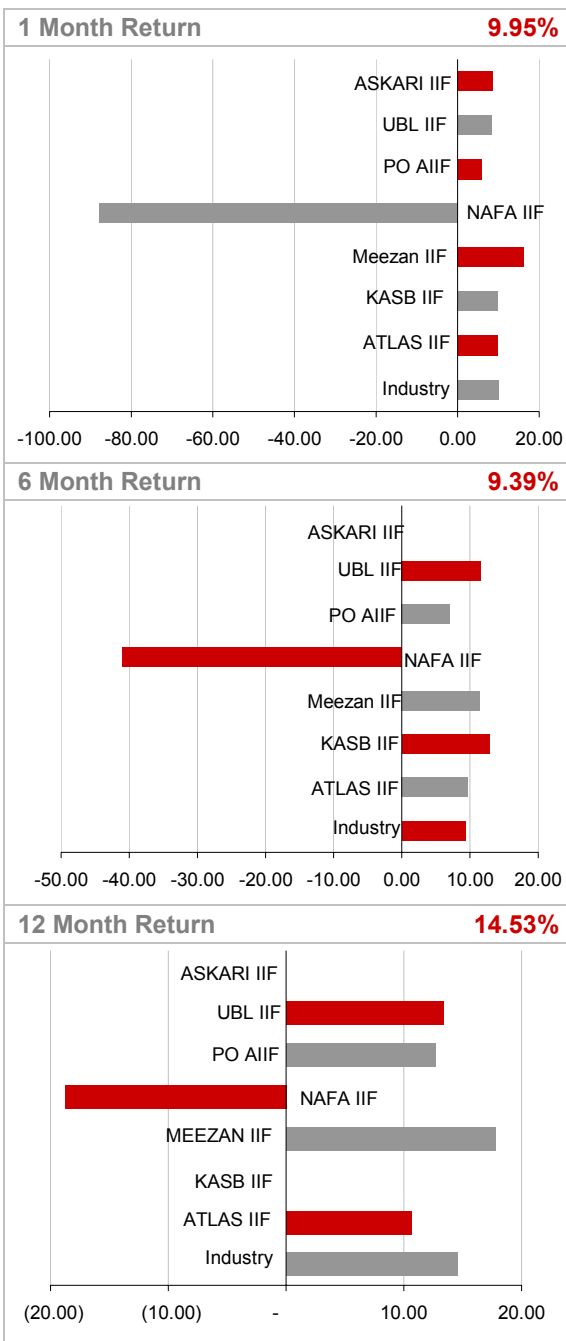


5

ISLAMIC INCOME: NET OUTFLOW OF PKR1BN

Returns: Running for cover

Fund size of Islamic Income Funds fell by 3% MoM and closed at PKR8.6bn in Oct09, compared to a rise of 30% in Sep09. Sukuks and cash formed a major portion of the respective funds' portfolios and therefore, any changes in the prices of sukuks have a sizable impact on their returns. Industry's 1M returns rose to 9.95% in Nov09.



Returns

1M Returns

- Industry Average was 9.95%
- 1 Fund outperformed the industry average
- MEEZAN IIF yielded the highest return

6M Returns

- Industry Average was 9.39%
- 2 Funds underperformed the industry average
- KASB recorded the highest return

12M Returns

- Industry Average stood at 14.53%
- 1 Fund outperformed the industry average
- MEEZAN IIF yielded the highest return

