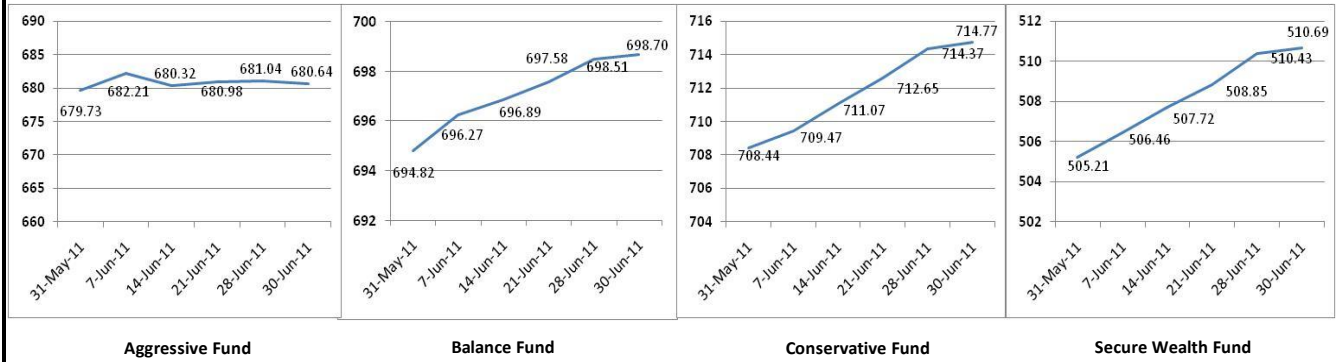
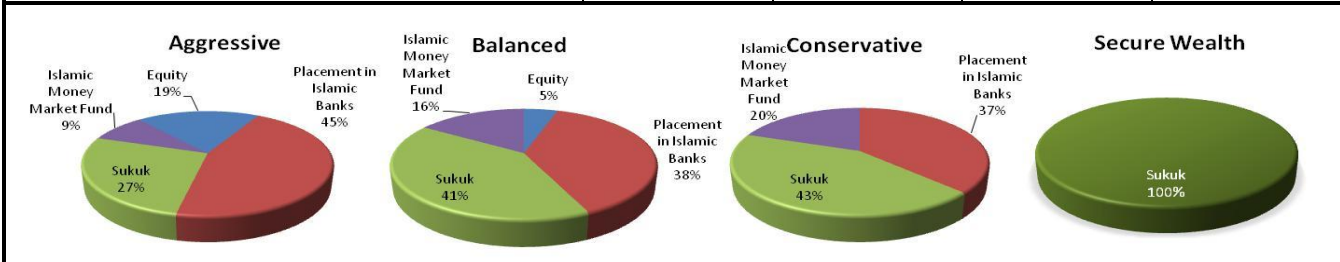




Performance of Pak-Qatar Unit Fund as at 30th June 2011



		PAK-QATAR UNIT FUND			
		Aggressive	Balanced	Conservative	Secure Wealth
Net Asset Value (NAV) at inception		500.00	500.00	500.00	500.00
Inception Date		09-Apr-08			26-Apr-11
Net Asset Value (NAV) at beginning of year	31-Dec-10	659.95	663.45	676.07	-
NAV as at	30-Jun-11	680.64	698.70	714.77	510.69
Assets Under Management	30-Jun-11	65,243,571	509,638,640	19,909,895	18,676,269
Return since beginning of year (annualized) net of IMC		4.82%	9.21%	10.04%	-
Return since inception of the fund (annualized) net of IMC		9.70%	10.82%	11.82%	10.51%



Commentary

Money market situation

Pakistan's inflation declined for the month of June easing pressure on the SBP to increase interest rates. The State Bank of Pakistan has maintained the discount rate this year at 14 percent, ironically to improve growth although the rate is one of the highest in the world. Pakistan's economy, devastated by terrorism and floods in 2010 observed an increase of 2.4 percent in the year ended June 30, lower than the targeted expansion of 4.5 percent reported by the government. The month of June acted as a milestone to money market adjustments on T-bills as money market yields increased due to volatile liquidity situation. There were 3 T-bill auctions conducted by the SBP in which the cut off yield rates increased to 13.7586%, 13.7357% and 13.7357% respectively for six months. The central bank has called for a tight fiscal policy to ease inflationary pressures and signaled a further increase in borrowing costs which will weaken economic expansion. June 2011 experienced various periods of liquidity cycles in the money market owing to financial year end; the SBP intervened and conducted several money market operations, 6 OMOs were conducted out of which liquidity was mopped up on 4 occasions whereas injections were witnessed in two. The most decisive event of June was the budget announcement which focused on revenue improvement through effectual implementation of tax measures and elimination of subsidies. Unfortunately, there are persistent challenges faced by the economy like energy shortages, dearth of security and limited foreign flows.

Equity market situation

KSE-100 index traded in a narrow band with mixed activity during June 2011. Worsening Greek crisis, which caused panic and uncertainty in the international markets and year end pressures such as dividend payouts and mutual funds gains led investors to adopt a watchful approach. However, changing dynamics of fertilizer sector and rumors of large scale discoveries by some E&P companies created unpredictable and irregular trading opportunities throughout the month of June. KSE-100 increased by 3.08 percent on monthly basis, recording a net increase of 373 points and eventually closed at 12,496 points. However, Nestle Pakistan contributed majorly in this appreciation, which now contributes to 8 percent of KSE-100 index. Foreign flows too moved towards a negative trend and foreign net outflow of USD 41.21 mn was seen during June including the transfer of Byco. No new taxes were introduced and this eased the equity market providing room for it to thrive. Metals and mining industry performed positively for the month with a gain of 51.21 percent whereas industrial engineering, life insurance, health care and service

sector witnessed a dramatic decline.

Participant Investment Fund & Secure Wealth Fund

Aggressive fund underperformed the market, giving us the opportunity to change the strategy to improve returns in the future. Balanced fund will continue to buy at dips in the equity market, while adding government guaranteed sukuk when funds are available. Secure Wealth Fund will keep being fully invested in investment grade sukuk.