

# 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. 48.1 billion as on September 30, 2013. 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.

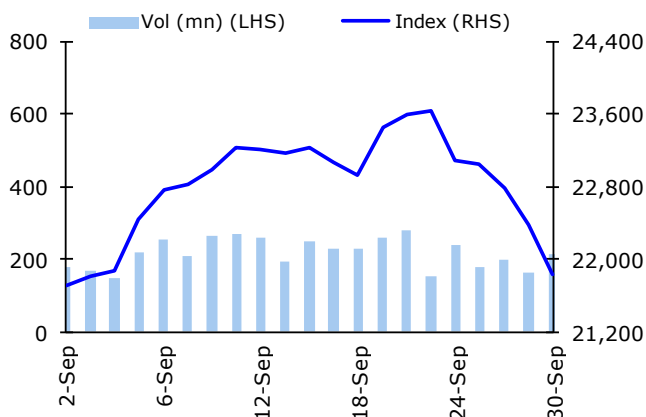
## Stock Market Review

The KSE-100 index declined by 1.5% in the month of September to close at the level of 21,833. On a MoM basis, volume witnessed a 6.6% increase in shares to 215mn per day but was negated by a 14% decline in average traded value, which came in at USD 73mn.

The much anticipated technical correction triggered due to concerns over rupee depreciation, hike in interest rate and rumors of break-up of cement syndicate which kept the investors at bay and the market eventually came under selling pressure. With the exception of telecom sector, most of the sectors remained under pressure. At the end of the month, increase in minimum deposit rate on saving and term deposit to 6.5% for commercial banks created further pressure in banking stocks and overall market sentiment due to which KSE index came below the psychological barrier of 22,000. Except for telecom sector which witnessed a surge due to government's crackdown on grey trafficking and benefit of rupee devaluation, other sectors underperformed. Fears of rupee depreciation also impacted foreign portfolio investment with a net outflow of USD 7.2mn during the month.

Concerns over rupee devaluation & further interest rate hike may continue to keep the upside limited. However, on the local front, recovery in cement dispatches from September onwards, reforms in power sector and increase in the textile exports are all expected to bode well for the market sentiment.

### KSE-100 Index Performance



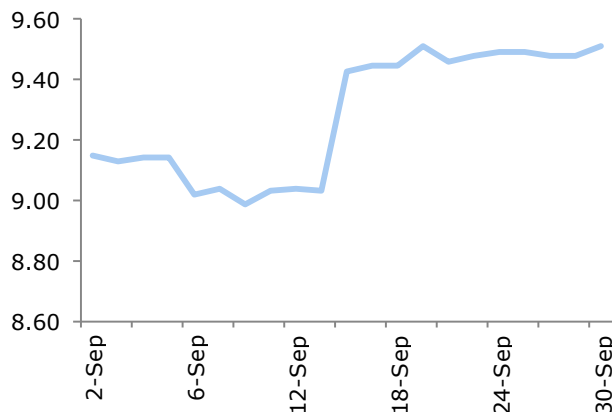
## Money Market Review

The money market witnessed a volatile scenario this month since the SBP increased the key rate by 50bps in its bi-monthly monetary policy announcement which shaped up as a market shock because it was no longer being anticipated by the market participants. This resulted in a sudden upward adjustment in interest rates with the 3MK and 6MK closing 37bps and 36bps higher at 9.43% and 9.51%. The market stayed liquid as evidenced by placements at the floor rate amounting Rs. 320 billion cumulatively during the month.

Activity in the Ijarah market picked up during the first half of the month but got subdued again post the unexpected key rate increase. Moreover, two T-bill auctions were conducted during the month whereby in total, Rs. 590 billion was accepted against a participation of Rs.738 billion with major acceptance in the 3 months T-bills (Rs. 586 billion in total at cut off yields of 8.96% and 9.41%). A PIB auction was also conducted whereby Rs. 16 billion was accepted against a participation of Rs. 29 billion with major participation in the 3 years category (Rs. 13 billion) but the highest acceptance in the 10 years category (Rs. 6 billion at a cut-off yield of 12.60%).

On the forex front, the rupee continued to lose considerable value; in the interbank market it closed Rs. 1.48 weaker at Rs. 105.80/\$ while in the open market, it closed Rs. 2.20 weaker at Rs. 107.00/\$.

### 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. 10.12 billion as on September 30, 2013. The fund's NAV decreased by 2.4% during the month of September as compared to 3.0% decrease in benchmark index (KMI-30) while KSE-100 Index during the same period decreased by 1.5%. As on September 30, the fund was 90% 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<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |
|---------------------------------|---|

## Fund Net Assets:

|                    | Aug'13 | Sep'13 | MoM % |
|--------------------|--------|--------|-------|
| Net Assets (Rs mn) | 10,230 | 10,119 | -1.1% |
| NAV Per Unit (Rs)  | 45.86  | 44.76  | -2.4% |

## Asset Allocation:

|                       | Aug'13 | Sep'13 |
|-----------------------|--------|--------|
| Equity (%)            | 90.93  | 89.88  |
| Cash (%)              | 8.67   | 8.26   |
| Other receivables (%) | 0.40   | 1.86   |
| Expense Ratio*        | 3.60%  | 3.40%  |
| P/E                   | 8.1    | 8.0    |

\*Management fee is included in the expense ratio

## Risk Measures-September'13:

|                        | MIF   | KSE-100 index | KMI-30 Index |
|------------------------|-------|---------------|--------------|
| Standard Deviation (%) | 1.27  | 1.37          | 1.33         |
| Sharpe Ratio           | -0.10 | -0.06         | -0.12        |

## Performance - Cumulative Returns:

|            | 1M  | 3M    | 6M  | FYTD  | 1Yr | 3Yr  | 5Yr  | PSD* | CAGR* |
|------------|-----|-------|-----|-------|-----|------|------|------|-------|
| MIF        | -2% | -0.3% | 15% | -0.3% | 34% | 136% | 213% | 567% | 21%   |
| Benchmark# | -3% | 0.3%  | 17% | 0.3%  | 34% | 135% | 203% | 383% | 17%   |

