

# Al Meezan Investment Management Limited

October 06, 2012

MKT/FMR/03/13

Dear Investor,

We have successfully completed the first quarter of the current fiscal year i.e., 2012- 2013. The equity market has been exceptional throughout the current calendar year and in this quarter it continued with its upward momentum, reflective in our equity funds return. By the grace of Almighty Allah and the valuable support and patronage of our investors, Al Meezan is among the leading asset management companies with total assets under management of over Rs. 41.9 billion.

### Final Dividend for Meezan Balanced Fund (MBF) for FY 2011-2012

Meezan Balanced Fund (MBF) the largest and only Sharia'h compliant closed-end balanced scheme in Pakistan announced a final cash dividend @ 19% i.e. Rs.1.90 per certificate of Rs. 10/ each for the year ended June 30, 2012. Al Meezan has announced total dividend of Rs. 228 million as cash dividend in MBF. At present the net assets of MBF are Rs. 1,677 million.

### Interim Dividend Payout for Meezan Sovereign Fund (MSF) & Meezan Cash Fund (MCF) for FY2012-2013

We are pleased to announce another interim dividend for MSF & MCF for the period ended September 20, 2012 as follows:

Fund	Dividend (Rs.) per unit	% of par value of Rs. 50/-	FYTD Return
Meezan Cash Fund (MCF)	0.38	0.76%	10.51%
Meezan Sovereign Fund (MSF)	1.19	2.38%	10.80%

### Funds' Performance

At the close of the 1<sup>st</sup> quarter of the current fiscal year, the stock market had continued its upward momentum and we expect this to continue as the KSE- 100 Index closed positively at 15, 445. The performance of the equity funds is as following:

	September 2012 Return	CYTD12 Return
Meezan Islamic Fund (MIF)	-0.04%	39.85%
Al Meezan Mutual Fund (AMMF)	-0.01%	40.04%
Meezan Tahaffuz Pension Fund (MTPF)- Equity Sub Fund	0.29%	37.59%

Karachi Meezan Index Fund (KMIF) the only Sharia'h complaint index tracker fund also showcased superior performance, as the tracking error remained well within its defined threshold.

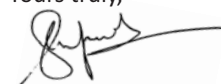
	September 2012 Return	CYTD Return
Karachi Meezan Index Fund (KMIF)	0.67%	0.81%

The fixed income funds also continued with their superior performance and posted healthy returns for their investors. This is evident in the performance details of funds for the month of September 2012:

	September 2012 Return	CYTD12 Return
Meezan Sovereign Fund (MSF)	10.50%	10.38%
Meezan Cash Fund (MCF)	10.20%	10.09%
Meezan Islamic Income Fund (MIIF)	29.10%	13.46%
Meezan Tahaffuz Pension Fund (MTPF)- Debt Sub Fund	10.10%	10.21%
Meezan Tahaffuz Pension Fund (MTPF)- Money Market Sub Fund	9.10%	10.03%

We promise to continue in our endeavor to provide best possible Sharia'h compliant investment solutions and world class services.

Yours truly,



**Shahid Gul Motiwala**

SVP- Head of Marketing and Sales



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# Al Meezan Investment Management Limited

13/03/FMR/MKT

06 اکتوبر 2012ء

معزز سرمایہ کار!

ہم نے موجودہ سال یعنی 2012-2013 کی پہلی سہ ماہی کامیابی سے مکمل کر لی ہے۔ رواں سال میں ایکویٹی مارکیٹ کی کارکردگی شاندار رہی ہے اور اس سہ ماہی میں بھی مثبت رجحان قائم رہا جس کا اثر ہمارے فنڈز کے منافع جات پر پڑا۔ اللہ سبحانہ و تعالیٰ کے کرم اور ہمارے معزز سرمایہ کاروں کے تعاون و سرپرستی کی بدولت المیزان 41.9 بلین روپے سے زائد کے اثاثوں کی منظمیت کرتے ہوئے پاکستان کی بڑی ایسیٹ مینجمنٹ میں شامل ہے۔

## مالی سال 2011-2012ء کیلئے میزان بیلنسڈ فنڈ (MBF) کا فائنل منافع

میزان بیلنسڈ فنڈ (MBF) ایک بڑی اور شرعی تقاضوں سے ہم آہنگ پاکستان کی واحد کلوزڈ اینڈ بیلنسڈ اسکیم ہے۔ MBF نے 19% کے حساب سے فائنل کیش ڈیویڈنڈ کا اعلان کیا ہے جو 30 جون 2012ء کو ختم ہونے والے مالی سال کیلئے 10 روپے والے ہر سٹیفیکٹ کا 1.90 روپے فی سٹیفیکٹ بنتا ہے۔ المیزان نے MBF کے نقد منافع کے طور پر 228 بلین روپے کے گل منافع کا اعلان کیا ہے۔ فی الوقت فنڈ کے مجموعی اثاثوں کی مالیت 1,677 بلین روپے ہے۔

## MCF اور MSF کے عبوری منافع کی ادائیگی۔ مالی سال 2012-2013ء

ہمیں 20 ستمبر 2012ء کو ختم ہونے والے عرصے کیلئے MCF اور MSF کے عبوری منافع کی ادائیگی کے اعلان پر بھی خوشی محسوس کر رہی ہے جس کی تفصیلات درج ذیل ہیں:

فونڈ	فی یونٹ منافع (روپے)	50/- روپے کی فیس ویلیو کا %	FYTD منافع
میزان کیش فنڈ (MCF)	0.38	0.76%	10.51%
میزان سوورن فنڈ (MSF)	1.19	2.38%	10.80%

## فنڈز کی کارکردگی

رواں مالی سال کی پہلی سہ ماہی کے اختتام پر اسٹاک مارکیٹ بلندی پر رہی اور انڈیکس 15,445 پر بند ہوا۔ ہم مستقبل قریب میں بھی اس رجحان کی توقع کرتے ہیں۔ ایکویٹی فنڈ کی کارکردگی درج ذیل ہے:

فونڈ	ستمبر 2012ء - منافع	CYTD12 کا منافع
میزان اسلامک فنڈ (MIF)	-0.04%	39.85%
المیزان میوچل فنڈ (AMMF)	-0.01%	40.04%
میزان تحفظ پینشن فنڈ (MTPF)۔ ایکویٹی سب فنڈ	0.29%	37.59%

KSE میزان انڈیکس فنڈ (KMIF) شرعی تقاضوں سے ہم آہنگ واحد انڈیکس ٹریڈر فنڈ ہے جس نے اپنی وضع کردہ حدود میں بطور ٹریڈنگ ایر میں بھی بہتر رہتے ہوئے شاندار کارکردگی کا مظاہرہ کیا ہے۔