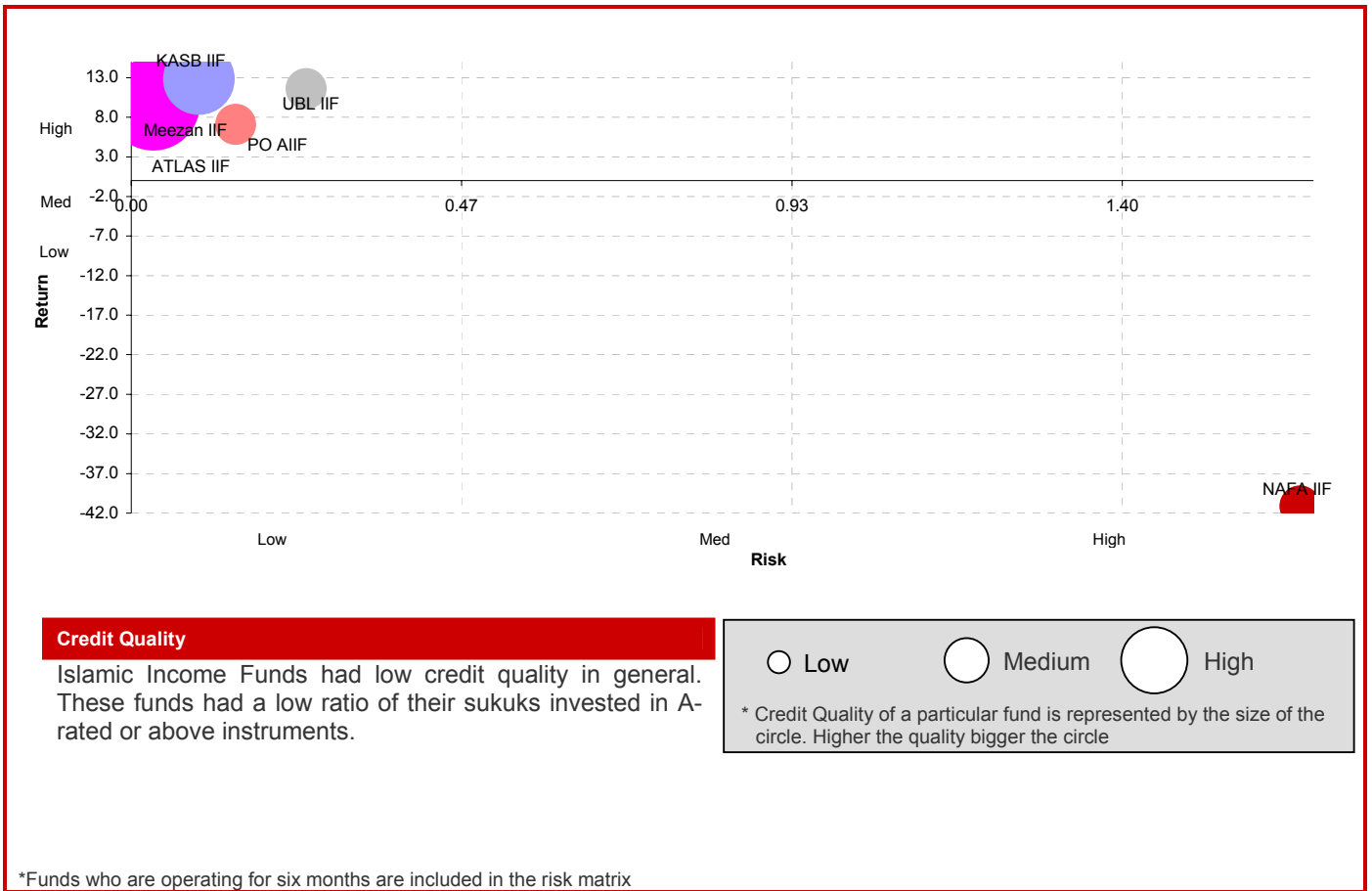
Asset Allocation

- Cash/TDR:** ASKARI IIF and ATLAS IIF have 100% and 92% in Cash, Bank Deposits and TDRs respectively
- Sukuk:** NAFA IIF and KASB IIF have allocated 81% and 56% to Sukuks

Outlook, Potential Windfalls and Red Flags

- TDR rates are expected to rise by the end of CY09
- Mutual fund asset valuations based on BATS are likely to yield volatile returns

Risk Matrix



Credit Quality
 Islamic Income Funds had low credit quality in general. These funds had a low ratio of their sukuks invested in A-rated or above instruments.

○ Low ○ Medium ○ High

* Credit Quality of a particular fund is represented by the size of the circle. Higher the quality bigger the circle

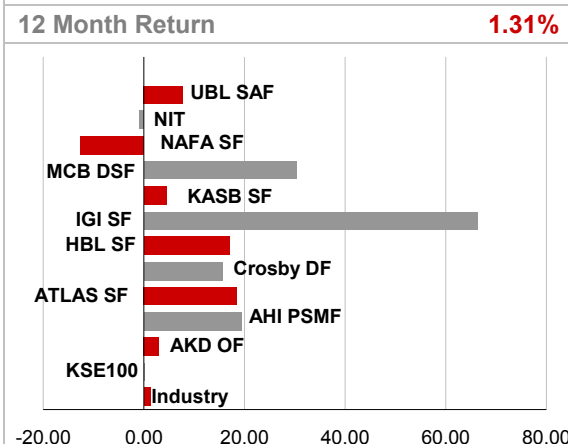
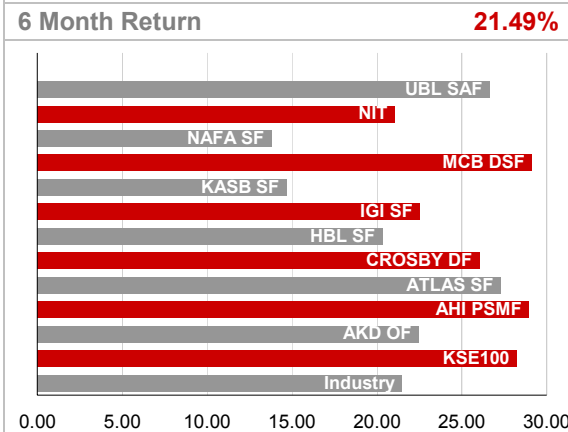
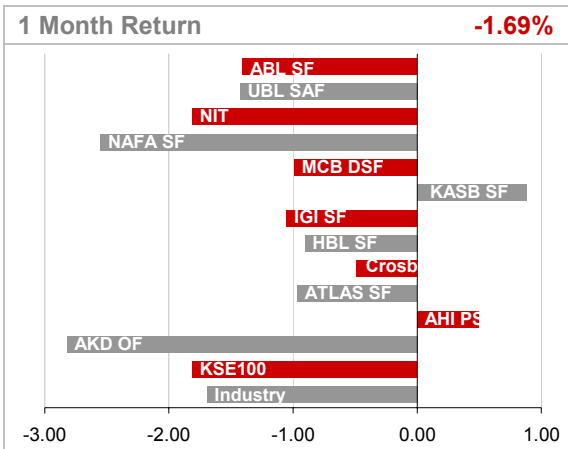
*Funds who are operating for six months are included in the risk matrix
 Source: BMA Research

6

EQUITY: TREADING WITH CAUTION

Returns: Still waiting for the next rally

Equity fund's Assets under Management witnessed a MoM fall of 4% to an AUM of PKR71bn as at Oct09. This category saw an approximate net outflow of PKR2bn, which largely contributed to the slide in AUM size. Returns across different funds in Nov09 were negative as volumes and foreign interest for scripts dried up. KSE100 index lost 55 points in Nov09 and fell to 9,150 by November 25, 2009, and KSE30 fell to 9,669 by November 25, 2009, losing 61 points in Nov09.



Source: BMA Research
Cut off dates for returns is 25th November '09

Returns

1M Returns

- KSE100 and Industry Average were -1.81% & -1.69%
- KASB SF recorded the highest return

6M Returns

- KSE100 and Industry Average were 28.25% and 21.49%
- 2 funds outperformed KSE100

12M Returns

- KSE100 and Industry Average were 0.19% and 1.31%
- IGI SF yielded the highest return