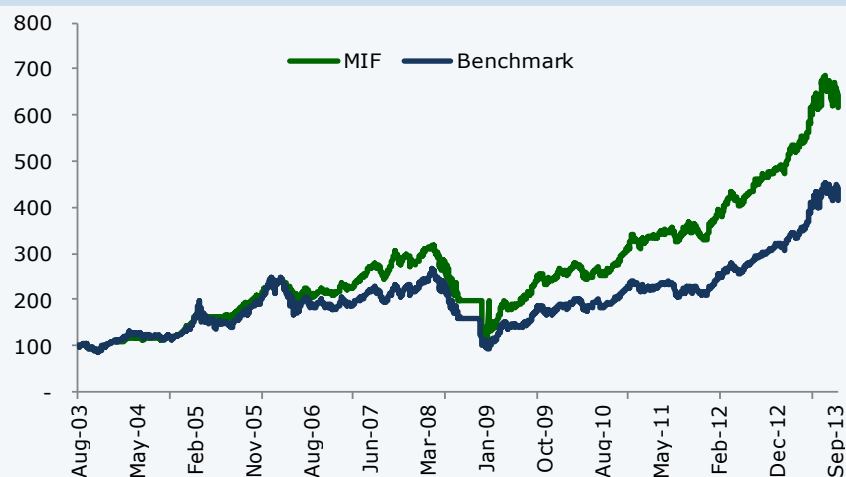
\* Performance start date of August 08, 2003, CAGR since inception

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

## Annual Returns:

|           | FY13 | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 |
|-----------|------|------|------|------|------|------|------|------|
| MIF       | 51%  | 19%  | 39%  | 31%  | -30% | 0%   | 29%  | 30%  |
| Benchmark | 54%  | 14%  | 44%  | 37%  | -35% | 1%   | 17%  | 25%  |

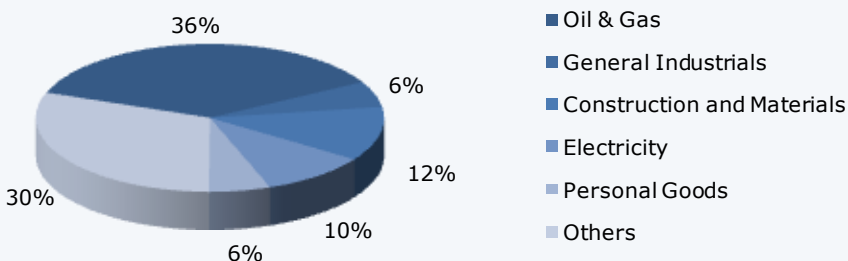
## Fund's Performance:



## Top Ten Equity Holdings:(% of Total Assets):

|                                |     |                         |    |
|--------------------------------|-----|-------------------------|----|
| Oil & Gas Development Co. Ltd. | 12% | Lucky Cement Ltd.       | 7% |
| The Hub Power Co. Ltd.         | 10% | Nishat Mills Ltd.       | 6% |
| Pakistan Petroleum Ltd.        | 8%  | Packages Ltd.           | 5% |
| Pakistan State Oil Co. Ltd.    | 8%  | Engro Foods Ltd.        | 5% |
| Pakistan Oilfields Ltd.        | 8%  | DG Khan Cement Co. Ltd. | 5% |

## Sector Allocation:



**WWF Disclosure:** The fund has not made provision amount to Rs. 89.30mn upto December 31, 2012 against Workers' Welfare Fund liability. If the same were made the NAV per unit/return of the fund would be lower by Rs. 0.59/1.31%. For details, investors are advised to read Financial Statements of the Scheme.

## Fund Review:

The net assets of Al Meezan Mutual Fund (AMMF) as at September 30, 2013 stood at Rs. 2.21 billion. The fund's NAV decreased by 2.4% during the month of September as compared to 3.0% decrease in benchmark index (KMI-30) while KSE-100 Index during the same period decreased by 1.5%. As on September 30, the fund was 90% 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<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |

## Fund Net Assets:

|                    | Aug' 13 | Sep' 13 | MoM % |
|--------------------|---------|---------|-------|
| Net Assets (Rs mn) | 2,190   | 2,207   | 0.7%  |
| NAV Per Unit (Rs)  | 12.90   | 12.58   | -2.4% |

## Asset Allocation:

|                       | Aug' 13 | Sep' 13 |
|-----------------------|---------|---------|
| Equity (%)            | 90.92   | 90.12   |
| Cash (%)              | 8.53    | 7.88    |
| Other receivables (%) | 0.55    | 1.99    |
| Expense Ratio*        | 3.30    | 3.59    |

\*Management fee is included in the expense ratio

## Risk Measures – September'13:

|                        | AMMF  | KSE-100 index | KMI-30 Index |
|------------------------|-------|---------------|--------------|
| Standard Deviation (%) | 1.26  | 1.37          | 1.33         |
| Sharpe Ratio           | -0.11 | -0.06         | -0.12        |

## Performance - Cumulative Returns:

|            | 1M  | 3M     | 6M  | FYTD   | 1Yr | 3Yr  | 5Yr  | PSD*   | CAGR* |
|------------|-----|--------|-----|--------|-----|------|------|--------|-------|
| AMMF       | -2% | -0.04% | 15% | -0.04% | 33% | 134% | 173% | 1,508% | 17%   |
| Benchmark# | -3% | 0.3%   | 17% | 0.3%   | 34% | 135% | 203% | 1,156% | 16%   |

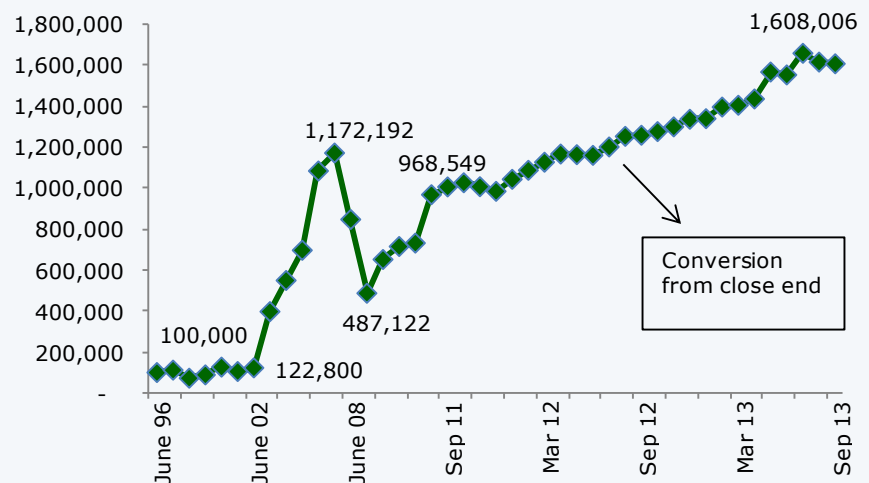
\* Performance start date of July 13, 1995, CAGR since inception

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

## Annual Returns:

|           | FY13 | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 |
|-----------|------|------|------|------|------|------|------|------|
| AMMF      | 51%  | 19%  | 38%  | 31%  | -32% | 0%   | 27%  | 28%  |
| Benchmark | 54%  | 14%  | 44%  | 37%  | -35% | 1%   | 17%  | 25%  |