فونڈ	ستمبر 2012ء - منافع	ٹیچ کارک منافع
KSE میزان انڈیکس فنڈ (KMIF)	0.67%	0.81%

کلید اگم فنڈز بھی شاندار کارکردگی دکھا رہے ہیں اور انہوں نے اپنے سرمایہ کاروں کیلئے بہترین منافع کماتے ہوئے عمدہ کارکردگی کا واضح ثبوت دیا ہے۔ ستمبر 2012ء کیلئے فنڈز کی تفصیلات درج ذیل ہیں:

فونڈ	ستمبر 2012ء - منافع	CYTD12 کا منافع
میزان سوورن فنڈ (MSF)	10.50%	10.38%
میزان کیش فنڈ (MCF)	10.20%	10.09%
میزان اسلامک اگم فنڈ (MIIF)	29.10%	13.46%
میزان تحفظ پینشن فنڈ (MTPF)۔ ڈیٹ سب فنڈ	10.10%	10.21%
میزان تحفظ پینشن فنڈ (MTPF)۔ منی مارکیٹ سب فنڈ	9.10%	10.03%

ہمارا عہد ہے کہ ہم شرعی تقاضوں سے ہم آہنگ سرمایہ کاری کے مکمل حل اور عالمی معیار کی خدمات فراہم کرتے رہیں گے۔

آپ کا مخلص

شاہد گل موتی والا

EVF - ایف مارکیٹنگ اینڈ سیلز



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# AL Meezan Investment Management Limited

Al Meezan Investments, the company in operation since 1995, has one of the longest track record of managing mutual funds in the private sector in Pakistan. Al Meezan Investments manages nine mutual funds; namely Al Meezan Mutual Fund, Meezan Balanced Fund, Meezan Islamic Fund, Meezan Islamic Income Fund, Meezan Tahaffuz Pension Fund, Meezan Cash Fund, Meezan Sovereign Fund, Meezan Capital Protected Fund (MCPF-II) and KSE Meezan Index Fund .

The total funds under management of Al Meezan, the only full fledged Shariah compliant asset management company in Pakistan, have reached Rs. 41.9 billion as on September 30, 2012. With AM2 rating which denotes high management quality, the company clearly stays well ahead of all its competitors in the Islamic asset management market in Pakistan.

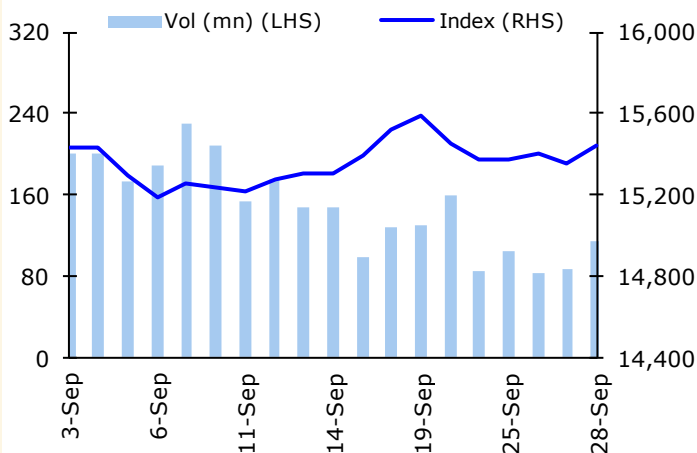
## Stock Market Review

KSE-100 ended the month with a 0.35% appreciation to close at 15,445 points. The broad-based trend in the market was generally positive with reduced volatility as the index moved near its all-time highs towards the end of the month. Volumes continued to slide with overall volumes trending lower by 6% MoM to 147 million shares a day.

Foreign flows continued to drive the market higher with overall FYTD flows clocking at \$61.11mn while flows during the month of Sep 2012 alone standing at \$11.65mn, marginally lower MoM. Flows remained concentrated in key blue chip stocks, hence, leading to price appreciation and the index reached near its all-time high.

A number of triggers ahead may act as catalyst to propel the market higher. The key driver in the next month shall be the upcoming Monetary Policy. With the investors pricing in at-least a 50bps cut in the key lending rate, any large deviation from this expectation may not go unnoticed by the market in general. Furthermore, the buildup of the elections euphoria as the nation goes into elections may further add to volatility in the benchmark.

## KSE-100 Index Performance



## Money Market Review

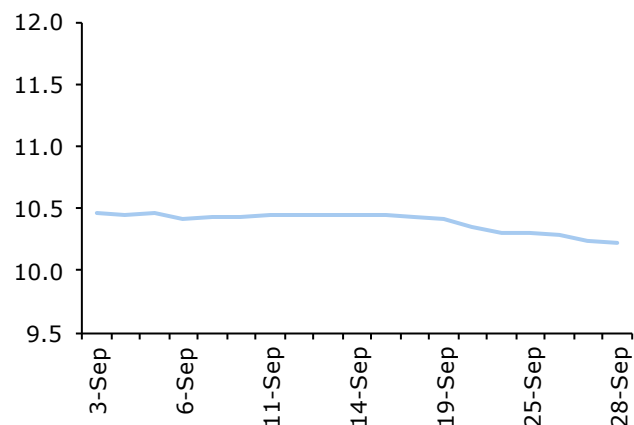
With the Monetary Policy just around the corner, the market continues to price in a potential rate cut in the vicinity of 50bps-100bps. A strong downward trend was clearly visible in the KIBOR rates and T-bill yields where the 6M KIBOR declined by another 29bps while the 6M T-bills yields declined 40bps.

During the month of September, money market depicted an illiquid trend. To normalize the liquidity situation, State Bank of Pakistan (SBP) conducted OMO operations and injected approximately Rs 2,104 billion at weighted average yield of 9.73%.

During the month, SBP also conducted two T-Bill auctions and one PIB auction. In the T-Bill auctions, SBP accepted approximately Rs 586 billion against total bids of approximately Rs 898 billion. Cut off yield of twelve-month paper has decreased by approximately 7bps and closed at 10.29%. In PIB auction SBP accepted approximately Rs. 90 billion.

On the forex front, rupee depreciated by Rs 0.22/USD in the interbank market and closed at (Rs94.82/USD). However, rupee depreciated by Rs 0.10/USD in the open market to close at Rs 95.00

## 6 Month KIBOR



## Disclaimer

This publication is for informational purpose only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risk. The NAV based prices of units and any dividends/returns thereon are dependent on force and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.

**Fund Review:**

Net assets of Meezan Islamic Fund stood at Rs. 6.16 billion as on September 30, 2012. The fund's NAV decreased by 0.1% during the month of September as compared to 0.8% increase in benchmark index (KMI-30) while KSE-100 Index during the same period increased by 0.3%. We expect the market to perform as valuations are attractive. As on September 30, the fund was 95% invested in equities.

**Investment Objective:**

To maximize total investor returns by investing in Shariah Compliant equities focusing on both capital gains and dividend income.