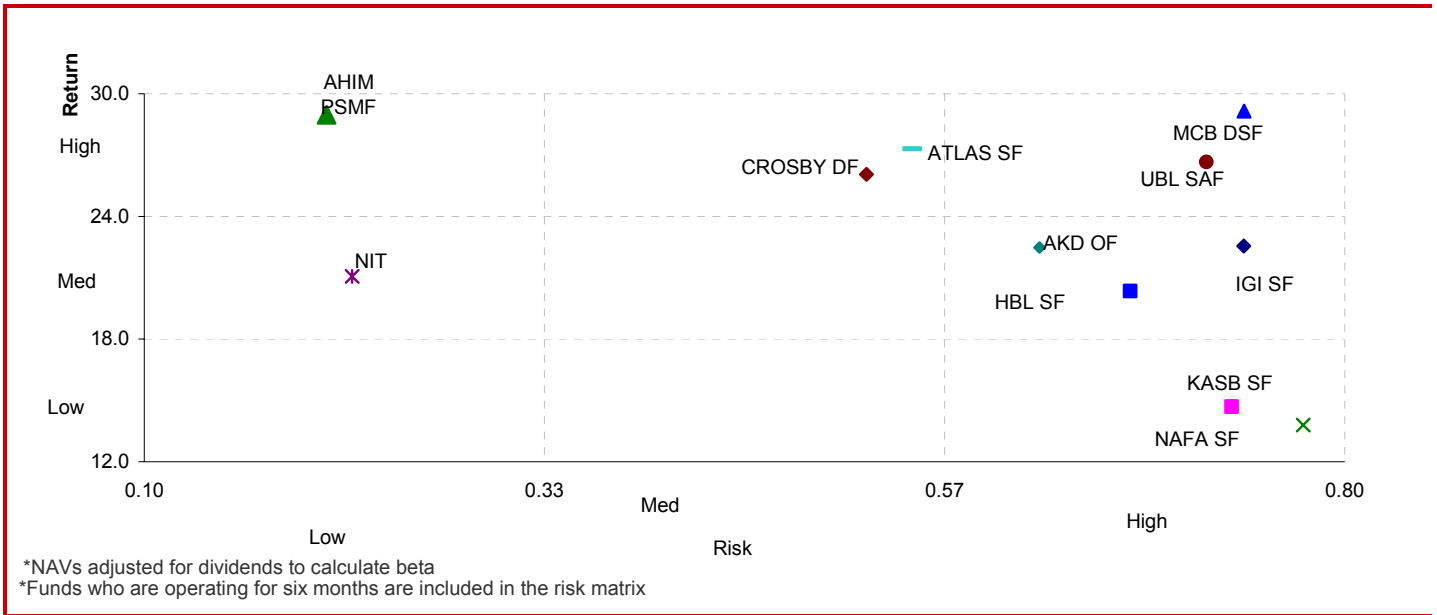
Asset Allocation

- **OMC and E&P:** IGI SF, ATLAS SF, ALGHP AGAF and MCB DCF have allocated 39%, 39%, 35% and 32% to E&P and OMC sectors.
- **Fertilizer:** IGI SF and UBL SAF have allocated 27% and 21% to the fertilizer sector.
- **IPP:** MCB DSF and ALGHP AGAF have allocated 14% each to the power sector

Outlook, Potential Windfalls and Red Flags

- Pullback in equity market expected, however, uncertain domestic political and security environment can lead to volatility
- Breakthrough in the political environment and/or security situation could result in a sharp rally
- E&P, OMC, Fertilizers and Power have upside potential

Risk Matrix



Source: BMA Research

7

DATA TABLES

Appendix

Table 1: Cash Funds

Fund	Return (%)			Risk	Mgmt. Fee	Inception Date	Fund Size (PKR mn)	AMC Rating	Fund Ranking
	1M	6M	12M	1M VAR			31-Oct-09		
MEEZAN CF	9.85	N/A	N/A	0.0285	1.00%	15-Jun-09	1,988	AM2-	Not ranked as yet
KASB CF	9.99	N/A	N/A	0.0453	1.25%	12-Aug-09	473	AM3+	AA+(f) by JCR-VIS
MCB CMOP	11.51	N/A	N/A	0.0304	10% of GP	28-Sep-09	1,820	AM3+	N/A
ASKARI CF	11.29	N/A	N/A	0.0357	N/A	N/A	289	AM3	N/A
Industry	10.62	N/A	N/A	0.031			4,570		

Fund	Benchmark	Relative Return vs Benchmark			Relative Return vs Industry		
		1M	6M	12M	1M	6M	12M
MEEZAN CF	Bank deposits	N/A	N/A	N/A	-0.76	N/A	N/A
KASB CF	N/A	N/A	N/A	N/A	-0.63	N/A	N/A
MCB CMOP	N/A	N/A	N/A	N/A	0.89	N/A	N/A
ASKARI CF	N/A	N/A	N/A	N/A	0.67	N/A	N/A
MEEZAN CF	Bank deposits	N/A	N/A	N/A	-0.76	N/A	N/A

*Returns are calculated as of Nov 25, 2009.

Portfolio Breakup – Aug09

	Meezan CF	KASB CF	MCB CMOP	ASKARI CF
Cash & Equivalents	80%	56%	7%	22%
Money Market Instruments	0%	0%	0%	0%
T- Bills	0%	43%	59%	78%
Govt Securities	0%	0%	10%	0%
Placements	0%	0%	7%	0%
TDRs	20%	0%	16%	0%
Bank Deposits	0%	0%	0%	0%
Others	0%	1%	0%	0%

