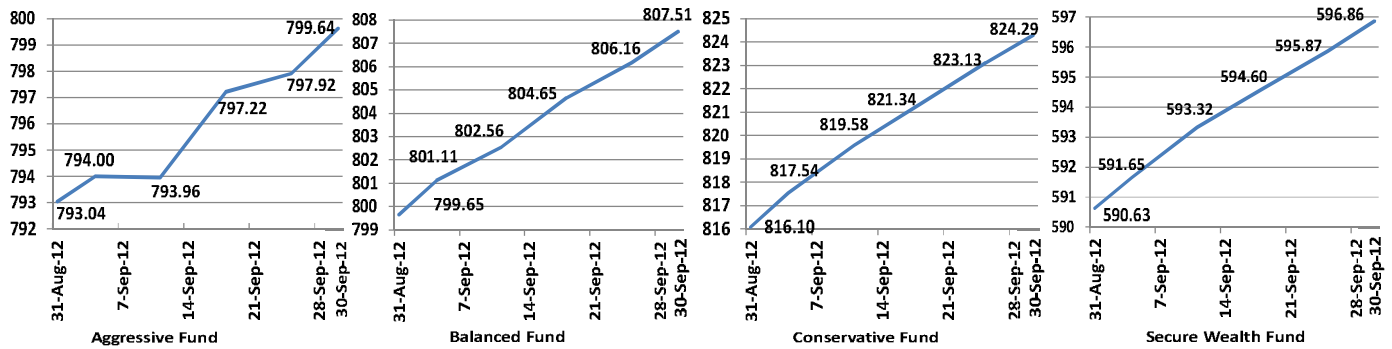
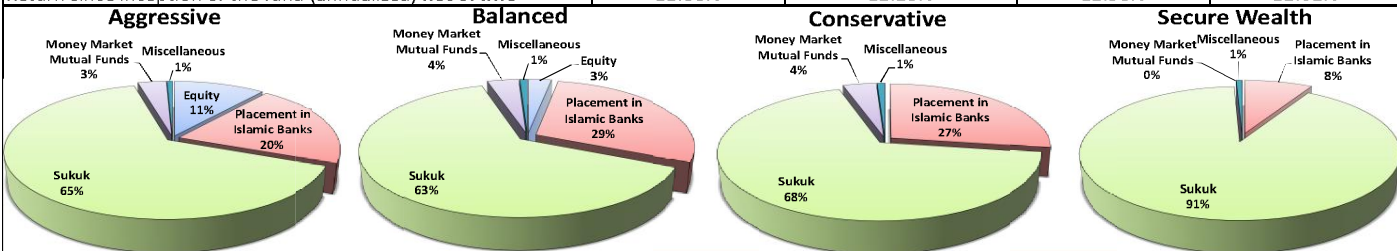




Performance of Pak-Qatar Unit Fund as at 30th September 2012



	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	30-Sep-12	799.64	807.51	824.29	596.86
Assets Under Management	30-Sep-12	161,015,078	999,499,550	74,618,350	56,661,300
Return since beginning of year (annualized) net of IMC		16.85%	11.49%	10.04%	10.55%
Return for the month (annualized) net of IMC		8.63%	10.46%	10.71%	11.33%
Return since inception of the fund (annualized) net of IMC		11.88%	12.23%	12.98%	12.02%



Commentary

Money market

Inflation for the month of September was 8.79%, this may lead to a further discount rate cut in the upcoming monetary policy. This was the third straight month that inflation was in single digits. KIBOR and T Bill yield both moved downwards hinting towards further monetary easing. There was significant illiquidity in the market, to stabilize the position the SBP conducted three OMOs where money was injected on all occasions. An Ijara auction was also conducted, due to the high participation the sukuk was issued on weighted average T-bill minus 0.25%.

Equity market

The KSE 100 index increased by 53 points (0.35% month on month), closing in at 15,444. The average volume was 146 million as opposed to 153 million last month. The highest daily fall was 136 (-0.99%) points on the 20th of September; the largest increase was 146 points (+1.06%) on the 14th of September. Foreigners purchased equity in excess of \$ 12.5 million which was a significant change as compared to last month's purchase of more than \$ 49 million. Mutual Funds and other organizations were net sellers by over \$ 22 million. During the month, the Government of Pakistan had discussions with IMF concerning the Post-Program. IMF, warned the government of double digit inflation to occur after the mid of 2013 as the government prints money to fund its deficit, it also cautioned the government on the economic challenges the country faces. The good news was that during the discussions, the Pakistani delegation did not request any new loans.

Going forward the monetary policy, rebasing of the index to reflect free float and the political situation will play a crucial role in shaping returns for the equity market.

Following is a comparison of equity markets:

Country	Index	Aug-12	Sep-12
UK	FTSE	1.35%	0.54%
USA	Nasdaq	2.66%	2.14%
USA	Dow DJI	0.63%	2.65%
China	Shanghai	-2.67%	1.89%
Hong Kong	Hang Seng	-1.59%	6.97%
Japan	Nikkei-225	1.67%	0.34%
India	BSE-30	0.84%	7.95%
Pakistan	KSE 100	5.59%	0.35%

Participant Investment Fund and Secure Wealth Fund

Return for the month of Aggressive and Balanced Fund was 8.63% and 10.46% respectively. Stocks provided a dismal return for the month (4.2% on an annualized basis) Conservative and Secure Wealth provided a return of 10.71% and 11.33% respectively. The impact on the portfolios was mostly due to the upward price revision of GoP Ijaras after the discount rate cut. If the discount rate cut is more than expectation of 100bps, it will be positive for the equity market.

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

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.