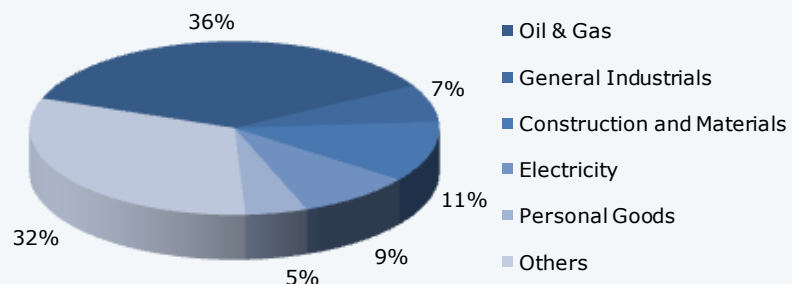
## Investment Growth from FY 1996 - to Date



## Top Ten Equity Holdings:(% of Total Assets):

|                                |     |                                |    |
|--------------------------------|-----|--------------------------------|----|
| Oil & Gas Development Co. Ltd. | 11% | Packages Ltd.                  | 6% |
| Pakistan Petroleum Ltd.        | 10% | Lucky Cement Ltd.              | 6% |
| The Hub Power Co. Ltd.         | 9%  | DG Khan Cement Co. Ltd.        | 5% |
| Pakistan Oilfields Ltd.        | 8%  | Nishat Mills Ltd.              | 5% |
| Pakistan State Oil Co. Ltd.    | 7%  | Pak Telecommunication Co. Ltd. | 5% |

## Sector Allocation:



**WWF Disclosure:** The fund has not made provision amount to Rs. 24.53mn upto December 31, 2012 against Workers' Welfare Fund liability. If the same were made the NAV per unit/return of the fund would be lower by Rs. 0.18/1.43% . For details, investors are advised to read Financial Statements of the Scheme.

## Fund Review

Net assets of Meezan Islamic Income Fund (MIIF) stood at Rs. 2.9 billion as on September 30, 2013. MIIF has provided an annualized return of 12.55% for the month of September as compared to its benchmark which has provided an annualized return of 5.19% 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 | 0.93 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                      | Zain Malik  |
| Members of Investment Committee   | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |

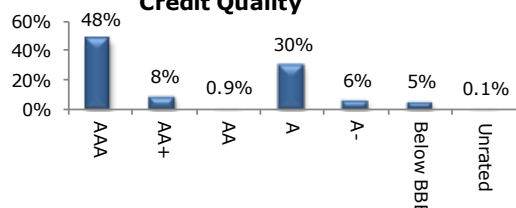
## Fund Net Assets:

|                    | Aug' 13 | Sep' 13 | MoM % |
|--------------------|---------|---------|-------|
| Net Assets (Rs mn) | 2,917   | 2,937   | 0.69% |
| NAV Per Unit (Rs)  | 50.82   | 51.34   | 1.03% |

## Credit Quality of Portfolio:

|           |       |
|-----------|-------|
| AAA       | 47.7% |
| AA+       | 8.3%  |
| AA        | 0.9%  |
| A         | 30.4% |
| A-        | 5.9%  |
| Below BBB | 5.2%  |
| Unrated   | 0.1%  |

### Credit Quality



## Performance - Annualized Returns:

|           | 1M     | 3M    | 6M    | FYTD  | 1Yr    | 3Yr    | 5Yr    | PSD*   |
|-----------|--------|-------|-------|-------|--------|--------|--------|--------|
| MIIF      | 12.55% | 9.00% | 9.72% | 9.00% | 13.17% | 12.11% | 12.51% | 13.16% |
| Benchmark | 5.19%  | 5.13% | 5.15% | 5.13% | 5.38%  | 5.76%  | 5.83%  | 5.82%  |

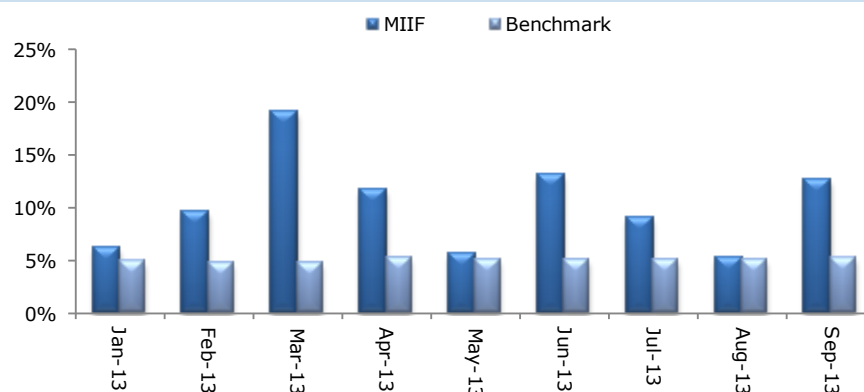
\* Performance start date of Jan 15, 2007

## Annual Returns:

|           | FY13   | FY12  | FY11   | FY10  | FY09   | FY08  | FY07    | FY06 |
|-----------|--------|-------|--------|-------|--------|-------|---------|------|
| MIIF      | 14.45% | 7.79% | 11.77% | 7.31% | 10.14% | 9.28% | 10.07%* | -    |
| Benchmark | 5.54%  | 6.02% | 5.88%  | 5.80% | 6.12%  | 5.75% | 5.00%   | -    |

\* 163 days of operations

## Monthly Performance:



## Top Ten Portfolio Holdings:(% of Total Assets):

|                          |        |                       |       |
|--------------------------|--------|-----------------------|-------|
| GoP Ijarah Sukuk XIV     | 12.07% | GoP Ijarah Sukuk XII  | 3.37% |
| KAPCO (Commercial Paper) | 7.55%  | Maple Leaf Sukuk -I   | 3.00% |
| GoP Ijarah Sukuk XIII    | 7.54%  | Eden Housing Ltd.     | 2.21% |
| Engro Fertilizer Ltd.    | 5.86%  | GoP Ijarah Sukuk VIII | 2.02% |
| GoP Ijarah Sukuk IX      | 5.72%  | Eden Builders Limited | 0.20% |

## Asset Allocation:

|   | Aug'13 | Sep'13 |
|---|--------|--------|
| Sukuks                                    | 12%    | 11%    |
| Government backed / Guaranteed Securities | 31%    | 31%    |
| Cash                                      | 48%    | 49%    |
| Commercial Paper                          | 8%     | 8%     |
| Others Including receivables              | 1%     | 2%     |

## 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 |
|---------------------------------------|---------------------|---------------------------------------|--|--------------------------------------|-----------------|-------------------|
|                                       |                     |                                       |  |                                      |                 |                   |
| Eden Housing Ltd                      | Sukuk               | 94,668,750                            | 28,907,860                                       | 65,760,890                           | 2.24%           | 2.21%             |
| Maple Leaf Cement - I                 | Sukuk               | 279,320,000                           | 189,937,600                                      | 89,382,400                           | 3.04%           | 3.00%             |
| Security Leasing Corporation Ltd - II | Sukuk               | 16,927,080                            | 13,541,664                                       | 3,385,416                            | 0.12%           | 0.11%             |

**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.30.30mn. If the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.53/1.03%. For details investors are advised to read Financial Statements of the Scheme.