Table 2: Income Funds

Fund	Return*			Risk	Mgmt. Fee	Inception Date	Fund Size PKR (mn)	AMC Rating	Fund Rating
	1M	6M	12M	6M VAR			31-Aug-09		
BMA CSF	38.60	23.07	10.24	0.22	1.50%	23-Aug-07	1,276	AM2-	A(f) by JCR VIS
ALGHP IMF	29.64	9.97	13.32	0.27	1.25%	15-Jun-07	826	AM3	4-Star
NAFA IF	27.38	15.99	14.67	0.36	1.50%	29-Mar-08	697	AM2-	Not ranked as yet
KASB LF	26.51	-18.66	N/A	1.37	1.30%	9-May-06	1,370	AM3+	Withheld by PACRA
HBL IF	24.53	13.02	15.36	0.19	1.50%	15-Mar-07	274	AM3	Not ranked as yet
UBL GIF	20.43	11.81	15.53	0.09	1.50%	2-Mar-06	15,579	AM2-	A(f) by JCR VIS
JS IF	20.41	14.09	15.87	0.09	1.50%	26-Aug-02	4,885	AM2+	Withheld by PACRA
DCM MMF	15.90	7.17	N/A	0.17	1.00%	18-Apr-03	718	AM4+	3-Star
CROSBY PF	15.11	11.55	N/A	0.18	1.50%	2-Apr-09	283	AM4+	Not ranked as yet
ASKARI IF	13.60	11.86	13.56	0.82	1.50%	15-Mar-06	3,470	AM3	3-Star
NAIM RIF	13.51	13.78	-16.88	0.29	1.50%	21-Oct-06	475	AM-DS	Not ranked as yet
POBOP APF	12.89	5.04	10.62	0.36	2.00%	25-Oct-07	887	AM3+	A(f) by JCR VIS
MCB DCF	12.77	11.84	13.79	0.30	1.50%	1-Mar-07	10,664	AM3+	3-Star
ATLAS IF	12.25	10.49	16.06	0.11	1.25%	22-Mar-04	1,956	AM3+	3-Star
FIRST HABIB IF	11.77	10.01	13.56	0.08	1.50%	4-Jun-07	2,010	AM3-	3-Star
FAYSAL SGF	11.40	11.76	12.90	0.06	1.50%	12-May-07	6,228	AM3+	A(f) by JCR-VIS
AKD IF	11.37	4.31	0.13	0.57	1.10%	22-Mar-07	659	AM3	A-(f) by JCR VIS
ABL IF	11.04	11.40	12.96	0.05	1.50%	20-Sep-08	8,779	AM3	A(f) by JCR VIS
NAMCO IF	10.81	14.27	17.13	0.19	1.25%	14-Jul-08	320	AM3-	Not ranked as yet
IGI IF	10.73	10.12	12.88	0.07	1.25%	14-Apr-07	2,085	AM3	4-Star
AHI PIF	10.50	13.68	18.78	0.38	1.50%	11-Mar-02	2,820	AM2	3-Star
JS AIF	9.09	-5.35	5.70	0.72	1.50%	22-Jan-08	198	AM2+	Not ranked as yet
AHI PIEF	8.95	10.56	19.79	0.29	1.50%	28-Aug-08	1,576	AM2	Not ranked as yet
NAFA CF	10.85	11.21	12.72	0.17	1.50%	22-Apr-06	6,053	AM2-	MFR 5-Star
Industry	15.26	11.22	13.96	0.21			74,462		

* Risk/Returns calculated as of 25 Nov09

Fund	Benchmark	Relative Return vs Benchmark			Relative Return vs Industry		
		1M	6M	12M	1M	6M	12M
BMA CSF	1 M KIBOR	25.82	10.35	-2.72	23.34	11.86	-3.72
ALGHP IMF	3 M KIBOR	-3.79	-2.61	0.11	14.38	-1.25	-0.64
NAFA IF	1 M KIBOR	14.60	3.26	1.72	12.12	4.77	0.72
KASB LF	N/A	n/a	n/a	n/a	11.25	-29.87	N/A
HBL IF	1 M KIBOR	11.74	0.29	2.41	9.27	1.80	1.41
UBL GIF	6 month rolling avg of 6M Kibor	7.73	-1.32	1.71	5.16	0.60	1.57
JS IF	1 M KIBOR	7.63	1.36	2.92	5.15	2.87	1.91
DCM MMF	1 M KIBOR	3.12	-5.55	n/a	0.64	N/A	N/A
CROSBY PF	25% 3M T-Bill, 75% 12M T-Bill	2.75	-1.21	n/a	-0.15	N/A	N/A
ASKARI IF	3 M KIBOR	0.86	-0.72	0.35	-1.67	0.65	-0.40
NAIM RIF	1 M KIBOR	0.73	1.06	-29.84	-1.75	2.57	-30.84
POBOP APF	3 M KIBOR	0.15	-7.54	-2.58	-2.37	-6.18	-3.33
MCB DCF	1 M KIBOR	-0.01	-0.89	0.83	-2.49	0.62	-0.17
ATLAS IF	3 M KIBOR	-0.49	-2.09	2.85	-3.01	-0.73	2.10
FIRST HABIB IF	1 M KIBOR	-1.01	-2.72	0.61	-3.49	-1.21	-0.39
FAYSAL SGF	1 M KIBOR	-2.25	-0.95	-0.02	-3.86	0.55	-1.05
AKD IF	6 M KIBOR	16.88	-8.32	-13.24	-3.89	-6.91	-13.83
ABL IF	1 M KIBOR	-0.47	-1.06	0.39	-4.22	0.18	-0.99
NAFA CF	1 M KIBOR	-1.93	-1.51	-0.23	-4.41	-0.01	-1.24
NAMCO IF	1 M KIBOR	-1.98	1.55	4.18	-4.46	3.06	3.17
IGI IF	1 M KIBOR	-2.06	-2.60	-0.07	-4.54	-1.09	-1.07
AHIM PIF	Industry Average	n/a	n/a	n/a	-4.76	2.46	4.82
JS AIF	1 M KIBOR	-3.69	-18.07	-7.25	-6.17	-16.56	-8.25
AHIM PIEF	Industry Average	n/a	n/a	n/a	-6.31	-0.66	5.83

Portfolio Breakup – Aug09

Instrument	AHI PIF	AHI PIEF	AKD IF	ALGHP IMF	ASKARI IF	ATLAS IF	ABL IF	FAYSAL SGF	BMA CSF	CRSOB Y PF	DCM MMF	FIRST HABIB IF
Cash & Equivalents	2%	4%	19%	31%	13%	43%	15%	0%	14%	3%	4%	4%
Money Market Instruments	0%	0%	0%	0%	0%	3%	11%	63%	0%	0%	0%	0%
T- Bills	50%	54%	0%	12%	4%	0%	17%	0%	0%	53%	0%	45%
Placements	0%	0%	0%	0%	14%	0%	0%	0%	0%	5%	22%	5%
Govt Sec	0%	0%	4%	0%	0%	0%	8%	34%	24%	0%	9%	5%
CP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
TDRs	7%	6%	0%	0%	9%	0%	32%	0%	8%	0%	3%	17%
CFS	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Bank Deposits	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
TFCs	40%	32%	48%	54%	60%	53%	0%	0%	53%	36%	60%	19%
PIBs	0%	3%	25%	0%	0%	0%	0%	0%	0%	3%	0%	0%
COIs	0%	0%	0%	0%	0%	0%	14%	0%	0%	0%	0%	3%
Equities	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Others	2%	0%	4%	3%	0%	1%	3%	2%	2%	0%	2%	2%

