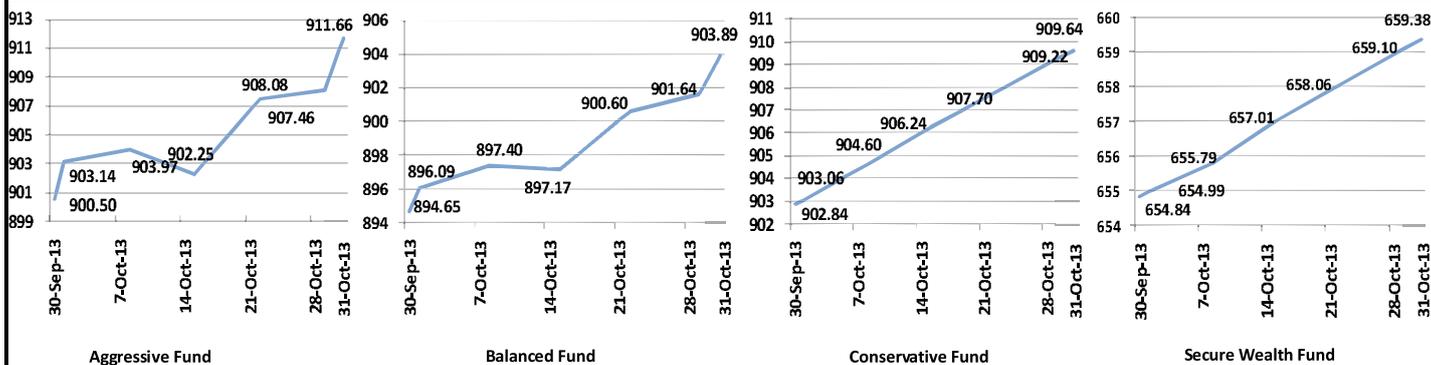
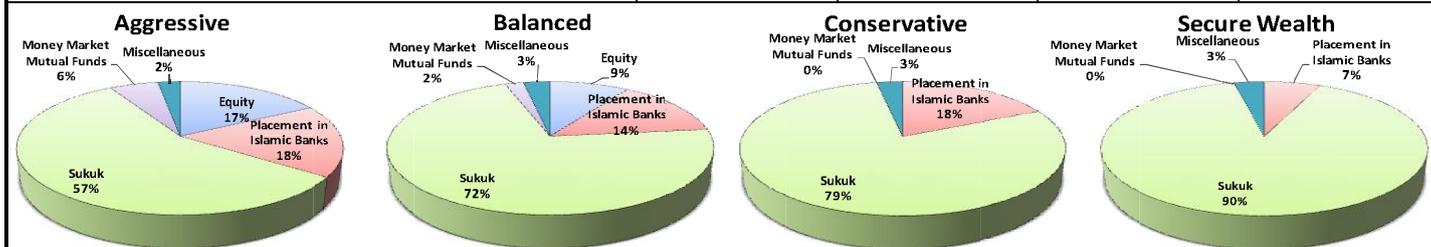




Performance of Pak-Qatar Unit Fund as at 31st October 2013



		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 2012	31-Dec-12	825.25	830.90	847.32	614.22
NAV as at	31-Oct-13	911.66	903.89	909.64	659.38
Assets Under Management		257,307,976	1,640,600,989	222,086,538	77,308,256
Return for the month (annualized) net of IMC	31-Oct-13	13.09%	10.65%	7.36%	6.65%
Return since beginning of year (annualized) net of IMC		11.07%	9.05%	7.33%	7.33%



Commentary

Money market

The liquidity position for the money market was relatively tight as 3 month and 6 month KIBOR rates increased to 9.49% and 9.57%. Rates in the GoP Ijara market remained volatile with clashing views from different players creating a wide margin between bid and offer prices. Views range from no change to an increase of 100 bps in the discount rate announcement due in November 2013. Given that maturities of several Ijarahs are coming up, either the Islamic market will be flushed with liquidity or the government may issue new sukufs.

Equity market

The KSE 100 index increased by 943 points (4.32% month on month), closing in at 22,776. The average volume was approximately 116 million as opposed to 214 million last month. The highest daily fall was 423(-1.94%) points on the 9th of October; the largest increase was 475 points (+2.18%) on the 22nd of October. Foreigners bought equity in excess of \$ 50 million which was a substantial increase as compared to last month's net sale of more than \$ 7 million. Major sellers for the month were Individuals and Mutual Funds.

Primary reason for improved performance from equities has been foreign buying in October 2013. Moreover, better results of different companies also supported the market. KSE 100 yielded a decent return of 8% during 4 months FY14 and settling YTD return at 35% during 10 months CY13. With an expectation of 9%+ inflation in Oct-13 coupled with discount rate for the fiscal year 2014 expected to hover up to 11.50% to keep real interest rate in positive regime; we expect a 50bps jump in DR in upcoming monetary policy due in November 2013. The rising trend in discount rate expected to have an adverse impact on the capital markets. As the increase in discount rate not only increases the financing cost of the companies but also shrinks the valuation of the listed companies. We maintain our positive long-term stance on the market with our continued liking towards Textile, Cement, Banks and Oil & Gas Sectors.

Country	Index	Sep-13	Oct-13
UK	FTSE	0.77%	4.17%
USA	Nasdaq	5.06%	3.93%
USA	Dow DJI	2.16%	2.75%
China	Shanghai	3.64%	-1.52%
Hong Kong	Hang Seng	3.95%	2.73%
Japan	Nikkei-225	7.97%	-0.88%
India	BSE-30	4.08%	9.21%
Pakistan	KSE 100	-1.48%	4.32%

Participant Investment Fund and Secure Wealth Fund

Aggressive and Balanced fund provided a return of 11.07% and 9.05% (net of 1.5% IMC) during the month as the equity market crossed 22,000 points. Due to the increase in discount rate and further anticipation of the same, the proportion of equity investment has been rebalanced to average policy weights. Return for Conservative and Secure Wealth Fund was 7.36% and 6.65% respectively, owing to the decrease in prices of Ijara Sukufs. It is our intention to increase specific security exposure in order to invest in companies that are trading substantially below their fundamental value.

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

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.