## Fund Review

Net assets of Meezan Cash Fund (MCF) stood at Rs. 6.2 billion as at September 30, 2013. MCF has provided an annualized return of 7.51% for the month of September as compared to its benchmark which has provided an annualized return of 6.49% 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 | 27 Days   |
| Benchmark                         | Average return on 6-month Islamic bank deposits   |
| Valuation Days                    | Mon-Fri   |
| Subscription/ Redemption Days     | Mon-Fri 9am – 3pm   |
| Fund Manager                      | Zain Malik  |
| Members of Investment Committee   | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |

## Fund Net Assets:

|                     | Aug' 13 | Sep' 13 | MoM %  |
|---------------------|---------|---------|--------|
| Net Assets (Rs mn)  | 6,439   | 6,162   | -4.30% |
| NAV Per Unit (Rs) * | 50.10   | 50.11   | 0.62%  |

\*Ex-Dividend NAV

## Rating Exposure:

|     |     |
|-----|-----|
| AAA | 62% |
| AA+ | 7%  |
| AA  | 27% |

## Portfolio Composition:

|                                | Aug'13 | Sep'13 |
|--------------------------------|--------|--------|
| Placements with Banks and DFIs | 15%    | 16%    |
| Commercial Paper               | 3%     | 4%     |
| Government Guaranteed          | 42%    | 44%    |
| Cash                           | 37%    | 33%    |
| Other Including receivables    | 3%     | 4%     |

## Performance – Annualized Returns:

|           | 1M    | 3M    | 6M    | FYTD  | 1Yr   | 3Yr    | 5Yr | PSD*   |
|-----------|-------|-------|-------|-------|-------|--------|-----|--------|
| MCF       | 7.51% | 7.35% | 7.44% | 7.35% | 8.04% | 10.95% | -   | 11.74% |
| Benchmark | 6.49% | 6.45% | 6.54% | 6.45% | 6.72% | 7.67%  | -   | 7.64%  |

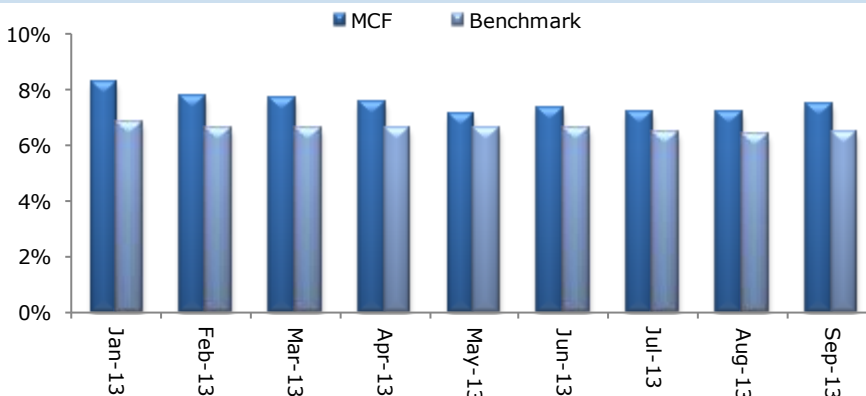
\* Performance start date of June 15, 2009

## Annual Returns:

|           | FY13  | FY12   | FY11   | FY10   | FY09   | FY08 | FY07 | FY06 |
|-----------|-------|--------|--------|--------|--------|------|------|------|
| MCF       | 8.78% | 10.71% | 11.02% | 10.09% | 8.03%# | -    | -    | -    |
| Benchmark | 6.91% | 8.13%  | 8.24%  | 7.50%  | 7.60%  | -    | -    | -    |

#15 days of operations

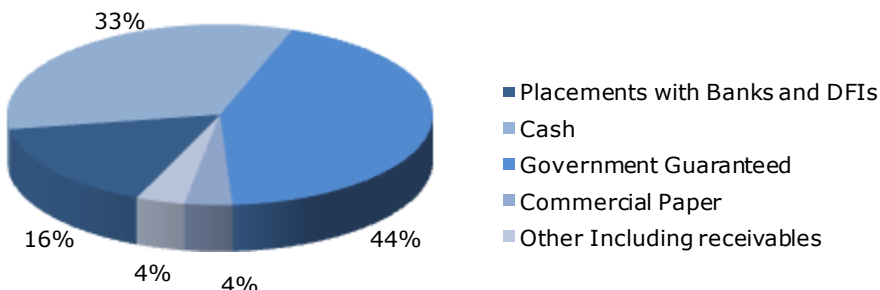
## Monthly Performance:



## Portfolio: Salient Features

|                                |   |
|--------------------------------|---|
| Key Benefits                   | Maximum Preservation of Principal Investment<br>High Liquidity (Redemption within two working days)<br>*No Sales Load (No Entry or Exit charges)<br>Tax Credit as per tax laws                                      |
| Investment Policy and Strategy | Investments in High Grade & Liquid avenues:<br>Instrument/Issuer Rating : <b>Minimum 'AA'</b><br>Maximum Maturity of Instruments : <b>Six Months</b><br>Average Time to Maturity of Portfolio : <b>Three Months</b> |
| 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.48.41mn. If the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.39/0.79%. For details investors are advised to read Financial Statements of the Scheme.



## Fund Review

Net assets of Meezan Sovereign Fund (MSF) stood at Rs. 19.70 billion as on September 30, 2013. For the month of September, the fund has provided an annualized return of 8.37% as compared to its benchmark which has provided an annualized return of 6.49% 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 | 0.93 Years                                      |
| Benchmark                         | Average return on 6-month Islamic bank deposits |
| Valuation Days                    | Mon-Fri   |
| Subscription/ Redemption Days     | Mon-Fri 9am – 3pm                               |
| Fund Manager                      | Zain Malik                                      |

|                                 |   |
|---------------------------------|---|
| Members of Investment Committee | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |
|---------------------------------|---|

## Fund Net Assets:

|                    | Aug 13 | Sep' 13 | MoM % |
|--------------------|--------|---------|-------|
| Net Assets (Rs mn) | 19,008 | 19,703  | 3.66% |
| NAV Per Unit (Rs)* | 50.67  | 50.12   | 0.68% |

\*Ex-Dividend NAV

## Asset Rating:

|     |     |
|-----|-----|
| AAA | 81% |
| AA+ | 3%  |
| AA  | 15% |

## Asset Allocation:

|                             | Aug '13 | Sep '13 |
|-----------------------------|---------|---------|
| Government Guaranteed       | 75%     | 76%     |
| Cash                        | 22%     | 23%     |
| Other Including receivables | 3%      | 1%      |

**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.96.90mn. If the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.25/0.49%. For details investors are advised to read Financial Statements of the Scheme.

