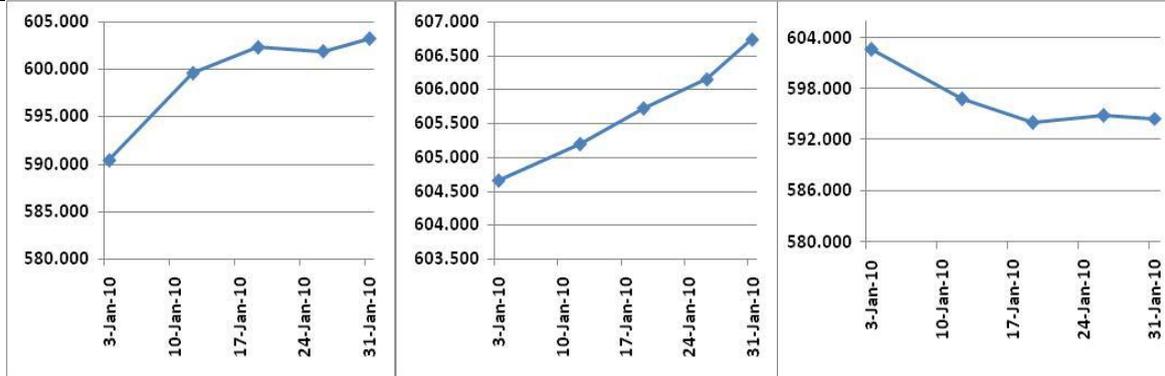




**Performance of Pak-Qatar Unit Fund as at 31st January 2010**



**Aggressive Fund**

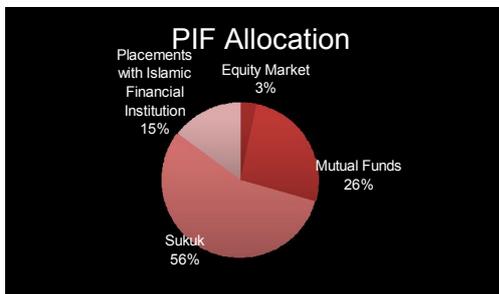
**Balance Fund**

**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	31-Jan-10	594.52	606.74	603.22
Return since beginning of year (annualized)		-16.43%	4.21%	26.38%
Return since inception of the fund (annualized)		10.42%	11.77%	11.38%

Asset Allocation	Conservative	Balanced	Aggressive
Equity Market	0%	3%	11%
Mutual Funds	30%	25%	29%
Sukuk	64%	56%	51%
Placements with Islamic Financial Institution	7%	16%	8%
<b>Strategy</b>	Capital Preservation	Blend of Capital Preservation & Growth	Capital Growth

**Commentary**



**MONEY MARKET**

Inflation kept the liquidity under pressure for the month as oil and commodity prices rose. On the back of strong inflation the SBP kept the discount rate unchanged at 12.5%. This was done in order to achieve macroeconomic stability and pave the way for sustainable recovery. Overall, the improvement in macroeconomic variables have strengthened considerably in relation to the previous fiscal year. However, the challenges facing the economy in terms of fiscal management, uncertainty with respect to availability of external inflows and security environment and susceptibility of inflation to fiscal consolidation efforts and to international commodity price pressures, will be the major determinants of future monetary policy direction.

**Equity Market**

The market gained 2.4% during the month to close at 9,614 due to rise in Index heavy weights, most notably OGDC & Fertilizer stocks. The Index increased about 6% during the initial part of the month ahead of the results season, crossing the 10,000 twice during the month. The market, however, failed to sustain these levels, losing more than 3% in the later part of the month, when uncertainty on political front, subsequent to the detailed NRO judgment, expectations of status quo being maintained in January monetary policy statement and below par results of some blue chip companies, marred investor sentiments. Foreign investors were net buyers during the month with a net inflow of US\$ 15.2mn; however some profit-taking was witnessed at higher Index levels. Average daily traded volume was 187mn shares (Rs 8.0bn) versus 119mn shares (Rs 5.2bn) in December 2009.

**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.**