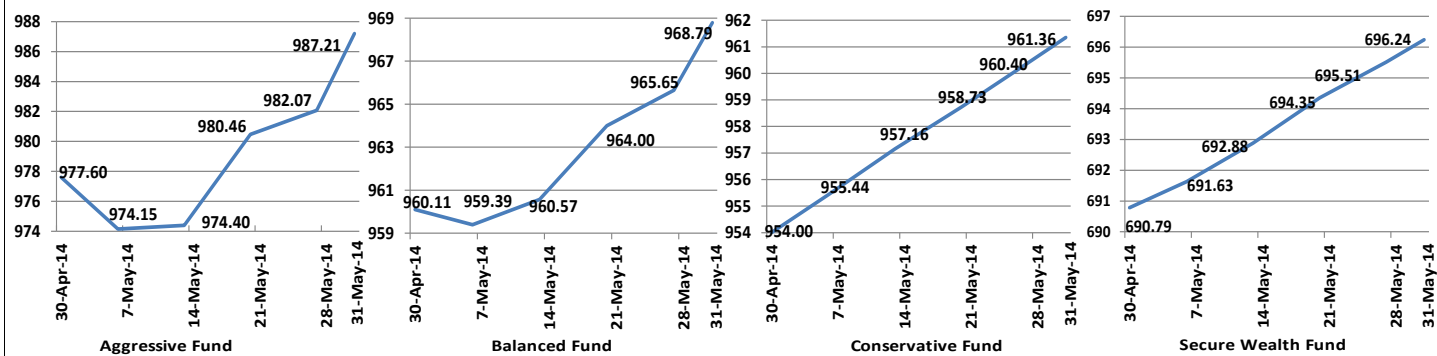
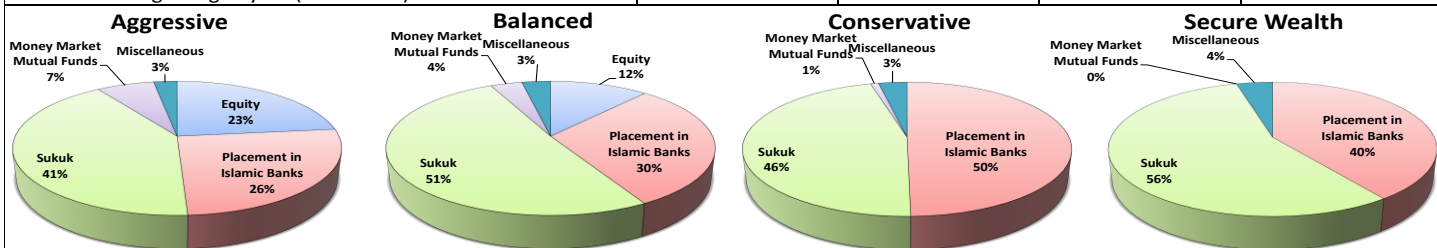




### Performance of Pak-Qatar Unit Fund as at 31st May 2014



		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)	31-Dec-13	939.14	926.02	925.62	669.65
NAV as at	31-May-14	987.21	968.79	961.36	696.24
Assets Under Management	31-May-14	349,113,980	2,062,478,197	328,570,653	80,716,564
Return for the month (annualized) net of IMC	31-May-14	10.21%	9.29%	7.71%	7.93%
Return since beginning of year (annualized) net of IMC		10.84%	9.63%	7.81%	8.07%



### Commentary

#### Money market

In the Islamic market liquidity was plentiful as another month passed without a new issue of GoP Ijara. Ijara VIII matured in May which further squeezed avenues for Islamic Deposits. On the macro front, CPI clocked at 8.3% in May on YoY basis, averaging 8.66% for the first eleven months of FY14, hovering above the target of 8%. Investors' sentiments remain inclined towards long tenor indicated by latest PIB auction with participation of Rs.245bn against target of Rs.100bn while TBills auction witnessed unenthusiastic participation. Despite this, TBill Yield for 3m, 6m and 1y hovered around 9.96%, 9.98% and 10.04% respectively indicating illiquidity forcing SBP to conduct OMOs.

#### Equity market

The KSE 100 index increased by 825 points (2.85% month on month), closing in at 29,783. The average volume was approximately 165 million as opposed to 287 million last month. The highest daily fall was 292 (-1.01%) points on the 5th of May; the largest increase was 556 points (+1.92%) on 29th of May. Foreigners remained bullish with a net buying of around USD 70 million compared to buying of USD 91 million last month.

Despite the SBP stance on keeping the policy rate unchanged, the bourse gained with support of foreign investors on account of increased weightage of Pakistan in MSCI FM Index to 7.13% compared to 4.16% earlier. Local Investors, however, remained sceptic, as depicted by lower volumes, on budgetary news flows regarding increased taxes on different sectors and uncertainty on Capital Gains Tax. Going forward, market is expected to incorporate GIDC hike proposed in federal budget as well as divestment by govt. of shares in the coming months. Policy rate is expected to remain unchanged amid IMF targets keeping real returns attractive for foreign investors.

Country	Index	Apr-14	May-14
UK	FTSE-100	2.75%	0.95%
USA	Nasdaq	-2.01%	3.11%
USA	Dow 30	0.75%	0.82%
China	Shanghai	-0.34%	0.63%
Hong Kong	Hang Seng	-0.08%	4.28%
Japan	Nikkei-225	-3.54%	2.29%
India	BSE-30	0.14%	8.03%
Pakistan	KMI 30	3.33%	1.93%
Pakistan	KSE 100	6.45%	2.85%

#### Participant Investment Fund and Secure Wealth Fund

Aggressive and Balanced fund provided a return of 10.21% and 9.29% (net of 1.5% IMC) during the month as the equity market closed up month on month. Return for Conservative and Secure Wealth Fund was 7.71% and 7.93% respectively.

$$\left( \frac{\text{Ending value of unit price (net of IMC)} - \text{Beginning value of unit Price (net of IMC)}}{\text{Beginning value of unit price (net of IMC)}} \times \frac{365}{\text{no. of days invested}} \right)$$

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.