**Fund Details:**

Fund Type:	Open End
Risk Level	High
Launch Date	8th Aug 2003
Trustee	CDC
Auditors	KPMG Taseer Hadi & Co.
Registrar	Meezan Bank Ltd.
Unit Types	A, B and C
Management Fee	2%
Front End Load	2%
Fund Category	Equity
Back End Load	Nil
Benchmark	KMI-30
Leverage	Nil
Listing	KSE
AMC Rating	AM2
Rating Agency	JCRVIS
Pricing Mechanism	Forward
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 3pm
Fund Manager	Muhammad Asad

Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib, CFA Ahmed Hassan, CFA Dr. Gohar Rasool
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**Fund Assets:**

	Aug' 12	Sep' 12	MoM %
Net Assets (Rs mn)	6,080	6,159	1.2%
NAV Per Unit (Rs)	46.54	46.50	-0.1%

**Asset Allocation:**

	Aug' 12	Sep' 12
Equity (%)	96.57	95.04
Cash (%)	2.87	3.90
Other receivables (%)	0.56	1.05
Expense Ratio*	2.62%	2.71%
P/E	6.7	6.8

\*Management fee is included in the expense ratio

**Risk Measures-September'12:**

	MIF	KSE-100 index	KMI-30 Index
Standard Deviation (%)	0.70	0.49	0.60
Sharpe Ratio	-0.04	-0.02	0.03

**WWF Disclosure :** The Fund/Scheme has not made provisions amount to Rs.78.01mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.59/1.27%. For details investor are advised to read Financial Statements of the Scheme for FY2012.

**Performance - Cumulative Returns:**

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MIF	-0.1%	12%	15%	12%	31%	90%	68%	398%
Benchmark#	1%	15%	16%	15%	29%	101%	70%	260%

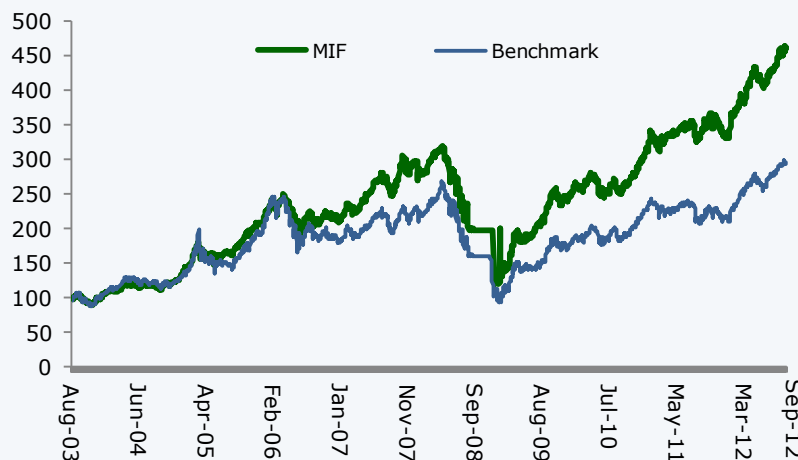
\*\* Performance start date of August 08, 2003,

# KMI-30 replaced DJIIMPK as the Fund's benchmark from July 01, 2009, while KSE-100 index remained as the benchmark till June 30, 2006

**Annual Returns:**

	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MIF	19%	39%	31%	-30%	0%	29%	30%	40%
Benchmark	14%	44%	37%	-35%	1%	17%	25%	22%

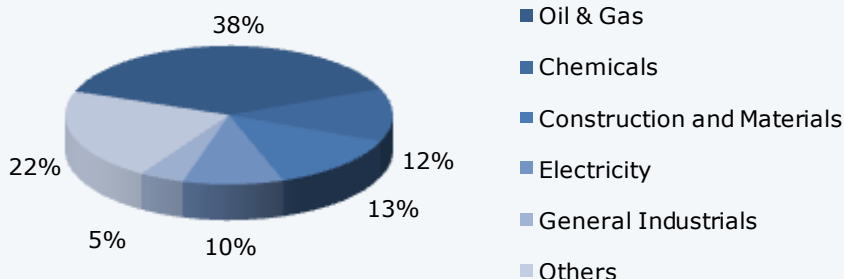
**Fund's Performance:**



**Top Ten Equity holdings:(% of NAV):**

Pakistan Petroleum Ltd.	11%	Pakistan State Oil Co. Ltd.	7%
Oil & Gas Development Co. Ltd.	10%	DG Khan Cement Co. Ltd.	6%
The Hub Power Co. Ltd.	10%	Lucky Cement	6%
Pakistan Oilfields Ltd.	10%	Meezan Bank Ltd.	5%
Fauji Fertilizer Co. Ltd.	8%	Pak. Telecom Co. Ltd	4%

**Sector Allocation:**



## Fund Review:

The net assets of Al Meezan Mutual Fund (AMMF) as at September 30, 2012 stood at Rs. 1.62 billion. The fund's NAV remained relatively unchanged during the month of September as compared the 0.8% increase in benchmark index (KMI-30) while KSE-100 Index during the same period increased by 0.3%. We expect the market to perform as market valuations are attractive. As on September 30, the fund was 96.7% invested in equities.

## Investment Objective:

The objective of Al Meezan Mutual Fund is to optimize the total investment returns, both capital gains and dividend income, through prudent investment management.

## Fund Details:

Fund Type:	Open End
Risk Level	High
Launch Date	13th Jul 1995
Trustee	CDC
Auditors	KPMG Taseer Hadi & Co.
Registrar	Meezan Bank Ltd.
Unit Types	A, B,C and D
Management Fee	2%
Front End Load	2%
Fund Category	Equity
Back End Load	Contingent Load
Benchmark	KMI-30
Leverage	Nil
Listing	ISE
AMC Rating	AM2
Rating Agency	JCRVIS
Pricing Mechanism	Forward
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 3pm
Fund Manager	Dr. Gohar Rasool
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib, CFA Ahmed Hassan, CFA Dr. Gohar Rasool

## Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
AMMF	0%	13%	16%	13%	32%	89%	114%	1,159%
Benchmark#	1%	15%	16%	15%	29%	101%	70%	836%

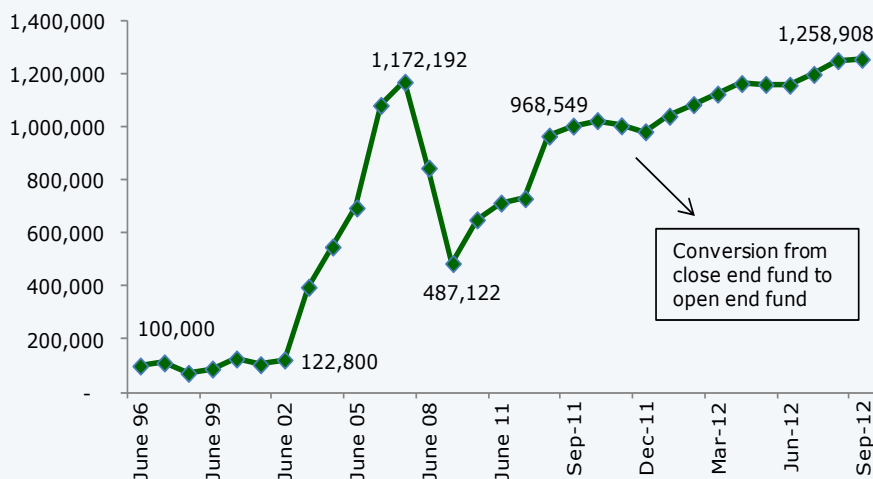
\*\* Performance start date of July 13, 1995,

# KMI-30 replaced DJIIMPK as the Fund's benchmark from July 01, 2009, while KSE-100 index remained as the benchmark till June 30, 2006.