## Performance - Annualized Returns:

|           | 1M    | 3M    | 6M    | FYTD  | 1Yr   | 3Yr    | 5Yr | PSD*   |
|-----------|-------|-------|-------|-------|-------|--------|-----|--------|
| MSF       | 8.37% | 7.79% | 7.77% | 7.79% | 8.41% | 10.88% | -   | 11.78% |
| Benchmark | 6.49% | 6.45% | 6.54% | 6.45% | 6.72% | 7.67%  | -   | 7.66%  |

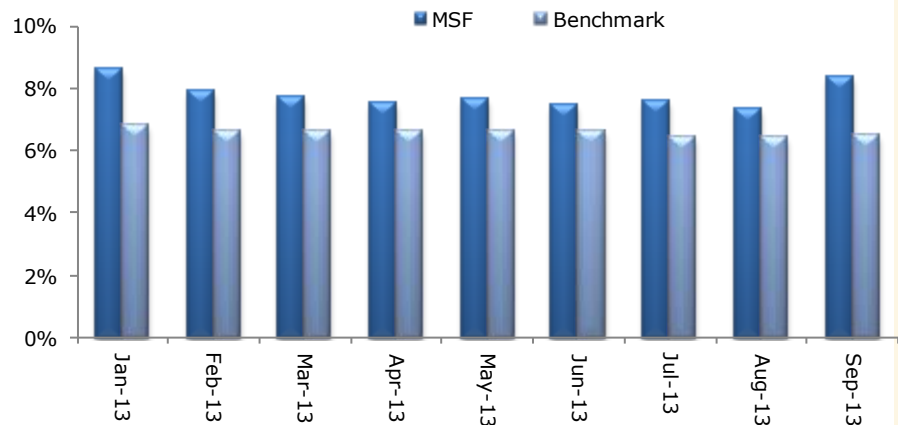
\* Performance start date of Feb 10, 2010,

## Annual Returns:

|           | FY13  | FY12   | FY11   | FY10   | FY09 | FY08 | FY07 | FY06 |
|-----------|-------|--------|--------|--------|------|------|------|------|
| MSF       | 9.11% | 11.19% | 11.45% | 9.76%* | -    | -    | -    | -    |
| Benchmark | 6.91% | 8.13%  | 8.24%  | 7.50%  | -    | -    | -    | -    |

\* 140 days of operations

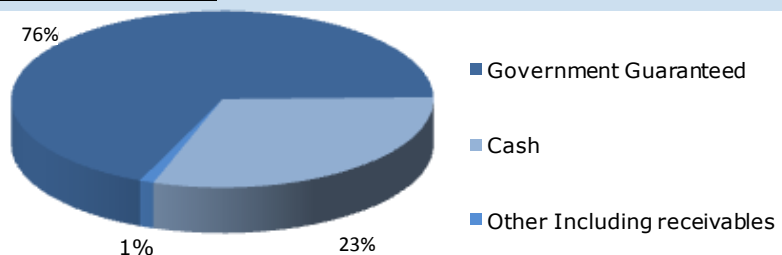
## Monthly Performance:



## 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 2013, MCPF-II provided a return of 0.1%. The net assets of Meezan Capital Protected Fund (MCPF-II) have grown to Rs. 490 million as on September 30, 2013.

## 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   |
| Benchmark                       | Combination of KMI-30 Index and Average return on 6-month Islamic bank deposits                           |
| 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<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |

## Fund Net Assets:

|                    | Aug' 13 | Sep' 13 | MoM %  |
|--------------------|---------|---------|--------|
| Net Assets (Rs mn) | 503     | 490     | -2.49% |
| NAV Per Unit (Rs)  | 52.76   | 52.82   | 0.12%  |

## Asset Allocation:

|                                 |      |
|---------------------------------|------|
| GoP Guaranteed Securities (%)   | 80.4 |
| Equity (%)                      | 15.6 |
| Cash (%)                        | 1.1  |
| Other Including receivables (%) | 2.9  |

**WWF Disclosure:** The fund has not made provision amount to Rs. 1.69mn upto December 31, 2012 against Workers' Welfare Fund liability. If the same were made the NAV per unit/return of the fund would be lower by Rs. 0.19/0.37%. For details, investors are advised to read Financial Statements of the Scheme.

## Performance - Cumulative Returns:

|           | 1M    | 3M   | 6M   | FYTD | 1Yr   | 3Yr | 5Yr | PSD*  | CAGR* |
|-----------|-------|------|------|------|-------|-----|-----|-------|-------|
| MCPF-II   | 0.1%  | 1.0% | 5.1% | 1.0% | 11.8% | -   | -   | 32.1% | 13.2% |
| Benchmark | -0.3% | 1.3% | 6.6% | 1.3% | 13.6% | -   | -   | 30.8% | 12.7% |

\* Performance start date of Jul 5, 2011, CAGR since inception

## Annual Returns:

|           | FY13  | FY12  | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 |
|-----------|-------|-------|------|------|------|------|------|------|
| MCPF-II   | 15.2% | 13.5% | -    | -    | -    | -    | -    | -    |
| Benchmark | 17.9% | 9.5%  | -    | -    | -    | -    | -    | -    |

## 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

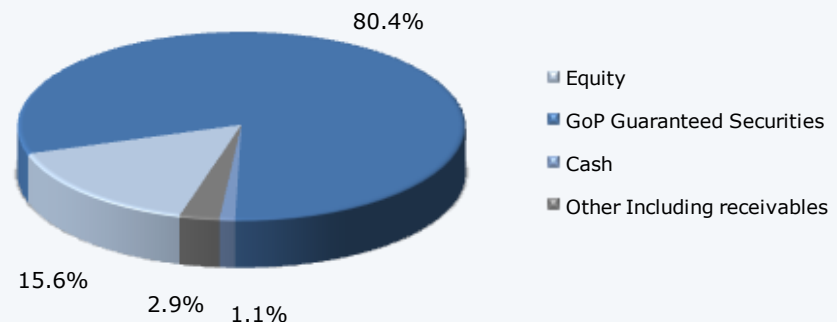
#### Capital Protection Segment

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, 2013, total size of net assets of Meezan Tahaffuz Pension Fund (MTPF) stood at Rs. 1,779 million. For the month of September, the NAV of equity sub fund decreased by 2.07% while the NAV of debt and money sub funds provided an annualized return of 7.88% and 7.67% 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                        | KPMG Taseer Hadi & 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. Shoab, CFA<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |

## Fund Net Assets:

| Rs (Mn)           | Aug '13      | Sep '13      | MoM %        |
|-------------------|--------------|--------------|--------------|
| MTPF- Equity      | 853          | 837          | -1.9%        |
| MTPF- Debt        | 672          | 693          | 3.2%         |
| MTPF- MMkt        | 311          | 249          | -19.9%       |
| <b>Total Fund</b> | <b>1,836</b> | <b>1,779</b> | <b>-3.1%</b> |

## NAV per unit:

| Rs           | Aug '13 | Sep '13 | MoM % |
|--------------|---------|---------|-------|
| MTPF- Equity | 252.2   | 246.9   | -2.1% |
| MTPF- Debt   | 172.6   | 173.7   | 0.6%  |
| MTPF- MMkt   | 172.9   | 174.0   | 0.6%  |

## Sukuk Holdings – MTPF(Debt Fund)

|                        |        |
|------------------------|--------|
| GoP Ijarah Sukuks X    | 21.45% |
| GoP Ijarah Sukuks XIV  | 19.57% |
| GoP Ijarah Sukuks XIII | 18.75% |
| GoP Ijarah Sukuks XI   | 8.65%  |
| GoP Ijarah Sukuks XII  | 7.21%  |
| GoP Ijarah Sukuks VIII | 4.32%  |
| GoP Ijarah Sukuks IX   | 4.18%  |
| GoP Ijarah Sukuks V    | 2.66%  |
| GoP Ijarah Sukuks VI   | 1.58%  |
| GoP Ijarah Sukuks VII  | 0.72%  |

## MTPF - Allocation Schemes

|                  | 1M     | 3M    | 6M  | YTD   | 1Yr | 3Yr  | 5Yr  | PSD* | CAGR* |
|------------------|--------|-------|-----|-------|-----|------|------|------|-------|
| High Volatility  | -2%    | -0.2% | 13% | -0.2% | 31% | 118% | 191% | 132% | 15%   |
| Med. Volatility  | -1%    | 1%    | 9%  | 1%    | 22% | 85%  | 141% | 110% | 14%   |
| Low Volatility   | -0.03% | 1%    | 6%  | 1%    | 16% | 57%  | 99%  | 92%  | 12%   |
| Lower Volatility | 1%     | 2%    | 3%  | 2%    | 7%  | 30%  | 57%  | 73%  | 10%   |

\* Performance start date of June 28, 2007. CAGR since inception

| 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%          |

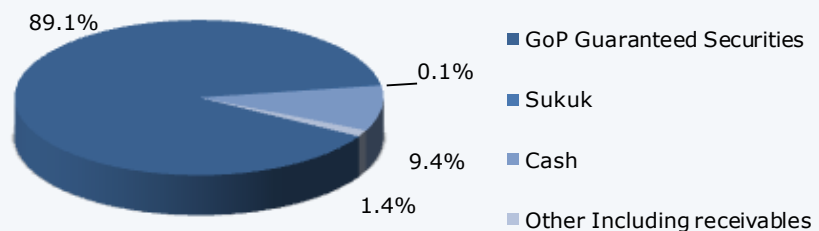
## Annual Returns:

|              | FY13  | FY12  | FY11  | FY10  | FY09   | FY08 | FY07 | FY06 |
|--------------|-------|-------|-------|-------|--------|------|------|------|
| MTPF- Equity | 54.9% | 16.8% | 36.0% | 31.5% | -25.8% | 3.1% | -    | -    |
| MTPF- Debt   | 8.3%  | 9.5%  | 10.9% | 8.5%  | 10.2%  | 8.3% | -    | -    |
| MTPF- MMkt   | 7.8%  | 10.9% | 10.7% | 8.5%  | 11.1%  | 7.7% | -    | -    |

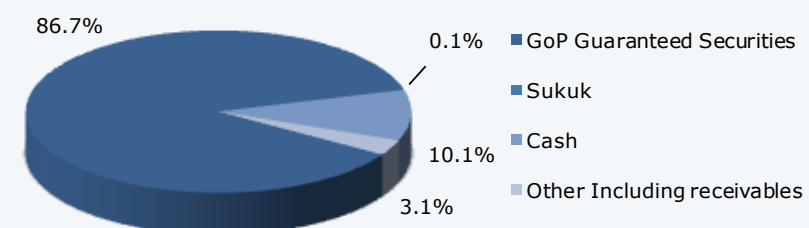
## (MTPF - Equity): Asset Allocation & Top Holdings (Sep'13)

|                                    |     |                                |     |
|------------------------------------|-----|--------------------------------|-----|
| Oil & Gas                          | 32% | The Hub Power Co. Ltd.         | 10% |
| Construction and Materials         | 14% | Pakistan Petroleum Ltd.        | 9%  |
| Electricity                        | 10% | Oil & Gas Development Co. Ltd. | 9%  |
| General Industrials                | 7%  | Pakistan State Oil Co. Ltd.    | 8%  |
| Personal Goods                     | 7%  | Lucky Cement Ltd.              | 8%  |
| Other Sectors                      | 19% | Nishat Mills Ltd.              | 7%  |
| Cash & Others including receivable | 10% | DG Khan Cement Co. Ltd.        | 6%  |
|                                    |     | Packages Ltd.                  | 6%  |
|                                    |     | Pakistan Oilfields Ltd.        | 5%  |
|                                    |     | Engro Foods                    | 5%  |

## MTPF Debt Sub Fund:



## MTPF Money Market Sub Fund:



**WWF Disclosure:** The fund has not made provision amount to Rs. 3.74mn (Equity), Rs. 1.60mn (Debt) and Rs. 0.98mn (MMKT) upto December 31, 2012 against Workers' Welfare Fund liability. If the same were made the NAV per unit/return the fund would be lower by Rs. 1.16/0.47% (Eq.), Rs. 0.43/0.25% (Dt.) and Rs. 0.55/0.32 (MM.). For details, investors are advised to read Financial Statements of the Scheme.



## 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. 885 million. For the month of September 2013, KMIF provided a return of -3.0%.

## 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<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |

## Fund Net Assets:

|                    | Aug' 13 | Sep' 13 | MoM %  |
|--------------------|---------|---------|--------|
| Net Assets (Rs mn) | 925     | 885     | -4.37% |
| NAV Per Unit (Rs)* | 59.30   | 57.55   | -2.96% |

\*Ex-Dividend NAV

**WWF Disclosure:** The fund has not made provision amount to Rs. 1.03mn upto December 31, 2012 against Workers' Welfare Fund liability. If the same were made the NAV per unit/return of the fund would be lower by Rs. 0.08/0.15%. For details, investors are advised to read Financial Statements of the Scheme.

