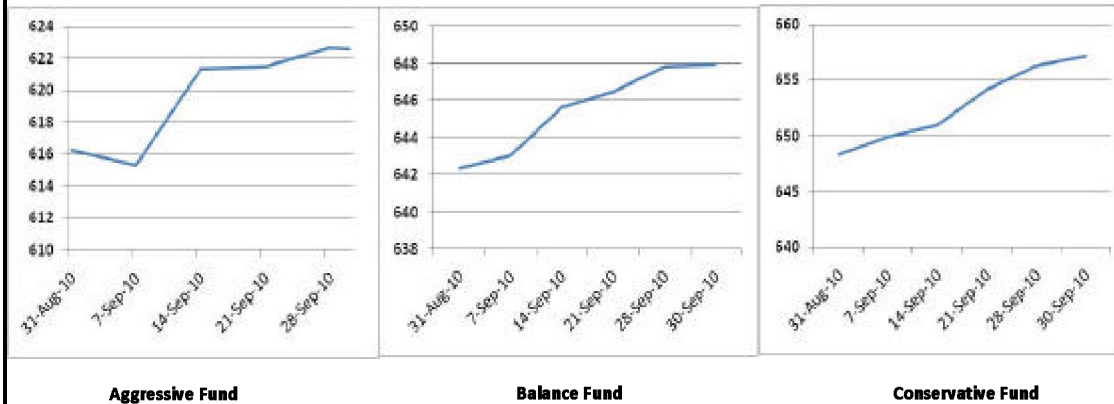




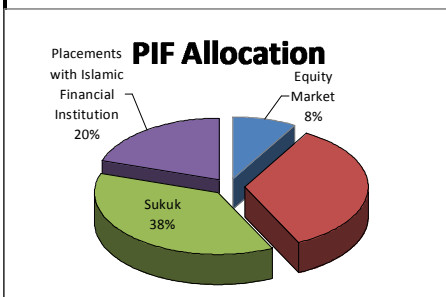
Performance of Pak-Qatar Unit Fund as at 30th September 2010



		PAK-QATAR UNIT FUND		
		Aggressive	Balanced	Conservative
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	590.42	604.65	602.66
NAV as at	30-Sep-10	622.59	647.93	657.1
Return since beginning of year (annualized)		7.31%	9.61%	12.12%
Return since inception of the fund (annualized)		9.90%	11.95%	12.69%

Asset Allocation	Aggressive	Balanced	Conservative
Equity Market	16%	8%	0%
Mutual Funds	40%	34%	22%
Sukuk	31%	37%	57%
Placements with Islamic Financial Institution	13%	21%	21%
Strategy	Capital Growth	Blend of Capital Preservation &	Capital Preservation

Commentary



MONEY MARKET

At start of the month, the rates of money markets were comparatively steady having few exceptions where it showed varied from high to low. In the latter half of the month, rates remained on the lower side because of excess liquidity in the system. To standardize the liquidity situation, State Bank frequently conducted Open Market Operations. Other banks also deposited Rs. 287 billion on floor rate with State bank in order to exhaust liquidity. The State Bank of Pakistan (SBP) increased the discount rate by 50 bps to 13.5% in the bimonthly monetary policy statement on September 29, 2010 to control resurgence in inflationary pressures and fiscal imbalances. Due to this climb in discount rate, KIBOR rates also increased with six month KIBOR increasing 40 bps to close the month at 13.27%.

EQUITY MARKET

The month of September ended on a positive note with the KSE up 200 points (2% increase) to end at 10,013 points. On average, daily volume also improved to 61 million shares as compared to 57 million in August. Firstly, the market activity remained lethargic due to the last week of Ramzan and Eid holidays after which the news that SECP would endorse the much awaited leverage product created anticipation in the market, as shown by the increased volumes. In addition, some interest was also witnessed because of rumors of a possible complimentary decision for OMCs on the minimum turnover tax issue. On the macro front, remittances stood at an all-time peak of USD 933 million. However, this good news was smeared by the relatively high CPI (inflation) number for Aug-10 which came in at 13.2% year on year. Political and macro uncertainty, coupled with the high probability of increase in discount rate kept investors somewhat cautious throughout the month. Foreigners remained net buyers in the market with total net foreign inflow of USD 22.5 million in September.

PAK-QATAR UNIT FUND

For the month we increased our exposure to Sukuk due to the increasing KIBOR rates. The Sukuks we invested in have a high credit rating as our portfolio has witnessed a better credit quality than other Islamic Income Portfolios which have witnessed low or even negative returns. As the portfolio size has increased we are planning to obtain improved yields by increasing our placements with Islamic Banks. On the equity side we are trading on the basis of returns, the best is the contrarian policy where trades are opposite to that of the market when a sufficient gain has been realized. We will keep investing in high dividend paying, blue chip stocks when the market decreases in value.

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.