## Annual Returns:

	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05
AMMF	19%	38%	31%	-32%	0%	27%	28%	45%
Benchmark	14%	44%	37%	-35%	1%	17%	25%	22%

## Investment Growth from FY 1996 - 2012 To Date



## Fund Asset:

	Aug' 12	Sep' 12	MoM %
Net Assets (Rs mn)	1,738	1,619	-6.9%
NAV Per Unit (Rs)	12.06	12.06	0.0%

## Asset Allocation:

	Aug' 12	Sep' 12
Equity (%)	96.08	96.67
Cash (%)	4.34	2.56
Other receivables (%)	-0.42	0.77
Expense Ratio*	2.76%	2.91%

\*Management fee is included in the expense ratio

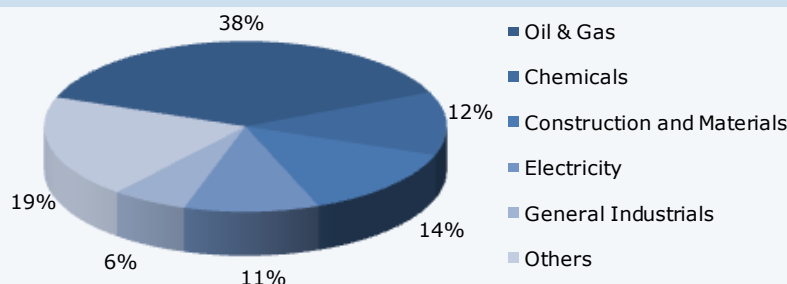
## Risk Measures – September'12:

	AMMF	KSE-100 index	KMI-30 Index
Standard Deviation (%)	0.73	0.49	0.60
Sharpe Ratio	-0.04	-0.02	0.03

## Top Ten Equity holdings:(% of NAV):

The Hub Power Co. Ltd.	11%	Pakistan State Oil Co. Ltd.	7%
Oil & Gas Development Co. Ltd.	10%	Lucky Cement	6%
Pakistan Petroleum Ltd.	10%	DG Khan Cement Co. Ltd.	6%
Pakistan Oilfields Ltd.	10%	Agriauto Industries Ltd.	4%
Fauji Fertilizer Co. Ltd.	8%	Meezan Bank Ltd.	4%

## Sector Allocation:



**WWF Disclosure :** The Fund/Scheme has not made provisions amount to Rs.22.13mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.16/1.37%. For details investors are advised to read Financial Statements of the Scheme for FY2012.



## Fund Review

Net assets of Meezan Islamic Income Fund (MIIF) stood at Rs. 1.4 billion as on September 30, 2012. MIIF has provided an annualized return of 29.1% for the month of September as compared to its benchmark which has provided an annualized return of 6.4% during the same period.

## Investment Objective:

To provide investors with a high and stable rate of current income consistent with long term preservation of capital in a Shariah compliant way. A secondary objective is to take advantage of opportunities to realize capital appreciation.

## Fund Details:

Fund Type:	Open End
Risk Level	Minimal
Launch Date	15-Jan-07
Trustee	CDC
Auditors	KPMG Taseer Hadi & Co.
Registrar	Meezan Bank Ltd.
Unit Types	A, B and C
Management Fee	1.5%
Front End Load	0.5%
Fund Category	Income
Leverage	Nil
Listing	KSE
AMC Rating	AM2
Rating Agency	JCRVIS
Fund Stability Rating	A(f)
Pricing Mechanism	Forward
Weighted average time to maturity	1.21 Years
Back End Load	Contingent load for Type C investors
Benchmark	Average bank deposit rate of three Islamic banks
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 3pm
Fund Manager	Muhammad Asad

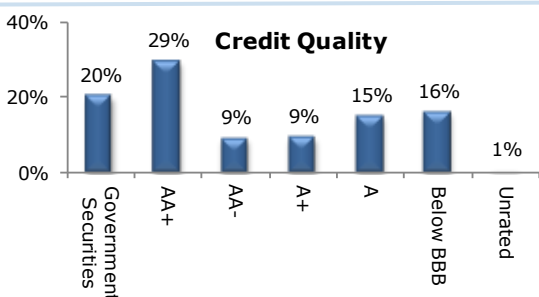
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib, CFA Ahmed Hassan, CFA Dr. Gohar Rasool
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## Fund Assets:

	Aug' 12	Sep' 12	MoM %
Net Assets (Rs mn)	1,337	1,411	5.56%
NAV Per Unit (Rs)	50.57	51.64	2.12%

## Credit Quality of portfolio:

Government Securities	28%
AA+	23%
AA-	9%
A+	7%
A	14%
Below BBB	15%
Unrated	1%



## Performance - Annualized Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MIIF	29.1%	14.3%	11.6%	14.3%	9.8%	9.2%	9.5%	9.5%
Benchmark	6.4%	6.1%	5.8%	6.1%	5.5%	5.4%	5.5%	5.5%

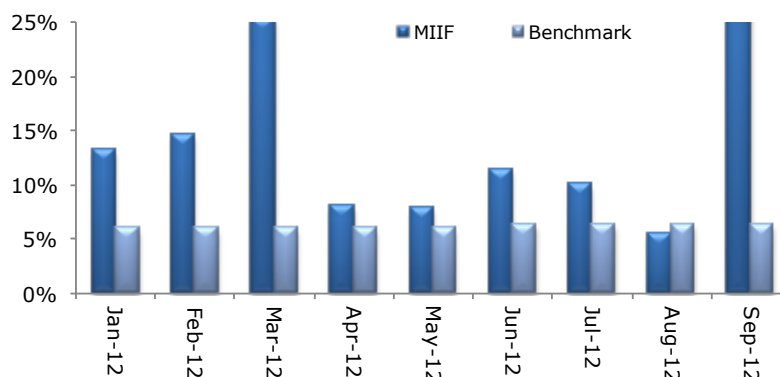
\*\* Performance start date of Jan 15, 2007

## Annual Returns:

	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MIIF	7.8%	11.8%	7%	10%	9%	10.07%*	-	-
Benchmark	6.0%	5.9%	6%	7%	6%	5%	-	-

\* 163 days of operations

## Monthly Performance:



## Top Ten Portfolio holdings:(% of NAV):

GoP Ijarah Sukuk IX	12%	HUBCO (Commercial Paper)	7%
GoP Ijarah Sukuk XIII	9%	Maple Leaf Sukuk -I	7%
Engro Fertilizer Ltd.	9%	Century Paper & Board Ltd.	6%
Eden Housing Ltd.	8%	Sitara Chemicals Ltd. - III	2%
GoP Ijarah Sukuk XII	7%	Eden Builders Limited	1%

## Sector Allocation:

	Aug'12	Sep'12
Sukuks	37%	33%
Government backed / Guaranteed Securities	20%	28%
Cash	35%	29%
Commercial Paper	7%	7%
Others Including receivables	0%	3%

## Details of Non Performing Investments:

Name of Non -compliant investments	Type of Investments	Value of Investments before provision	Provision held if any / Diminishing Market Value	Value of investments after provision	% of Net Assets	% of Gross Assets
Arzoo Textile Mills Ltd.	Sukuk	70,000,000	70,000,000	0.00	0.00%	0.00%
Eden Housing Limited	Sukuk	158,709,375	48,462,975	110,246,400	7.81%	7.65%
Maple Leaf Cement - I	Sukuk	311,320,000	211,697,600	99,622,400	7.06%	6.91%
Maple Leaf Cement - II	Sukuk	9,333,334	9,333,334	0.00	0.00%	0.00%
Security Leasing Corporation Ltd. - II	Sukuk	18,958,332	9,591,172	9,367,160	0.66%	0.65%

**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.24.16mn. If the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.88/1.71%. For details investors are advised to read Financial Statements of the Scheme for FY2012.

## Fund Review

Net assets of Meezan Cash Fund (MCF) stood at Rs. 6.7 billion as at September 30, 2012. MCF has provided an annualized return of 10.2% for the month of September as compared to its benchmark which has provided an annualized return of 8.0% during the same period.

## Investment Objective:

To seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah compliant money market and debt securities.

## Fund Details:

Fund Type:	Open End
Risk Level	Minimal
Launch Date	15-Jun-09
Trustee	CDC
Auditors	KPMG Taseer Hadi & Co.
Registrar	Meezan Bank Ltd.
Unit Types	A, B and C
Management Fee	1%
Front End Load	Nil
Back End Load*	0.1% if redemption within 3 days
Fund Category	Money Market
Leverage	Nil
Listing	ISE
AMC Rating	AM2
Rating Agency	JCRVIS
Fund Stability Rating	AA (f)
Pricing Mechanism	Forward
Weighted average time to maturity	21.20 Days
Benchmark	Average return on 6-month Islamic bank deposits
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 3pm
Fund Manager	Ahmed Hassan, CFA
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib, CFA Ahmed Hassan, CFA Dr. Gohar Rasool

## Fund Assets:

	Aug' 12	Sep' 12	MoM %
Net Assets (Rs mn)	6,679	6,652	-2.20%
NAV Per Unit (Rs) *	50.14	50.16	0.67%

\*Ex-Dividend NAV

## Rating Exposure:

AA+	51%
AA	48%
AA-	0.2%##

##Account with Meezan Bank is being maintained only for collection /redemption purposes as Meezan Bank is the distributor for all Meezan Funds.

## Portfolio Composition:

	Aug'12	Sep'12
Placements with Banks and DFIs	16%	32%
Commercial Paper	5%	5%
Cash	67%	63%
Government Guaranteed	9%	0%
Other Including receivables	2%	1%

## Performance – Annualized Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCF	10.2%	10.3%	9.7%	10.5%	10.4%	10.6%	-	10.6%
Benchmark	8.0%	8.0%	8.0%	8.0%	8.1%	8.0%	-	8.0%

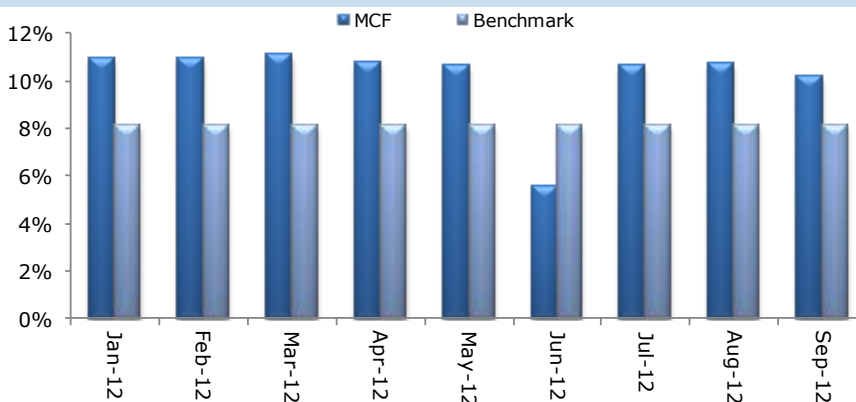
\*\* Performance start date of June 15, 2009

## Annual Returns:

	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MCF	10.7%	11.0%	10%	8.08%#	-	-	-	-
Benchmark	8.1%	8.2%	7%	8%	-	-	-	-

#15 days of operations

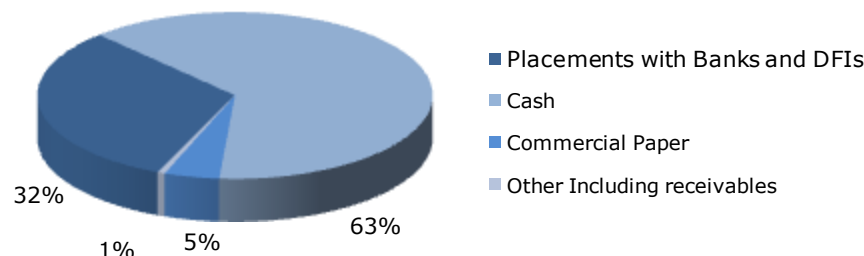
## Monthly Performance:



## Portfolio: Salient Features

Key Benefits	<ul style="list-style-type: none"> <li>Maximum Preservation of Principal Investment</li> <li>High Liquidity (Redemption within Two working days)</li> <li>*No Sales Load (No Entry or Exit charges)</li> <li>Tax Credit as per tax laws</li> </ul>
Investment Policy and Strategy	<ul style="list-style-type: none"> <li>Investments in High Grade &amp; Liquid avenues:</li> <li>Instrument/Issuer Rating : <b>Minimum 'AA'</b></li> <li>Maximum Maturity of Instruments : <b>Six Months</b></li> <li>Average Time to Maturity of Portfolio : <b>Three Months</b></li> </ul>
Benchmark	Average return on 6-month Islamic bank deposits

## Asset Allocation:



**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.38.05mn, if the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.29/0.57%. For details investors are advised to read Financial Statements of the Scheme for FY2012.

## Fund Review

Net assets of Meezan Sovereign Fund (MSF) stood at Rs. 18.77 billion as on September 30, 2012. For the month of September, the fund has provided an annualized return of 10.5% as compared to its benchmark which has provided an annualized return of 8.0% during the same period.

## Investment Objective:

To seek maximum possible preservation of capital and a reasonable rate of return

## Fund Details:

Fund Type:	Open End
Risk Level	Minimal
Launch Date	10-Feb-10
Trustee	CDC
Auditors	KPMG Taseer Hadi & Co.
Registrar	Meezan Bank Ltd.
Unit Types	A, B, C and D
Management Fee	1%
Front End Load	0.5%
Back End Load	Nil
Fund Category	Income
Leverage	Nil
Listing	ISE
AMC Rating	AM2
Rating Agency	JCRVIS
Fund Stability Rating	AA
Pricing Mechanism	Forward
Weighted average time to maturity	1.35 Years
Benchmark	Average return on 6-month Islamic bank deposits
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 3pm
Fund Manager	Muhammad Asad
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib Ahmed Hassan, CFA Dr. Gohar Rasool

## Fund Assets:

	Aug' 12	Sep' 12	MoM %
Net Assets (Rs mn)	18,417	18,765	1.89%
NAV Per Unit (Rs)*	50.92	50.15	0.82%

\*Ex-Dividend NAV

## Asset Rating:

Government Guaranteed	73%
AA+	15%
AA	9%

## Asset Allocation:

	Aug '12	Sep '12
Government Guaranteed	75%	73%
Cash	23%	24%
Other Including receivables	2%	3%

**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.64.81mn, if the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.17/0.35%. For details investors are advised to read Financial Statements of the Scheme for the FY2012.

## Performance - Annualized Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MSF	10.5%	10.8%	10.2%	10.8%	10.8%	-	-	11.0%
Benchmark	8.0%	8.0%	8.0%	8.0%	8.1%	-	-	8.2%

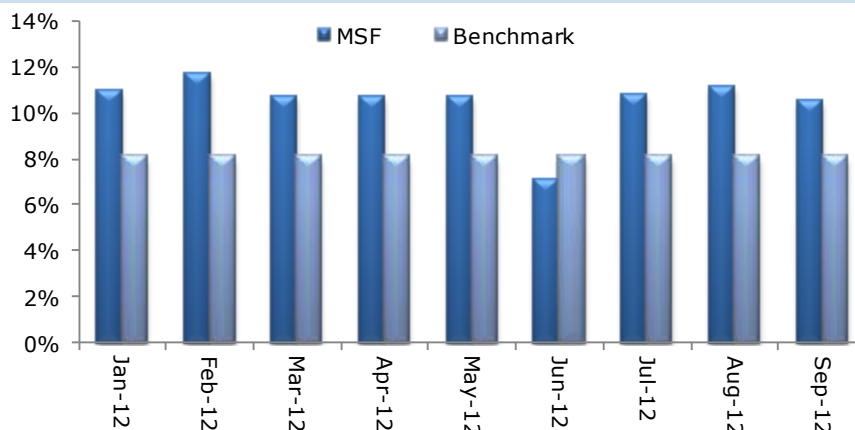
\*\* Performance start date of Feb 10, 2010,

## Annual Returns:

	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MSF	11.2%	11.5%	9.76%*	-	-	-	-	-
Benchmark	8.1%	8.2%	7.48%	-	-	-	-	-

\* 140 days of operations

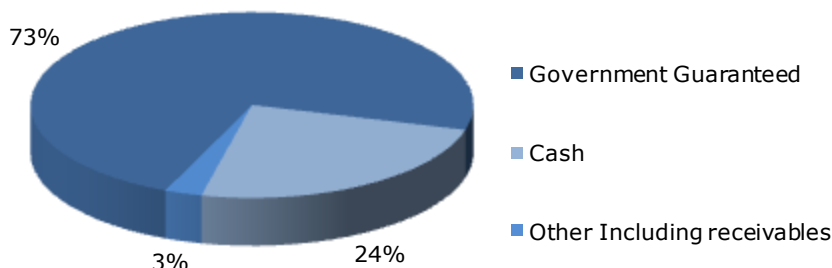
## Monthly Performance:



## Portfolio: Salient Features

Key Benefits	<ul style="list-style-type: none"> <li>Maximum Preservation of Principal Investment</li> <li>Primary Investments in securities issued by Government of Pakistan</li> <li>Very Low Risk</li> <li>Liquidity (Redemption on average in 2-3 working days)</li> <li>Tax Credit as per tax laws</li> </ul>
Investment Policy and Strategy	<ul style="list-style-type: none"> <li>Investments in High Grade &amp; Liquid avenues:</li> <li>Minimum 70% Investment in Government backed / issued securities (rated 'AAA')</li> <li>Placements in top rated banks and financial institutions</li> <li>Weighted Average Time to Maturity of Portfolio : Not more than 4 years</li> </ul>
Benchmark	Average return on 6-month Islamic bank deposits

## Asset Allocation:





## Fund Review:

For the month of September 2012, MCPF-II provided a return of 0.3%. The net assets of Meezan Capital Protected Fund (MCPF-II) have grown to Rs. 461 million during the same period.

## Investment Objective:

The objective of this fund is to provide investors 100% protection of their capital while offering competitive returns by participating in the equity market.

## Fund Details:

Fund Type:	Open End
Risk Level	Minimal
Launch Date	5-Jul-11
Trustee	CDC
Auditors	KPMG Taseer Hadi & Co.
Registrar	Meezan Bank Ltd.
Unit Types	A, B,C and D
Management Fee	1.5%
Front End Load	3%
Fund Category	Capital Protected
Back End Load	Contingent Load
Leverage	Nil
Listing	ISE
AMC Rating	AM2
Rating Agency	JCRVIS
Pricing Mechanism	Forward
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 3pm
Fund Manager	Ahmed Hassan, CFA
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib, CFA Ahmed Hassan, CFA Dr. Gohar Rasool

## Fund Assets:

	Aug' 12	Sep' 12	MoM %
Net Assets (Rs mn)	460	461	0.31%
NAV Per Unit (Rs)**	52.43	52.60	0.31%

\*\*Ex-Dividend NAV: Rs. 50.51

## Asset Allocation:

GoP Guaranteed Securities (%)	72.4
Equity (%)	20.7
Cash (%)	3.6
Other Including receivables (%)	3.4

**WWF Disclosure:** The Fund/Scheme has not made provisions amount to Rs.1.39mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.16/0.30%. For details investors are advised to read Financial Statements of the Scheme for the FY2012.

## Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCPF-II	0.3%	4.1%	6.9%	4.1%	14.6%	-	-	18.2%

\*\* Performance start date of Jul 5, 2011,

## Annual Returns:

	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MCPF-II	13.5%	-	-	-	-	-	-	-

## Portfolio: Salient Features

### Key Benefits

100% Capital Protection.

Optimal Halal returns while remaining in Capital Protection structure.

Tax exempt returns (under applicable Tax Laws)

Tax Credit ( as per Tax Law)

Professional Fund Management by the largest asset management company in private sector in Pakistan

### Investment Policy and Strategy

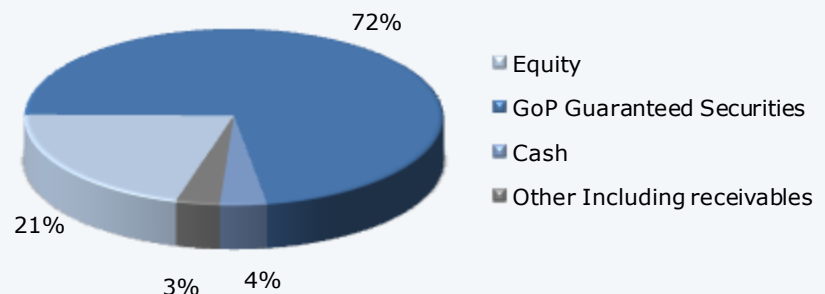
#### Capital Protection Segment

Approximately 75.5% of the Fund would be allocated to Capital Protection Segment which will grow to initial investment, at maturity of life of the Fund. The investment will be made in 'AAA' rated Government of Pakistan Ijarah Sukuk.

#### Investment Segment

24.5% of the Fund would be allocated to Investment Segment that is expected to provide the upside over and above principal at the time of maturity. This amount will be invested in Shariah compliant equity securities listed on Pakistani Stock Exchanges.

## Asset Allocation:



## Fund Review:

As at September 30, 2012, total size of net assets of Meezan Tahaffuz Pension Fund (MTPF) stood at Rs. 965 million. For the month of September, the NAV of equity sub fund increased by 0.4% while the NAV of debt and money sub funds provided an annualized return of 10.1% and 9.1% respectively.

## Investment Objective:

To provide participants a regular Halal income stream after retirement/disability when they can no longer earn regular income to support their living so that they are not dependent on other members of the society.

## Fund Details:

Fund Type:	Open End
Risk Level	Minimal
Launch Date	28-Jun-07
Trustee	CDC
Auditors	Ernst & Young & Co.
Registrar	Meezan Bank Ltd.
Fund Category	Pension
Leverage	Nil
AMC Rating	AM2
Rating Agency	JCRVIS
Pricing Mechanism	Forward
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 3pm
Fund Manager	Muhammad Asad
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib Ahmed Hassan, CFA Dr. Gohar Rasool

## FUND ASSETS:

Rs (Mn)	Aug '12	Sep '12	MoM %
MTPF- Equity	388	393	1.2%
MTPF- Debt	351	363	3.6%
MTPF- MMkt	205	209	2.0%
<b>Total Fund</b>	<b>944</b>	<b>965</b>	<b>2.3%</b>

## NAV per unit:

Rs	Aug '12	Sep '12	MoM %
MTPF- Equity	179.9	180.3	0.3%
MTPF- Debt	160.2	161.4	0.8%
MTPF- MMkt	161.2	162.4	0.7%

## Sukuk Holdings – MTPF(Debt fund):

GoP Ijarah Sukuks X	20.36%
GoP Ijarah Sukuks XI	16.51%
GoP Ijarah Sukuks V	15.96%
GoP Ijarah Sukuks IX	14.86%
GoP Ijarah Sukuks XII	13.76%
GoP Ijarah Sukuks XIII	4.86%
GoP Ijarah Sukuks VIII	3.58%
GoP Ijarah Sukuks VII	1.38%
GoP Ijarah Sukuks VI	0.83%
Eden Housing Limited	0.26%

## MTPF - Allocation Schemes

	1M	3M	6M	YTD	1Yr	3Yr	5Yr	PSD**
High Volatility	0.4%	10%	13%	10%	26%	74%	75%	76%
Medium Volatility	1%	7%	10%	7%	20%	58%	69%	71%
Low Volatility	1%	5%	7%	5%	15%	45%	65%	66%
Lower Volatility	1%	2%	5%	2%	10%	32%	61%	61%

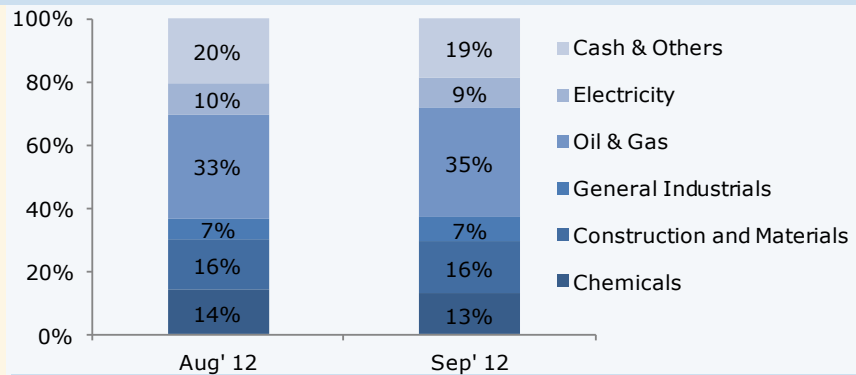
\*\* Performance start date of June 28, 2007.

Allocation Scheme	Equity	Debt	Money Market
High Volatility	80%	20%	0%
Medium Volatility	50%	40%	10%
Low Volatility	25%	60%	15%
Lower Volatility	0%	60%	40%

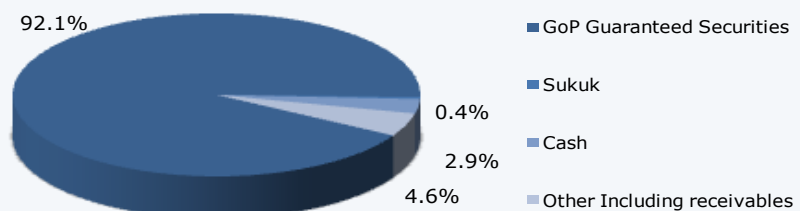
## Annual Returns:

	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MTPF- Equity	16.8%	36.0%	31.5%	-25.8%	3.1%	-	-	-
MTPF- Debt	9.5%	10.9%	8.5%	10.2%	8.3%	-	-	-
MTPF- MMkt	10.9%	10.7%	8.5%	11.1%	7.7%	-	-	-

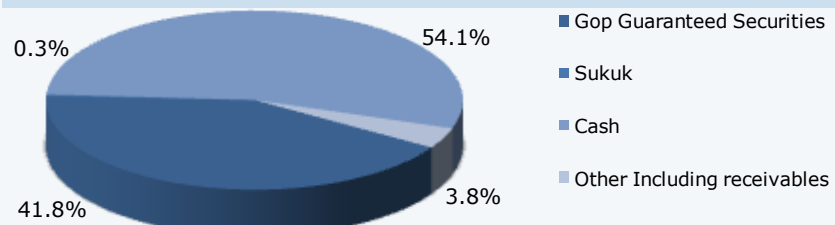
## Sector Weightage as % of Net Assets (MTPF – Equity):



## MTPF Debt Sub Fund:



## MTPF Money Market Sub Fund:



**WWF Disclosure:** The Fund/Scheme has not made provisions amount to Rs.3.09mn (Equity), Rs. 1.51mn (Debt) and Rs. 0.98mn (MMKT) against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.1.42/0.79% (Eq.), 0.67/0.41%(Dt.) and 0.76/0.47%(MM). For details, investors are advised to read Financial Statements of the Scheme for FY2012.

## Fund Review:

The fund was launched on May 23, 2012. As at September 30, the net assets of KSE-Meezan Index Fund (KMIF) stood at Rs. 324 million. For the month of September 2012, KMIF provided a return of 0.6%.

## Investment Objective:

KSE Meezan Index Fund (KMIF) is a Shariah Compliant Index Fund that aims to provide investors an opportunity to track closely the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the Index in proportion to their weightages.

## Fund Details:

Fund Type:	Open End
Risk Level	High
Launch Date	23-May-12
Trustee	CDC
Auditors	KPMG Taseer Hadi & Co.
Registrar	Meezan Bank Ltd.
Unit Types	A and B
Management Fee	1%
Front End Load	2%
Fund Category	Index Tracker Scheme
Back End Load	Nil
Leverage	Nil
Listing	ISE
AMC Rating	AM2
Rating Agency	JCRVIS
Pricing Mechanism	Forward
Benchmark	KMI-30 Index
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 1pm
Fund Manager	Dr. Gohar Rasool
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib, CFA Ahmed Hassan, CFA Dr. Gohar Rasool

## Fund Assets:

	Aug' 12	Sep' 12	MoM %
Net Assets (Rs mn)	287	324	13.00%
NAV Per Unit (Rs)	55.76	56.11	0.63%

**WWF Disclosure:** The Fund/Scheme has not made provisions amount to Rs.0.83mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.14/0.25%. For details investor are advised to read Financial Statements of the Scheme for the FY2012.

## Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
KMIF	0.6%	14.9%	-	14.9%	-	-	-	12.2%
Benchmark	0.8%	15.5%	-	15.5%	-	-	-	13.3%

\*\* Performance start date of May 23, 2012.

## Annual Returns:

	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05
KMIF*	-2.4%	-	-	-	-	-	-	-

\* 38 days of operations.

## Portfolio: Salient Features

### Key Benefits

- Pakistan's only tracker Fund - KMIF, which tracks Pakistan's only Shariah Compliant Index, the KMI 30
- The KMI 30 Index has outperformed KSE 100 every year since its launch in 2009
- A one-stop solution for putting your money into every single company of the KMI 30 Index
- Passive investment philosophy, hence low operating expenses compared to actively managed funds, and little potential for underperformance (relative to benchmark)
- No Lock-in Period - Invest Today, En-cash whenever you like

### Investment Policy

The Fund shall strive to remain fully invested in accordance with the stated index; however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index during the year based on monthly average investment calculated on daily basis. The un-invested amount shall be kept in Cash and/ or near cash instruments where near cash instruments include cash in Islamic bank accounts or Islamic Banking windows (excluding TDRs)

The Fund will invest in the KMI-30 equity stock in order to achieve the investment objective. The fund manager would monitor the performance of the Fund and the benchmark index on a continuous basis. Upon Rebalancing of the Index the Management Company may also rebalance the portfolio within 30 Days with the objective to minimize, before expenses, the tracking error of the Fund



## PAKISTAN'S ONLY SHARIAH-COMPLIANT CLOSED-END FUND

### Fund Review:

Net assets of Meezan Balanced Fund (MBF) as at September 30, 2012 stood at Rs. 1.66 billion. The fund's NAV increased by 0.2% during the month. Fund has declared 19% cash dividend for the period ended June 30, 2012.

### Investment Objective:

The objective of Meezan Balanced Fund is to generate long term capital appreciation as well as current income by creating a balanced portfolio that is invested both in high quality equity securities and Islamic Income Instruments such as TFCs, COIs, Certificates of Musharika, Islamic Sukuk, Ready-future hedges, and other Shariah compliant instruments.

### Fund Details:

Fund Type:	Closed End
Risk Level	Minimal
Launch Date	20-Dec-2004
Trustee	CDC
Auditors	KPMG Taseer Hadi & Co.
Registrar	THK Associates
Management Fee	2%
Fund Category	Balanced
Leverage	Nil
Listing	KSE
AMC Rating	AM2
Rating Agency	JCRVIS
Benchmark	50% KMI-30 Index 50% Average bank Deposit rate of three Islamic banks
Fund Manager	Ahmed Hassan, CFA
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib, CFA Ahmed Hassan, CFA Dr. Gohar Rasool

### Funds Asset:

	Aug' 12	Sep' 12	MoM %
Net Assets (Rs mn)	1,660	1,663	0.20%
NAV Per Unit (Rs)	13.84	13.86	0.20%

**WWF Disclosure:** The Fund/Scheme has not made provisions amount to Rs.15.86mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.13/0.95%. For details investor are advised to read Financial Statements.

### Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MBF	0.2%	8%	11%	8%	23%	66%	95%	204%
Benchmark	1%	9%	10%	9%	15%	51%	35%	93%

\*\* Performance start date of Dec 20, 2004

### Annual Returns:

	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MBF	17%	25%	23%	-11%	1%	26%	23%	2%*
Benchmark	8%	25%	21%	-14%	3%	11%	15%	13%

\* Performance start date of Dec 20, 2004

### Top Ten Portfolio holdings:(% of NAV):

	Equity	Sukuk	
Hub Power Co. Ltd.	8%	GoP Ijarah Sukuk -XII	17%
Pakistan Oilfields Ltd.	5%	GoP Ijarah Sukuk -IX	6%
Oil & Gas Development Co. Ltd.	5%	GoP Ijarah Sukuk -XI	4%
Pakistan Petroleum Ltd.	5%	Engro Fertilizer Ltd.	3%
Fauji Fertilizer Co. Ltd.	5%	Century Paper & Board Ltd.	1%

### Sector Allocation:

	Aug'12	Sep'12
Equity	59%	51%
GoP Guaranteed Securities	26%	26%
Sukuk	5%	5%
Cash	10%	18%

### Sector Performance:

