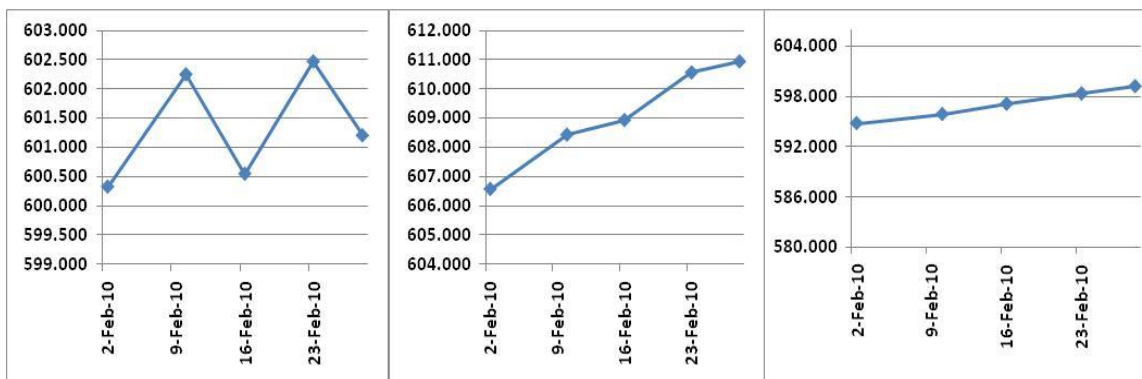




**Performance of Pak-Qatar Unit Fund as at 28th February 2010**



**Aggressive Fund**

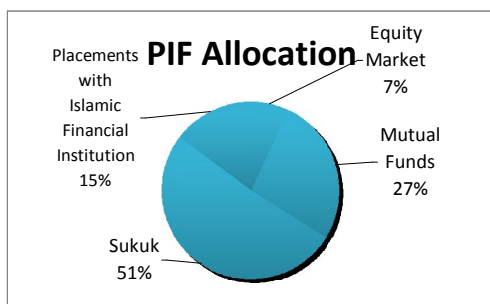
**Balance Fund**

**Conservative Fund**

		PAK-QATAR UNIT FUND		
		Conservative	Balanced	Aggressive
Net Asset Value (NAV) at inception	09-Apr-08	500.00	500.00	500.00
Net Asset Value (NAV) at beginning of year	01-Jan-10	602.66	604.65	590.42
NAV as at	28-Feb-10	599.24	610.95	601.20
Return since beginning of year (annualized)		-3.57%	6.56%	11.49%
Return since inception of the fund (annualized)		10.50%	11.74%	10.71%

Asset Allocation	Conservative	Balanced	Aggressive
Equity Market	0%	5%	26%
Mutual Funds	29%	27%	24%
Sukuk	62%	51%	43%
Placements with Islamic Financial Institution	9%	16%	7%
<b>Strategy</b>	Capital Preservation	Blend of Capital Preservation & Growth	Capital Growth

**Commentary**



**MONEY MARKET**

Uncertainty about foreign inflows under the coalition support fund and delay in aid promised by friends of democratic Pakistan resulted in continued pressure on rupee, which depreciated 0.4% month on month against the dollar and closed at Rs. 84.98. CPI Inflation stood at 13.68% for the month of January and is expected to remain above 12% by the end of current fiscal year. The total forex reserves of Pakistan as of February 20, 2010 were US \$ 14.37bn. The reserves with the SBP stood at USD 10.52bn, whereas the reserves with commercial banks stood USD 3.85 bn. During the period, SBP regularly conducted OMOs to normalize money markets and injected Rs. 316 billion. Six month KIBOR also increased by 20 bps to close at 12.43%.

**EQUITY MARKET**

During February, KSE-100 index increased by 48 points (0.45%) to close at 9,658. The average daily turnover during February was 164 million shares compared to 187 million shares in January. Net inflow of foreign funds during the month was at a respectable level of US\$ 16.6 mn while the fiscal year to date net inflow was a US\$ 323.2 mn. Resignation of Shaukat Tarin as Finance Minister with no successor appointed as yet, has caused some uncertainty regarding modalities of Capital Gain Tax (CGT) and overall economic policy direction.

Equity market is expected to stay range bound with 10,000 acting as a strong resistance level. On the whole the corporate results (half year / full year) were above expectations however foreign inflows and news regarding the new taxes and expectations with regard to the Federal Budget to be announced on 15th May 2010 need to be monitored carefully.

**Past performance is not indicative of future performance. Market volatility can significantly affect short-term performance. The value of investment can fall as well as rise.**