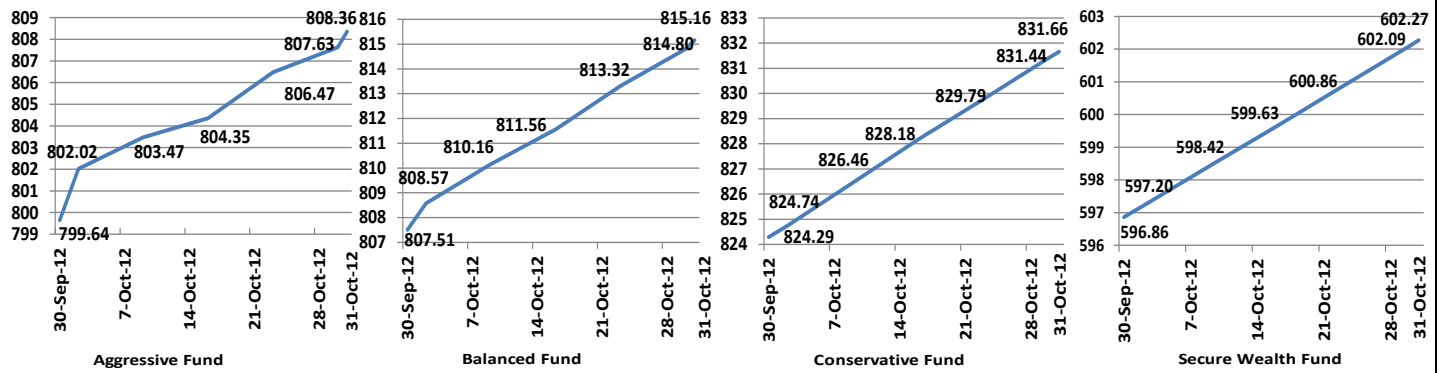
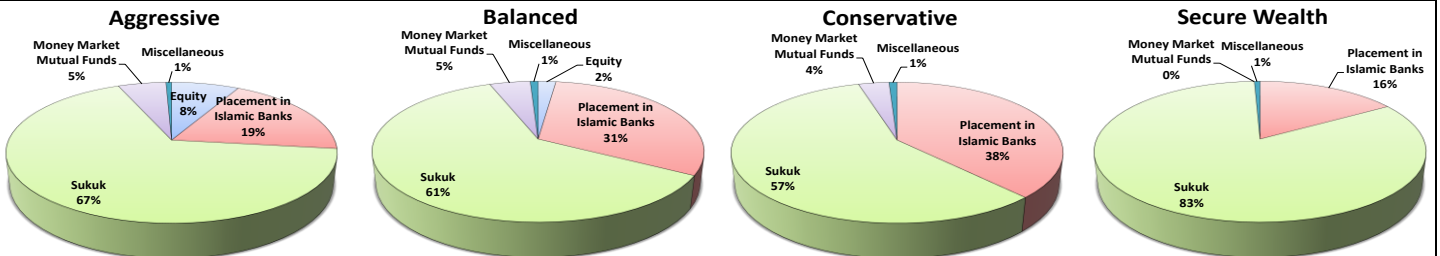




Performance of Pak-Qatar Unit Fund as at 31st October 2012



	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 end of 2011	31-Dec-11	702.84	735.78	758.56	547.33
NAV as at	31-Oct-12	808.36	815.16	831.66	602.27
Assets Under Management	31-Oct-12	168,245,757	1,043,089,427	84,135,938	62,579,552
Return since beginning of year (annualized) net of IMC		16.47%	11.41%	10.03%	10.51%
Return for the month (annualized) net of IMC		11.34%	9.65%	9.03%	9.17%
Return since inception of the fund (annualized) net of IMC		12.01%	12.31%	13.03%	11.98%



Commentary

Money market

Inflation for the month of September was 7.7%, this has led to declining T-Bill yields. This was the fourth straight month that inflation was in single digits. KIBOR and T Bill yield both moved downwards hinting towards further monetary easing. There was significant liquidity in the market, after SBP conducted OMOs, injecting PKR 2.4 trillion during the month. Two T-Bill auctions were conducted during the month where the target was exceeded by participation. The results were:

Months	Previous	Current
3	9.73%	9.64%
6	9.76%	9.65%
12	9.76%	9.71%

Equity market

The KSE 100 index increased by 465 points (3.01% month on month), closing in at 15,910. The average volume was approximately 124 million as opposed to 146 million last month. The highest daily fall was 147 (-0.95%) points on the 12th of October; the largest increase was 115 points (+0.75%) on the 1st of October. Foreigners purchased equity in excess of \$ 38.9 million which was a significant increase as compared to last month's purchase of more than \$ 12.5 million. The other major buyers were banks and Development Financial Institutions as opposed to major sellers which were Mutual funds, Companies and Individuals. The index provided a healthy return as compared to last month. This was mainly due to decrease in discount rate, with a probable rate cut in the next monetary policy. Other than the discount rate, T-Bill yields as well as KIBOR continued their downward trend, which may have led investors to change their investments from fixed income to equities. The result season this month also provided an upward push to the index. This month the basis of index valuation was changed to free float where the impact of illiquid large capitalization shares is reduced. This offers a more accurate representation of market movement.

The upcoming inflation figures as well as the monetary policy next month will provide further impetus to the local bourse as the KSE may reach 16,000 points. The local political scenario (if negative) and IMF repayments could lead to halting of the phenomenal rally being experienced by the local bourse.

Country	Index	Sep-12	Oct-12
UK	FTSE	0.54%	0.71%
USA	Nasdaq	2.14%	-5.40%
USA	Dow DJI	2.65%	-2.54%
China	Shanghai	1.89%	0.60%
Hong Kong	Hang Seng	6.97%	3.85%
Japan	Nikkei-225	0.34%	0.65%
India	BSE-30	7.95%	-1.37%
Pakistan	KSE 100	0.35%	3.01%

Participant Investment Fund and Secure Wealth Fund

Aggressive and Balanced fund provided a return of 11.34% and 9.65% (net of 1.5% IMC) during the month as the equity market kept chasing the magical figure of 16,000 points. We have decreased our allocation to the equity market for the funds as specific stocks reach their fundamental values. Secondly it also leads to reduced variability in return; the variability in return on the stock market is 5.12 times greater than the Aggressive fund, whereas it (variability on return on stocks) is 18.5 times greater than the Balanced fund. Of all pricings done in the year 2012, the stock market has posted 19 negative returns as compared to 9 and 2 for Aggressive and Balanced fund respectively. Secure Wealth and Conservative Fund posted a return of 9.03% and 9.17% respectively. Returns may improve in the future due to improved market values for government backed sukuk.

$$\left[\frac{(\text{Ending value of unit price} - \text{Beginning value of unit price})}{\text{Beginning value of unit price}} \times \frac{365}{\text{no. of days invested}} \right] \% - 1.5\%$$

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.