Instrument	HBL IF	IGI IF	JS AIF	JS IF	NAFA IF	NAMCO IF	POBOP APF	UBL GIF	KASB LF	MCB DCF	NAFA CF
Cash & Equivalents	0%	31%	3%	8%	11%	80%	6%	20%	11%	4%	17%
Money Market Instruments	0%	0%	0%	0%	0%	0%	17%	0%	0%	0%	0%
T- Bills	47%	21%	46%	48%	0%	0%	0%	17%	0%	47%	0%
Placements	0%	0%	0%	0%	0%	0%	0%	3%	0%	6%	0%
Govt Sec	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
CP	0%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0%
TDRs	7%	40%	0%	0%	0%	9%	0%	0%	0%	9%	0%
CFS	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Bank Deposits	0%	0%	0%	0%	0%	0%	0%	8%	0%	0%	0%
TFCs / Sukuks	43%	5%	38%	35%	89%	9%	77%	48%	87%	32%	83%
PIBs	1%	0%	11%	5%	0%	0%	0%	2%	0%	0%	0%
COIs	0%	3%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Equities	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Others	2%	0%	2%	1%	0%	2%	0%	2%	1%	1%	0%

Payouts (% of Face Value)

Income Funds	Face Value (PKR per unit)	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
AHI PIF	50	12.0%	9.0%	9.6%	10.0%	10.5%	9.5%	7.30%
AHI PIEF	50	-	-	-	-	-	-	13.48%
AKD IF	50	-	-	-	-	3.2%	9.0%	1.50%
ALGHP IMF	50	-	-	-	-	-	7.1%	-
AMZ+ IF	100	-	-	-	4.1%	11.7%	10.2%	1.75%
ASKARI IF	100	-	-	-	4.5%	11.1%	9.0%	2.37%
ATLAS IF	500	-	3.8%	9.8%	11.5%	10.0%	9.5%	2.75%
ABL IF	10	-	-	-	-	-	-	10.6%
FAYSAL SGF	100	-	-	-	-	1.3%	10.0%	9.95%
BMA CSF	10	-	-	-	-	-	7.7%	-
DCM MMF	100	1.1%	7.0%	9.7%	11.5%	10.9%	10.3%	-
FIRST HABIB IF	100	-	-	-	-	1.5%	9.3%	2.50%
HBL IF	100	-	-	-	-	2.7%	9.2%	5.50%
IGI IF	100	-	-	-	-	2.0%	9.7%	-
JS AIF	100	-	-	-	-	-	5.0%	2.75%
JS IF	100	9.5%	6.2%	10.3%	12.1%	10.7%	9.7%	3.05%
NAFA IF	10	-	-	-	-	-	2.10%	2.67%
NAIM RIF	50	-	-	-	-	7.0%	9.5%	-
NAMCO IF	100	-	-	-	-	-	-	5.79%
POBOP APF	50	-	-	-	-	-	6.2%	0.37%
UBL GIF	100	-	-	0.9%	9.3%	11.4%	9.2%	5.25%
KASB LF	100	-	-	-	1.4%	10.7%	10.0%	3.00%
MCB DCF	100	-	-	-	-	3.4%	9.8%	3.00%
NAFA CF	10	-	-	-	1.9%	10.5%	9.7%	2.85%
UBL MMF	100	9.0%	4.8%	4.1%	10.0%	10.1%	9.1%	4.54%

Table 3: Government Securities Funds

Fund	Return (%)			Risk 6M VAR	Mgmt. Fee	Inception Date	Fund Size (PKR mn) 31-Aug-09	AMC Rating	Fund Ranking
	1M	6M	12M						
AHIM MSF	18.06	11.89	17.20	0.11	5% of Operating Income	1-Mar-03	1,462	AM2	1-Star
AHIM PCF	11.49	11.58	12.15	0.05	10% of G. Earnings	20-Mar-08	877	AM2	Not ranked as yet
UBL LPF	11.17	n/a	n/a	n/a	0	21-Jun-09	4,047	AM2-	Not ranked as yet
NAFA GSLF	10.86	10.61	n/a	0.05	0	16-May-09	2,854	AM2-	Not ranked as yet
Industry	12.19	11.13	15.31	0.07			9,240		

Fund	Benchmark	Relative Return vs Benchmark			Relative Return vs Industry		
		1M	6M	12M	1M	6M	12M
AHIM MSF	6M Tbill	5.69	-0.42	4.25	5.87	0.76	1.89
AHIM PCF	3M Tbill	-0.85	-0.69	-0.62	-0.71	0.45	-3.16
UBL LPF	6M Rolling Avg of 1M KIBOR	-1.64	N/A	N/A	-1.03	N/A	N/A
NAFA GSLF	70% 3M Tbill, 30% average 3M deposit rate	N/A	N/A	N/A	-1.34	N/A	N/A

*Returns are calculated as of Nov 25, 2009.

Portfolio Breakup – Aug09

Instrument	AHI MSF	AHI PCF	NAFA GSLF	UBL LPF
Cash & Equivalents	1%	8%	11%	12%
Money Market Instruments	0%	0%	10%	0%
T- Bills	48%	91%	71%	79%
Placements	0%	0%	0%	9%
TDRs	0%	0%	8%	0%
PIBs	44%	0%	0%	0%
Others	8%	0%	0%	0%

Payouts (% of Face Value)

Money Market Funds	Face Value (PKR per unit)	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
AHI MSF	50	-	3.4%	-	-	3.6%	13.7%	0.14%
AHI PCF	50	-	-	-	-	-	2.3%	11.43%
NAFA GSLF	50	N/A	N/A	N/A	N/A	N/A	N/A	N/A
UBL LPF	100	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Table 4: Islamic Income Funds

Fund	Return			Risk	Mgmt. Fee	Inception Date	Fund Size (PKR mn)	AMC Rating	Fund Ranking
	1M	6M	12M	6M VAR					
Meezan IIF	16.32	11.46	17.75	0.11	1.50%	15-Jan-07	5,442	AM2-	Withheld by PACRA
KASB IIF	9.79	12.85	N/A	0.1	1.25%	9-Jun-08	433	AM3+	Not ranked as yet
ATLAS IIF	9.78	9.70	10.65	0.03	1.25%	14-Oct-08	297	AM3+	Not ranked as yet
Askari IIF	8.7458	N/A	N/A	N/A			250		
UBL IIF	8.31	11.61	13.35	0.25	1.25%	20-Oct-07	1,586	AM2-	Not ranked as yet
POBOP IIF	5.89	7.10	12.64	0.15	2.00%	30-Oct-08	246	AM3+	Not ranked as yet
NAFA IIF	-87.82	-41.09	-18.78	1.65	1.50%	29-Oct-07	313	AM2-	Not ranked as yet
Industry	9.95	9.39	14.53	0.19			8,317		

Fund	Benchmark	Relative Return vs. Benchmark			Relative Return vs. Industry		
		1M	6M	12M	1M	6M	12M
Meezan IIF	Not Specified	N/A	N/A	N/A	6.36	2.07	3.22
KASB IIF	N/A	N/A	N/A	N/A	-0.16	3.46	N/A
ATLAS IIF	Avg 3M profit rate of 3 islamic banks	N/A	N/A	N/A	-0.17	0.31	N/A
UBL IIF	Avg of 6 M Placement rate of 3 Isl Banks	N/A	N/A	N/A	-1.64	2.22	-1.18
POBOP IIF	Avg 1 M Dep Rate of 4 Isl Banks	N/A	N/A	N/A	-4.06	-2.29	N/A
NAFA IIF	Avg 1 M Dep Rate of Isl Banks	N/A	N/A	N/A	-97.77	-50.48	-33.31
Meezan IIF	Not Specified	N/A	N/A	N/A	6.36	2.07	3.22

*Returns are calculated as of Nov 25, 2009.

Portfolio Breakup – Aug09

Instrument	ATLAS IIF	KASB IIF	Meezan IIF	NAFA IIF	POBOP IIF	UBL IIF	ASKARI IIF
Modaraba Placements	0%	0%	0%	0%	0%	0%	0%
Sukuks	0%	56%	27%	81%	28%	42%	0%
GoP Sukuks	0%	0%	6%	0%	0%	32%	0%
TDR	40%	0%	0%	0%	0%	0%	0%
Bank Deposit	0%	0%	0%	0%	0%	0%	83%
Cash & Equivalents	52%	39%	43%	0%	72%	14%	17%
Placements	0%	0%	0%	0%	0%	13%	0%
Money Market Instrument	0%	0%	0%	0%	0%	0%	0%
Other Assets	7%	5%	24%	19%	0%	0%	0%

Payouts (% of Face Value)

Islamic Income Funds	Face Value	(PKR per unit)	2006-07	2007-08	2008-09
ATLAS IIF		500	N/A	N/A	6.0%
KASB IIF		100	N/A	0.55%	5.0%
MEEZAN IIF		50	4.40%	9.20%	6.0%
NAFA IIF		10	N/A	4.26%	2.0%
PO AIIF		50	N/A	N/A	8.1%
UBL IIF		100	N/A	5.85%	3.3%

Table 5: Equity Funds

Fund	Return(%)*			Risk 6M Beta	Mgmt.	Inception	Fund Size	AMC	Fund Ranking
	1M	6M	12M		Fee	Date	(PKR mn)	Rating	
KASB SF	0.88	14.70	4.55	0.73	3.00%	22-Mar-07	238.00	AM3+	Not ranked as yet
AHIM PSMF	0.49	28.97	19.42	0.21	2.50%	11-Mar-02	2220.00	AM2	4-Star by PACRA
CROSBY DF	(0.49)	26.05	15.61	0.52	2.00%	15-Dec-03	105.00	AM4+	MFR 5-Star by JCR-VIS
HBL SF	(0.91)	20.35	17.04	0.68	3.00%	23-Aug-07	1667.00	AM3	Not ranked as yet
ATLAS SF	(0.97)	27.31	18.51	0.55	3.00%	23-Nov-04	788.00	AM3+	3-Star by PACRA
MCB DSF	(0.99)	29.14	30.36	0.74	3.00%	1-Mar-07	727.00	AM3+	2-Star by PACRA
IGI SF	(1.05)	22.55	66.28	0.74	2.00%	15-Jul-08	507.00	AM3	Not ranked as yet
ABL SF	(1.41)	N/A	N/A	N/A	3.00%	28-Jun-09	388.00	AM3	Not ranked as yet
UBL SAF	(1.43)	26.66	7.78	0.72	3.00%	4-Aug-06	2057.00	AM2-	MFR 4-Star
NIT	(1.81)	21.06	(0.90)	0.22	1.00%	12-Nov-62	59658.00	AM2-	3-Star by PACRA
NAFA SF	(2.55)	13.79	(12.74)	0.78	3.00%	22-Jan-07	1331.00	AM2-	Discontinued
AKD OF	(2.82)	22.48	2.99	0.62	3.00%	1-Mar-06	730.00	AM3	MFR 5-Star
AMZ+ SF	N/A	N/A	N/A	N/A	3.00%	24-Jul-06	281.00	AM4-	2-Star by PACRA
Industry	-1.69	21.49	1.31	0.28			70,697		

Fund	Benchmark	Relative Return vs Benchmark			Relative Return vs Industry		
		1M	6M*	12M	1M	6M	12M
KASB SF	KSE 30	2.83	(10.65)	7.28	2.58	(6.79)	3.23
AHIM PSMF	KSE100	2.31	0.71	19.23	2.19	7.48	18.10
CROSBY DF	KSE 100	1.32	(2.20)	15.42	1.20	4.57	14.30
HBL SF	KSE 100	0.91	(7.91)	16.85	0.79	(1.14)	15.72
ATLAS SF	KSE 100	0.85	(0.94)	18.32	0.73	5.82	17.19
MCB DSF	KSE 30	0.96	3.79	33.10	0.70	7.66	29.05
IGI SF	KSE 100	0.76	(5.70)	66.09	0.64	1.07	64.96
ABL SF	KSE 100	0.16	N/A	N/A	0.29	N/A	N/A
UBL SAF	KSE 100	1.11	(0.67)	8.37	0.27	5.17	6.46
NIT	KSE 100	0.00	(7.19)	(1.09)	(0.12)	(0.43)	(2.21)
NAFA SF	KSE 30	(0.60)	(11.56)	(10.00)	(0.86)	(7.69)	(14.05)
AKD OF	KSE 100	(1.01)	(5.78)	2.80	(1.13)	0.99	1.68
AMZ+ SF	KSE 100	N/A	N/A	N/A	N/A	N/A	N/A

Source: BMA Research

*Returns are calculated as of Nov 25, 2009.

Sector Allocation - Aug09

Sector Allocation	ABL SF	AHIM PSMF	AKD OF	ATLAS SF	CROSBY DF	HBL SF	ALGHP AGAF
Autos	0%	0%	0%	0%	0%	0%	0%
Cement	0%	0%	0%	0%	7%	0%	0%
Chemicals	0%	0%	9%	0%	0%	0%	0%
Commercial Banks	15%	9%	15%	17%	14%	14%	7%
F & PC	0%	0%	0%	0%	0%	0%	0%
Fertilizer	16%	14%	9%	10%	8%	16%	12%
Insurance	0%	0%	0%	0%	0%	0%	0%
Inv Banks	0%	0%	0%	0%	0%	0%	0%
Misc	0%	0%	0%	0%	0%	0%	0%
OGE	17%	8%	12%	21%	17%	23%	23%
OMCs	6%	6%	0%	18%	0%	4%	12%
Paper & Board	0%	7%	0%	0%	0%	0%	0%
Pharma	0%	0%	0%	0%	0%	0%	0%
Syn. & Rayon	0%	0%	0%	0%	0%	0%	0%
Power Gen	11%	0%	8%	11%	0%	7%	14%
Refineries	0%	0%	6%	0%	0%	0%	0%
Financial	0%	0%	0%	0%	0%	0%	0%
Cable&Engineering	0%	0%	0%	0%	0%	0%	0%
Telecom/ Tech & Comm	0%	0%	0%	0%	0%	0%	0%
Textile	0%	0%	0%	0%	10%	0%	0%
Financial	0%	0%	0%	0%	0%	0%	0%

Sector Allocation	IGI SF	KASB SF	MCB DSF	NAFA SF	NIT	UBL SAF
Autos	0%	0%	0%	6%	3%	0%
Cement	0%	6%	0%	0%	2%	6%
Chemicals	0%	0%	0%	0%	0%	0%
Commercial Banks	20%	16%	16%	23%	0%	13%
F & PC	0%	0%	0%	0%	4%	0%
Fertilizer	27%	10%	16%	9%	11%	21%
Insurance	0%	4%	0%	0%	0%	0%
Inv Banks	0%	2%	0%	4%	0%	0%
Misc	0%	0%	0%	0%	0%	0%
OGE	30%	18%	19%	23%	21%	18%
OMCs	9%	4%	14%	0%	0%	6%
Paper & Board	0%	0%	0%	0%	3%	0%
Pharma	0%	0%	0%	0%	6%	0%
Syn. & Rayon	0%	8%	0%	0%	0%	0%
Power Gen	12%	7%	14%	5%	8%	0%
Refineries	0%	0%	0%	0%	0%	0%
Financial	0%	0%	0%	0%	21%	0%
Cable&Engineering	0%	0%	0%	0%	8%	0%
Telecom/ Tech & Comm	0%	3%	0%	6%	1%	0%
Textile	0%	0%	4%	0%	5%	0%
Other	2%	0%	7%	13%	7%	23%

Payouts (% of Face Value)

Equity Funds	Face Value (PKR per unit)	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
AHI PSMF	50	40.0%	60.0%	70.0%	60.0%	50.0%	34.0%
AKD OF	50	-	-	-	-	10.0%	10.0%
AMZ+ SF	100	-	-	-	-	19.0%	-
ATLAS SF	500	-	-	12.5%	25.0%	20.0%	7.5%
CROSBY DF	100	-	2.0%	10.5%	15.0%	38.0%	30.0%
HBL SF	100	-	-	-	-	-	5.9%
IGI SF	100	-	-	-	-	-	-
KASB SF	50	-	-	-	-	9.7%	-
MCB DSF	100	-	-	-	-	25.0%	-
NAFA SF	10	-	-	-	-	22.6%	5.8%
NIT	10	17.5%	25.5%	33.0%	58.0%	62.0%	65.0%
UBL SAF	100	-	-	-	-	22.3%	3.0%

Fund Ranking/Rating

Fund	Ranking		Fund	Ranking	
	PACRA	JCR-VIS		PACRA	JCR-VIS
ABL IF		A(f)	IGI IF	4-Star	
AKD OF		MFR 5-Star	IGI SF	5-Star	
ALGHP VF	4-Star		JS IF	5-Star	
ALGHP IMF	4-Star		JS AAA	4-Star	
AMZ+ IF	3-Star	BBB+(f)	UTP	5-Star	
AMZ+ SF	2-Star		JS ISF	4-Star	
AHI MSF	1-Star	AA(f)	JS FoF	4-Star	
AHI PCF	AAA(f)		KASB LF	5-Star	
AHI PIF	3-Star	AA-(f)	MCB DCF	3-Star	
AHI PSMF	4-Star		MCB DSF	2-Star	
AHI PIEF	4-Star	A+(f)	Meezan ISF	5-Star	MFR 3-Star
AHI PCM	2-Star		Meezan IIF		A(f)
ASKARI IF	3-Star		NAFA CF		MFR 5-Star
ATLAS IF	3-Star		NAFA MA		MFR 5-Star
ATLAS ISF	3-Star		NAFA SF		MFR 3-Star
ATLAS SF	3-Star		NAFA GSLF		AA+(f)
CROSBY DF		MFR 5-Star	NIT	3-Star	MFR 3-Star
DCM MMF	3-Star		POBOP APF		A(f)
DCM ISF	4-Star		UBL MMF	4-Star	A+(f)
FAYSAL SGF		A(f)	UBL GIF		A(f)
FAYSAL IGF		A+(f)	UBL SAF		MFR 4-Star
FAYSAL BGF		MFR 4-Star	UBL LPF		AA+(f)
FIRST HABIB IF	3-Star				

Note: Funds not mentioned are unranked
Source: Fund Manager Reports

AMC Rating

AMC	Rating	
	PACRA	JCR-VIS
ABL AMC		AM3
AHI	AM2	
AKD		AM3
ALGHP	AM3	
AMZ		AM-DS
ASKARI	AM3	
ATLAS	AM3+	
BMA		AM2-
CROSBY		AM4+
DCM	AM4+	
FAYSAL		AM3+
HABIB	AM3-	
HBL		AM3
IGI	AM3	
JS	AM2+	
KASB	Rating Withdrawn	AM3+
MCB	AM3+	
Al Meezan		AM2-
NAFA		AM2-
NAIM	UR	AM3-
NAMCO		AM3-
NIT	AM2-	AM2-
Pak Oman		AM3+
UBL Funds		AM2-

Source: Fund Manager Reports

Note: JCR-VIS has revised the Management Quality Rating of a few AMCs to 'AM-DS' (AM - Developing Situation), defined as 'unusual circumstances do not allow assessment of fund management practices at present'.

Glossary and Definitions

Term	Definition
Net Asset Value (NAV)	A mutual fund's price per share or exchange-traded fund's (ETF) per-share value. In both cases, the per-share amount of the fund is derived by dividing the total value of all the securities in its portfolio, less any liabilities, by the number of fund shares outstanding. NAV per share is computed once a day based on the closing market prices of the securities in the fund's portfolio.
Beta	A measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. A beta of 1 indicates that the security's price will move with the market. Less than 1 and greater than 1 indicate more and less volatility, respectively. For example a beta of 1.2 indicates 20% more volatility than the market.
Value at Risk (VAR)	A technique used to estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities
Management Fee	Charge levied by an investment manager for managing an investment fund. Management fee structures vary from fund to fund, but are typically based on a percentage of assets under management
Sales Load	A sales charge or commission charged to an investor when buying or redeeming shares in a mutual fund. The fee may be a one-time charge at the time the investor buys into the mutual fund (front-end load), when the investor redeems the mutual fund shares (back-end load), or on an annual basis as a 12b-1 fee
AMC Rating	Awarded by Credit Rating Agencies like JCR VIS and PACRA considering AMC performance and management quality. AM1 denotes highest management quality and AM5 Weak Management Quality
Fund Ranking	Awarded by Credit Rating Agencies like JCR VIS and PACRA considering funds' performance over various periods. 5-Star denotes Very Good while 1-Star denotes Weak
AUM Run Rate	Growth of NAV over time calculated as (current fund size/ previous fund size) - 1

Glossary and Definitions

Term	Definition
Beta	Covariance (Benchmark's Daily Return, Fund's Daily Return) / Variance (Benchmark Daily Return)
Value at Risk (VAR)	Standard Deviation (Fund's Daily return) * 1.65
Annualized Return	Morningstar Return Calculation Methodology
Absolute Return	$\{[(\text{Ending NAV} + \text{Payouts during the period}) / \text{Beginning NAV}] - 1\} * 100$
Relative Return vs. Benchmark	Fund's Return – Benchmark's Return
Relative Return vs. Industry Average	Fund's Return – Industry Weighted Average

Abbreviations

Income Funds	
Name	Ticker
Arif Habib Pakistan Income Fund	AHI PIF
Arif Habib Pakistan Income Enhancement Fund	AHI PIEF
AKD Income Fund	AKD IF
Alfalah GHP Income Multiplier Fund	ALGHP IMF
AMZ Plus Income Fund	AMZ+ IF
Askari Income Fund	ASKARI IF
Atlas Income Fund	ATLAS IF
BMA Chundrigar Road Saving Fund	BMA CSF
Dawood Money Market Fund	DCM MMF
First Habib Income Fund	FIRST HABIB IF
HBL Income Fund	HBL IF
IGI Income Fund	IGI IF
JS Aggressive Income Fund	JS AIF
JS Income Fund	JS IF
NAFA Income Fund	NAFA IF
NAMCO Income Fund	NAMCO IF
Noman Abid Reliance Income Fund	NAIM RIF
Pak Oman Advantage Plus Fund	POBOP APF
United Growth and Income Fund	UBL GIF
KASB Liquid Fund	KASB LF
MCB Dynamic Cash Fund	MCB DCF
NAFA Cash Fund	NAFA CF
UBL Money Market Fund	UBL MMF
CROSBY Phoenix Fund	CROSBY PF

Cash Funds	
Name	Ticker
ABL Income Fund	ABL IF
Faysal Savings Growth Fund	FAYSAL SGF
Meezan Cash Fund	MEEZAN CF

Islamic Income Funds	
Name	Ticker
Atlas Islamic Income Fund	ATLAS IIF
KASB Islamic Income Fund	KASB IIF
Meezan Islamic Income Fund	Meezan IIF
NAFA Islamic Income Fund	NAFA IIF
Pak Oman Advantage Islamic Income Fund	PO AIIF
United Islamic Income Fund	UBL IIF

Government Securities Funds	
Name	Ticker
Arif Habib Metro Sovereign Fund	AHI MSF
Arif Habib Pakistan Cash Management Fund	AHI PCF
NAFA Government Securities Liquid Fund	NAFA GSLF
United Liquidity Plus Fund	UBL LPF

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