## Performance - Cumulative Returns:

|           | 1M    | 3M     | 6M    | FYTD   | 1Yr   | 3Yr | 5Yr | PSD*  |
|-----------|-------|--------|-------|--------|-------|-----|-----|-------|
| KMIF      | -3.0% | -0.03% | 14.7% | -0.03% | 30.2% | -   | -   | 46.1% |
| Benchmark | -3.0% | 0.3%   | 16.5% | 0.3%   | 34.1% | -   | -   | 52.0% |

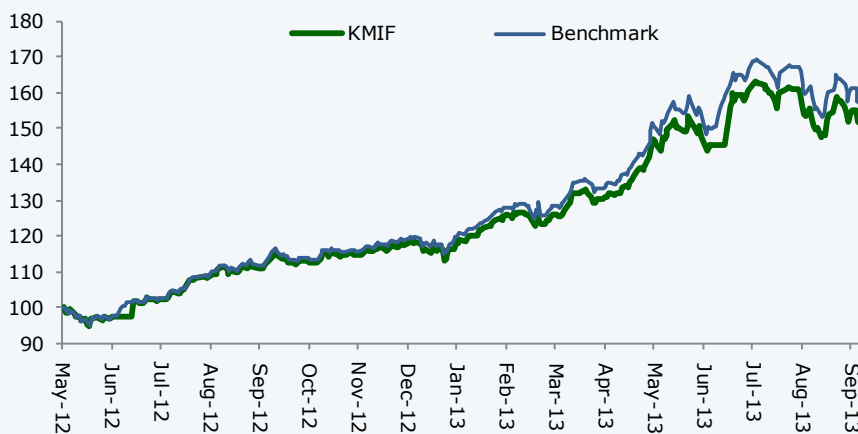
\* Performance start date of May 23, 2012.

## Annual Returns:

|           | FY13  | FY12   | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 |
|-----------|-------|--------|------|------|------|------|------|------|
| KMIF      | 49.6% | -2.4%* | -    | -    | -    | -    | -    | -    |
| Benchmark | 54.4% | -1.9%  | -    | -    | -    | -    | -    | -    |

\* 38 days of operations.

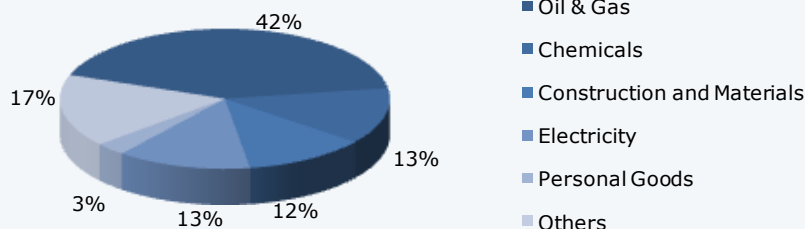
## Fund's Performance:



## Top Ten Equity Holdings:(% of Total Assets):

|                                |     |                                    |    |
|--------------------------------|-----|------------------------------------|----|
| Pakistan Petroleum Ltd.        | 13% | Lucky Cement Ltd.                  | 6% |
| Oil & Gas Development Co. Ltd. | 12% | Pakistan State Oil Co. Ltd.        | 5% |
| The Hub Power Co. Ltd.         | 10% | DG Khan Cement Co. Ltd.            | 3% |
| Fauji Fertilizer Co. Ltd.      | 9%  | Nishat Mills Ltd.                  | 3% |
| Pakistan Oilfields Ltd.        | 9%  | Karachi Electric Supply Corp. Ltd. | 3% |

## Asset Allocation:



## Fund Review:

As at September 30, 2013, total size of net assets of Meezan Financial Planning Fund of Fund (MFPFOF) stood at Rs.781 million. For the month of September, the NAV of Aggressive plan decreased by 1.7% while the NAV of moderate and Conservative plan provided an return of -0.8% and -0.1% respectively.

## Investment Objective:

To generate returns on Investment as per respective allocation plans by investing in Shariah Compliant Fixed Income and Equity Mutual Funds in line with the risk tolerance of the Investor.

## Fund Details:

|                   |  |
|-------------------|--|
| Fund Type:        | Open End   |
| Risk Level        | Plan specific  |
| Launch Date       | 11-April-13  |
| Trustee           | CDC  |
| Auditors          | KPMG Taseer Hadi & Co.   |
| Registrar         | Meezan Bank Ltd.   |
| Unit Types        | A and B  |
| Management Fee    | Same as underlying Funds and 1% on Cash                              |
| Front End Load    | Aggressive Plan 2.0%<br>Moderate Plan 1.5%<br>Conservative Plan 1.0% |
| Fund Category     | Fund of Funds  |
| Back End Load     | Nil  |
| Leverage          | Nil  |
| Listing           | -  |
| AMC Rating        | AM2  |
| Rating Agency     | JCRVIS   |
| Pricing Mechanism | Forward  |
| Fund Manager      | Dr. Gohar Rasool   |

## Benchmark

|                                 |   |
|---------------------------------|---|
| Aggressive Allocation Plan      | 65% KMI-30 & 35% 6M dep. rate*  |
| Moderate Allocation Plan        | 50% KMI-30 & 50% 6M dep. rate*  |
| Conservative Allocation Plan    | 20% KMI-30 & 80% 6M dep. rate*  |
| Valuation Days                  | Mon-Fri   |
| Subscription/ Redemption Days   | Mon-Fri 9am – 1pm   |
| Members of Investment Committee | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |

## Fund Net Assets:

| Rs (Mn)      | Aug '13 | Sep '13 | MoM % |
|--------------|---------|---------|-------|
| Aggressive   | 270     | 269     | -0.3% |
| Moderate     | 157     | 170     | 8.3%  |
| Conservative | 321     | 342     | 6.5%  |

## NAV per unit:

| Rs           | Aug '13 | Sep '13 | MoM%  |
|--------------|---------|---------|-------|
| Aggressive   | 53.6    | 52.8    | -1.7% |
| Moderate     | 52.3    | 51.9    | -0.8% |
| Conservative | 51.9    | 51.8    | -0.1% |

## MFPFOF - Allocation Plan:

|              | 1M    | 3M    | 6M | YTD   | 1Yr | 3Yr | 5Yr | PSD* |
|--------------|-------|-------|----|-------|-----|-----|-----|------|
| Aggressive   | -1.7% | -0.1% | -  | -0.1% | -   | -   | -   | 8.9% |
| Benchmark    | -1.7% | 0.8%  | -  | 0.8%  | -   | -   | -   | 8.5% |
| Moderate     | -0.8% | 1.0%  | -  | 1.0%  | -   | -   | -   | 7.1% |
| Benchmark    | -1.0% | 1.3%  | -  | 1.3%  | -   | -   | -   | 6.7% |
| Conservative | -0.1% | 1.1%  | -  | 1.1%  | -   | -   | -   | 4.9% |
| Benchmark    | -0.2% | 1.4%  | -  | 1.4%  | -   | -   | -   | 4.5% |

\* Performance start date of April 12, 2013.

## Annual Returns:

|              | FY13  | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 |
|--------------|-------|------|------|------|------|------|------|------|
| Aggressive   | 9.0%* | -    | -    | -    | -    | -    | -    | -    |
| Benchmark    | 7.9%  | -    | -    | -    | -    | -    | -    | -    |
| Moderate     | 6.5%* | -    | -    | -    | -    | -    | -    | -    |
| Benchmark    | 6.2%  | -    | -    | -    | -    | -    | -    | -    |
| Conservative | 3.8%* | -    | -    | -    | -    | -    | -    | -    |
| Benchmark    | 3.6%  | -    | -    | -    | -    | -    | -    | -    |

\* 80 days of operations.

## Portfolio: Salient Features

|   |   |              |              |
|---|---|--------------|--------------|
| <b>Investment Objective</b>   | <b>The Aggressive Allocation Plan</b><br>This Allocation Plan is suitable for Investors having a relatively higher risk tolerance and/or wish to save for long term. It shall invest at least 65% of its net assets in Shariah Compliant Equity Funds, while the remaining portion is allocated to Shariah Compliant Fixed Income Funds.            |              |              |
|   | <b>The Moderate Allocation Plan.</b><br>This Allocation Plan is suitable for Investors having a relatively moderate risk tolerance and/or wish to save for medium to long term. It shall invest at least 45% of its net assets in Shariah Compliant Equity Funds, while the remaining portion is allocated to Shariah Compliant Fixed Income Funds. |              |              |
| <b>The Conservative Allocation Plan</b> This Allocation Plan is suitable for Investors having a relatively low risk tolerance and/or wish to save for short to medium term. It shall invest at least 20% of its net assets in Shariah Compliant Equity Funds, while the remaining portion is allocated to Shariah Compliant Fixed Income Funds.   |   |              |              |
| <b>Asset Allocation Plans (Based on specific Risk profiles)</b>   | Minimum percentage allocation invested in Collective Investment Scheme(s)   |              |              |
|   |   | MIF (Equity) | MSF (Income) |
|   | Aggressive Allocation Plan  | 65%          | 25%          |
|   | Moderate Allocation Plan  | 45%          | 45%          |
| Conservative Allocation Plan  | 20%   | 70%          |              |
| (i) The above percentages may vary on account of market factors and investments in Cash / Near cash instruments as permitted for the Fund of Funds Category, as per SECP directive from time to time.<br>(ii) The above mentioned allocations shall be rebalanced at a frequency described in Offering document.<br>(iii) The Management Company may invest between 0% to 10% (both percentages being inclusive) of the Allocation Plan in Cash/ near Cash instruments permitted for the fund of funds category |   |              |              |

**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 0.42mn (Aggressive), Rs. 0.21mn (moderate) and Rs.0.28mn (Conservative). If the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.08/0.16% (Aggressive), Rs. 0.06/0.12% (Moderate) and Rs. 0.04/0.08% (Conservative). For details, investors are advised to read Financial Statements of the Scheme.

## PAKISTAN'S ONLY SHARIAH-COMPLIANT BALANCED FUND

### Fund Review:

Net assets of Meezan Balanced Fund (MBF) as at September 30, 2013 stood at Rs. 1.58 billion. The fund's NAV decreased by 1.8% during the month.

### 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:                      | Open 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  |
| Front End Load                  | 2%  |
| Back End Load                   | Contingent Load   |
| Leverage                        | Nil   |
| Listing                         | KSE   |
| AMC Rating                      | AM2   |
| Rating Agency                   | JCRVIS  |
| Pricing Mechanism               | Forward   |
| Valuation Days                  | Mon-Fri   |
| Subscription/ Redemption Days   | Mon-Fri 9am - 3pm   |
| Benchmark                       | 50% KMI-30 Index<br>50% Average bank Deposit rate of three Islamic banks                                  |
| Fund Manager                    | Ahmed Hassan, CFA   |
| Members of Investment Committee | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib, CFA<br>Ahmed Hassan, CFA<br>Dr. Gohar Rasool<br>Zain Malik |

### Funds Net Asset:

|                    | Aug' 13 | Sep' 13 | MoM %  |
|--------------------|---------|---------|--------|
| Net Assets (Rs mn) | 1,593   | 1,576   | -1.08% |
| NAV Per Unit (Rs)  | 13.30   | 13.07   | -1.72% |

**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.21.09 mn. If the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.17/1.34%. For details investors are advised to read Financial Statements of the Scheme.

### Performance - Cumulative Returns:

|           | 1M  | 3M   | 6M  | FYTD | 1Yr | 3Yr | 5Yr  | PSD* | CAGR* |
|-----------|-----|------|-----|------|-----|-----|------|------|-------|
| MBF       | -2% | 0.1% | 9%  | 0.1% | 22% | 86% | 150% | 270% | 16%   |
| Benchmark | -1% | 1%   | 10% | 1%   | 20% | 70% | 105% | 145% | 11%   |

\* Performance start date of Dec 20, 2004, CAGR since inception

### Annual Returns:

|           | FY13 | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 |
|-----------|------|------|------|------|------|------|------|------|
| MBF       | 32%  | 17%  | 25%  | 23%  | -11% | 1%   | 26%  | 23%  |
| Benchmark | 30%  | 8%   | 25%  | 21%  | -14% | 3%   | 11%  | 15%  |

### Top Ten Portfolio Holdings:(% of Total Assets):

|                                | Equity | Sukuk                    |     |
|--------------------------------|--------|--------------------------|-----|
| Oil & Gas Development Co. Ltd. | 7%     | GoP Ijarah Sukuk -XII    | 11% |
| Hub Power Co. Ltd.             | 6%     | KAPCO (Commercial Paper) | 6%  |
| Pakistan Petroleum Ltd.        | 6%     | GoP Ijarah Sukuk -IX     | 6%  |
| Pakistan Oilfields Ltd.        | 6%     | GoP Ijarah Sukuk -XI     | 4%  |
| Pakistan State Oil Co. Ltd.    | 4%     | Engro Sukuk              | 3%  |

### Sector Allocation:

|                                      | Aug'13 | Sep'13 |
|--------------------------------------|--------|--------|
| Equity                               | 50%    | 53%    |
| GoP Guaranteed Securities            | 20%    | 22%    |
| Sukuk                                | 3%     | 3%     |
| Commercial Paper                     | 5%     | 6%     |
| Cash and Other Including receivables | 22%    | 16%    |

### Asset Allocation:

