

Al Meezan Investment Management Limited

MKT/FMR/06/11

January 06, 2011

Dear Investor,

We are pleased to inform you that Al Meezan has announced the second interim dividends for its following three fixed income funds:

Funds	Dividend (Rs.)	% of par value of Rs. 50/-
Meezan Sovereign Fund (MSF)	0.65	1.30%
Meezan Cash Fund (MCF)	1.25	2.50%
Meezan Islamic Income Fund (MIIF)	1.00	2.00%

The payouts are in the form of Bonus Units to the Growth Unit holders and Cash Dividend to the Income Unit holders. A Growth Unit holder having 100 units of MSF as at December 30, 2010 will get 1.2813 additional units at the ex-div. NAV of Rs. 50.73 while an Income Unit holder will get Cash Dividend of Rs. 0.65 per unit. A Growth Unit holder having 100 units of MCF as at December 30, 2010 will get 2.498 additional units at the ex-div. NAV of Rs. 50.04 while an Income Unit holder will get Cash Dividend of Rs. 1.25 per unit. A Growth Unit holder having 100 units of MIIF as at December 30, 2010 will get 1.9861 additional units at the ex-div. NAV of Rs. 50.35 while an Income Unit holder will get Cash Dividend of Rs. 1 per unit.

It is our pleasure to inform you that Al Meezan, the largest private sector asset management company with "AM2" Management Quality Rating has over Rs. 25 billion assets under management. We acknowledge the fact that this achievement is the result of your confidence, trust and faith in us and we will continue our endeavor to provide you the quality Shariah compliant investment solutions.

At the end of December 2010, the net assets of the open end funds stood as follows:

Meezan Islamic Fund (MIF)	Rs. 4,487 million
Meezan Islamic Income Fund (MIIF)	Rs. 3,029 million
Meezan Cash Fund (MCF)	Rs. 6,305 million
Meezan Sovereign Fund (MSF)	Rs. 8,399 million

We are thankful for your valuable support and continued patronage. We pray that 2011 brings happiness and peace for you and your family. Fund Managers' Report for the month of December 2010 is enclosed for your review and record.

Yours truly,



Muhammad Anas Rehan
Vice President Marketing

Al Meezan Investment Management Limited

11/06/FMR/MKT

06 جنوری 2011ء

معزز انویسٹر

ہم آپ کو یہ بتاتے ہوئے خوشی محسوس کرتے ہیں کہ المیزان نے اپنے درج ذیل تین فکسڈ انکم فنڈز کے لیے دوسرے عبوری ڈیویڈنڈ کا اعلان کیا ہے:

فونڈ	ڈیویڈنڈ (روپے)	50 روپے کی فیس ویلیو کی %
میزان سوورن فنڈ	0.65	1.30%
میزان کیش فنڈ	1.25	2.50%
میزان اسلامک انکم فنڈ	1.00	2.00%

گروتھ یونٹ ہولڈرز کے لیے منافع بونس یونٹس جبکہ انکم یونٹ ہولڈرز کے لیے نقد منافع کی شکل میں دیا گیا ہے۔ گروتھ یونٹ ہولڈرز جو 30 دسمبر 2010 تک MSF کے 100 یونٹس رکھتے ہیں، 50.73 روپے کی ایکس ڈیویڈنڈ NAV پر 1.2813 اضافی یونٹس جبکہ انکم یونٹ ہولڈرز 0.65 روپے فی یونٹ کی شرح سے نقد منافع حاصل کریں گے۔ گروتھ یونٹ ہولڈرز جو 30 دسمبر 2010 تک MCF کے 100 یونٹس رکھتے ہیں 50.04 روپے کی ایکس ڈیویڈنڈ NAV پر 2.498 اضافی یونٹس جبکہ انکم یونٹ ہولڈرز 1.25 روپے فی یونٹ کی شرح سے نقد منافع حاصل کریں گے۔ گروتھ یونٹ ہولڈرز جو 30 دسمبر 2010 تک MIIF کے 100 یونٹس رکھتے ہیں 50.35 کی ایکس ڈیویڈنڈ NAV پر 1.9861 اضافی یونٹس جبکہ انکم یونٹ ہولڈرز 1 روپے فی یونٹ کی شرح سے نقد منافع حاصل کریں گے۔

ہم آپ کو بتاتے ہوئے بے حد خوشی محسوس کرتے ہیں کہ المیزان جو پاکستان میں پرائیویٹ سیکیٹرز کی سب سے بڑی ایسٹ میجمنٹ کمپنی ہے، AM2 میجمنٹ کو الٹی ریٹنگ کی حامل ہونے کے ساتھ، 2500 کروڑ روپے سے زائد کل اثاثہ جات کی منظمیت کر رہی ہے۔ ہم یہ تسلیم کرتے ہیں کہ یہ کامیابی آپ کے بھروسے اور اعتماد کی بدولت ممکن ہوئی ہے اور ہم یہ عزم کرتے ہیں کہ شرعی اصولوں کے مطابق بہترین سرمایہ کاری کے مواقع فراہم کرتے رہیں گے۔

ماہ دسمبر 2010 کے اختتام پر اوپن اینڈ فنڈز کے کل اثاثہ جات درج ذیل ہیں۔

میزان اسلامک فنڈ (MIF)	4,487 ملین روپے
میزان اسلامک انکم فنڈ (MIIF)	3,029 ملین روپے
میزان کیش فنڈ (MCF)	6,305 ملین روپے
میزان سوورن فنڈ (MSF)	8,399 ملین روپے

ہم آپ کے مستقل بیش قیمت تعاون کے شکرگزار ہیں۔ ہم یہ دعا کرتے ہیں کہ سال 2011ء آپ کے اور آپ کے اہل خانہ کے لیے امن و خوشحالی لے کر آئے۔ ماہ دسمبر کی فنڈ میٹنگ رپورٹ آپ کی معلومات اور ریکارڈ کے لیے پیش ہے۔

آپ کا مخلص



محمد انیس ریحان
وی پی مارکیٹنگ

AL Meezan Investment Management Limited

Al Meezan Investments, the company in operation since 1995, has one of the longest track records of managing mutual funds in the private sector in Pakistan. Al Meezan Investments manages eight mutual funds; namely Al Meezan Mutual Fund, Meezan Balanced Fund, Meezan Islamic Fund, Meezan Islamic Income Fund, Meezan Tahaffuz Pension Fund, Meezan Capital Protected Fund – I, Meezan Cash Fund and Meezan Sovereign Fund.

The total funds under management of Al Meezan, the only full fledged Shariah compliant asset management company in Pakistan, have reached Rs. 27.2 billion as on December 31, 2010. 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.

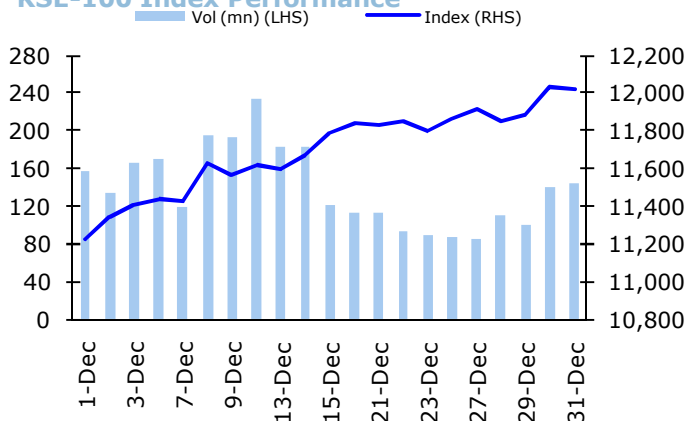
Stock Market Review

KSE 100 index continued its upward momentum during December and closed the year 2010 above the psychological level of 12,000, for the first time since July 3, 2008. During December, KSE-100 Index increased by 7% to close at 12,022 with the average trading volume of 140 million shares as compared to 126 million shares the month before.

Initially the market got its momentum with the news about restructuring of Dewan Group Companies which also led to interest in banks on hopes of potential reversal of provisions. Investors accumulated UBL after Bestway Holding entered into a share purchase agreement with the Abu Dhabi Group (ADG) to acquire 20% of ADG stake in the bank. Sale of BP assets to United Energy Group at a better than expected prices created excitement in oil and gas sector. Fertilizers also exhibited a bull run on the back of news of urea price hike by FFC and Engro. On the macro economic front, current account surplus for November and release of US\$ 633 million of Coalition Support Fund provided some fiscal support. The foreigners remained net buyers in the market with net foreign inflow of US\$ 73 million.

We expect that the appointment of SECP Chairman and election of more professionals on KSE board will result in resolving of pending issue of introduction of leveraged product which bodes well for long term stability of capital market.

KSE-100 Index Performance

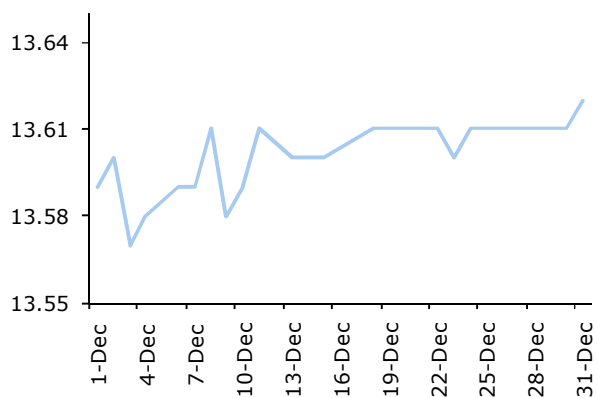


Money Market Review

During the month, money market remained liquid. To normalize the liquidity situation, State Bank regularly conducted OMOs and mopped up Rs. 129 billion at weighted average yield of 12.41%, while its injected Rs. 34 billion at weighted average yield of 12.70%. Banks also deposited Rs. 52 billion on floor rate with State Bank while banks borrowed Rs. 25 billion from State Bank through discounting window. During the month, State Bank had conducted three T-Bill auctions and accepted Rs.335 billion against total bid of Rs. 521 billion. The target of the auctions was Rs.225 billion against maturity of Rs. 292 billion. The cut off yield of six-month paper has increased by 26 bps to close at 13.46%. State Bank had also conducted PIB auction and accepted Rs. 21 billion against bid of Rs.32 billion. The cut off yield of ten year bond has increased by 26 bps to close at 14.36%. The KIBOR rates remained stable during the month with six month KIBOR increased by 2 bps to close at 13.64%. State Bank had also conducted Ijarah VI Sukuk auction and accepted Rs. 37 billion at par i.e. 13.38% against the total participation of Rs. 58 billion.

On the forex front, rupee appreciated against dollar by Rs.0.10 to close at Rs. 85.65 per dollar in the interbank market while depreciated against dollar by Rs.0.05 to close at Rs. 85.80 per dollar in the Kerb market.

6 Month KIBOR



Disclaimer

This report has been prepared by Al Meezan Investments for information purposes only. Reasonable care has been taken in the preparation of the report. However, Al Meezan Investments nor any of its employees or affiliated entities takes any responsibility for any loss that may be incurred by any user of this report.

INVESTMENT OBJECTIVE

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

Funds Details

Fund Type:	Open End
Risk Level	High
Launch Date	8th Aug 2003
Trustee	CDC
Auditors	A.F. Ferguson & 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
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 Madiha Javed Ayesha Irfan M. Ali, CFA, FRM

Fund Assets:

	Nov '10	Dec' 10	MoM %
Net Assets (Rs mn)	4,302	4,487	4.3%
NAV Per Unit (Rs)	44.29	47.02	6.2%
% held in Securities	93.4	88.6	
% held as Cash	6.6	11.4	

Risk Measures–December'10

	Standard Deviation	Sharpe Ratio
MIF	0.61	0.42
KSE-100 index	0.60	0.48
KMI-30 Index	0.67	0.37

KMI-30 replaced DJIIMPK as the Fund's benchmark in FY10 while KSE-100 index remained as the benchmark till FY06

Performance

Cumulative Returns

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MIF	6%	20%	26%	26%	26%	11%	52%	239%
Benchmark#	6%	22%	31%	31%	39%	13%	35%	136%

** Performance start date of August 08, 2003,

Annual Returns

	FY10	FY09	FY08	FY07	FY06	FY05	FY04
MIF	31%	-30%	0.27%	29%	30%	40%	24%*
Benchmark#	37%	-35%	-1%	17%	25%	22%	26%*

* Return from inception date

Fund Review

Net assets of Meezan Islamic Fund as at December 31, 2010 stood at Rs. 4.5 billion. The fund's NAV appreciated by 6.2% during the period under review in line with the increase of 6% in the benchmark index (KMI-30) while KSE-100 Index, during the same period increased by 7%.

Since the market is trading at attractive multiples, we hold a positive view on the market. As on December 31, the fund was 89% invested in equities.

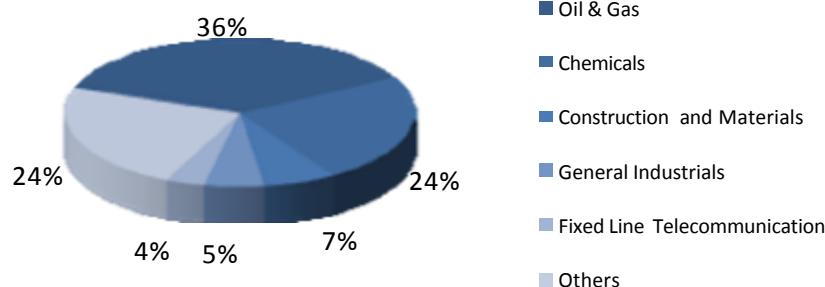
Portfolio

Top Ten Holdings

Company Name(in alphabetical order)

Fauji Fertilizer Company Limited	Chemicals
Pakistan Petroleum Limited	Oil & Gas
Pakistan Oilfields Limited	Oil & Gas
Pakistan State Oil Company Limited	Oil & Gas
ICI Pakistan Limited	Banks
Lucky Cement	Chemicals
Fauji Fertilizer Bin Qasim Limited	Chemicals
Pak. Telecommunication Co. Ltd	Fixed line Telecommunication
Packages Limited	General Industrials
Meezan Bank Limited	Banks

Sector Allocation



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.

Funds Details

Fund Type	Open End
Risk Level	Minimal
Launch Date	15-Jan-07
Trustee	CDC
Registrar	Meezan Bank Ltd
Unit Types	A, B & C
Front End Load	0.5%
Fund Category	Income
Back End Load	Contingent load for Type C investors
Listing	KSE
Management Fee	1.5%
Benchmark	Average bank deposit rate of three Islamic banks
Leverage	Nil
Auditors	A.F. Ferguson & Co.
Portfolio Duration	59 days
AMC Rating	AM2
Fund Stability Rating	A (f)
Pricing Mechanism	Forward
Valuation Days	Mon-Sat
Subscription/Redemption Days	Mon-Fri 9am-3 pm Sat 9am - 12:30pm
Fund Manager	M. Ali, CFA, FRM
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib Madiha Javed Ayesha Irfan M. Ali, CFA, FRM

Fund Assets:

	Nov '10	Dec' 10	MoM %
Net Assets (Rs mn)	3,112	3,029	-2.66%
NAV Per Unit (Rs)*	51.55	50.39	-0.31%

* Ex-Dividend NAV

Rating Distribution of assets

AAA (GoP Issued/backed)	43.6%
AA+	1.2%
AA	12.8%
AA-	11.8%
A+	4.5%
A	11.4%
A-	1.6%
BBB and below	12.2%
Unrated	0.8%

Performance

Cumulative Returns (annualized)

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MIIF	-3.57%	4.21%	9.16%	9.16%	8.06%	8.99%	-	9.06%
Benchmark	5.85%	5.87%	5.87%	5.87%	5.87%	5.90%	-	5.89%

** Performance start date of Jan 15, 2007

Annual Returns

	FY10	FY09	FY08	FY07	FY06	FY05	FY04
MIIF	7.31%	10.15%	9.15%	9.93%	-	-	-
Benchmark	5.75%	6.54%	5.75%	4.66%	-	-	-

Fund Review

Net assets of Meezan Islamic Income Fund (MIIF) as at December 31, 2010 stood at Rs. 3 billion. MIIF has provided an annualized return of 9.16% for the half year ended December 31, 2010 as compared to its benchmark which has provided an annualized return of 5.87% during the same period.

Portfolio

Top Ten Sukuk Holdings

Sukuks Names	Sectors	%
GoP Ijarah Sukuk V	GoP Ijarah	18%
GoP Ijarah Sukuk III	GoP Ijarah	9%
KSEW - II	GoP Backed	8%
Engro Fertilizer Limited	Chemical	7%
Maple Leaf Cement	Construction and Materials	7%
Eden Housing Limited	Construction and Materials	5%
GoP Ijarah Sukuk IV	GoP Ijarah	5%
Century Paper & Board Mills Ltd.	Forestry and Paper	4%
Sitara Chemicals Ltd. - III	Chemical	3%
Karachi Shipyard - I	GoP Backed	2%

	Nov'10	Dec'10
Corporate Sukuks	32%	31%
GoP Issued/backed Sukuks	42%	42%
Cash & Cash Equivalents	26%	27%

Details of Non Compliant Investment

Name of Non - compliant investments	Type of Investments	Value of Investments before provision	Provision held if any	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	217,181,250	67,556,214	149,625,036	4.94%	4.88%
Mapl Leaf Cement - I	Sukuk	319,728,000	119,211,864	200,516,136	6.62%	6.53%
Mapl Leaf Cement - II	Sukuk	12,000,000	3,551,280	8,448,720	0.28%	0.28%
Security Leasing Ltd. - II	Sukuk	30,468,750	7,617,188	22,851,563	0.75%	0.74%

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.

Funds Details

Fund Type	Open End
Risk Level	Minimal
Launch Date	15-Jun-09
Trustee	CDC
Registrar	Meezan Bank Ltd
Unit Types	A, B and C
Front End Load	Nil
Back End Load	0.1% if redemption within 3 days
Listing	ISE
Fund Category	Money Market
Management Fee	1%
Auditors	A.F. Ferguson & Co.
Leverage	Nil
Portfolio Duration	39 Days
AMC Rating	AM2
Fund Stability Rating	AA (f)
Pricing Mechanism	Forward
Valuation Days	Mon-Sat
Subscription/ Redemption Days	Mon-Fri 9am-3 pm Sat 9am - 12:30pm
Fund Manager	M. Ali, CFA, FRM
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib Madiha Javed Ayesha Irfan M. Ali, CFA, FRM

Fund Assets:

	Nov '10	Dec '10	MoM %
Net Assets (Rs mn)	6,687	6,305	-5.7%
NAV Per Unit (Rs)*	50.85	50.06	0.9%

* Ex-Dividend NAV

Rating Exposure

AA+	51.5%
AA	48.5%

	Nov'10	Dec'10
TDR	36%	51%
Cash & Cash Equivalents	64%	49%

Performance

Cumulative Returns (annualized)

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCF	11.08%	10.66%	10.43%	10.43%	10.30%	-	-	10.16%
Benchmark	8.28%	8.28%	8.15%	8.15%	7.78%	-	-	7.70%

** Performance start date of June 15, 2009

Annual Returns

	FY10	FY09	FY08	FY07	FY06	FY05	FY04
MCF (Annualized)	10.10%	8.08%*	-	-	-	-	-
Benchmark	7.48%	7.60%	-	-	-	-	-

* 15 days of operations.

Fund Review

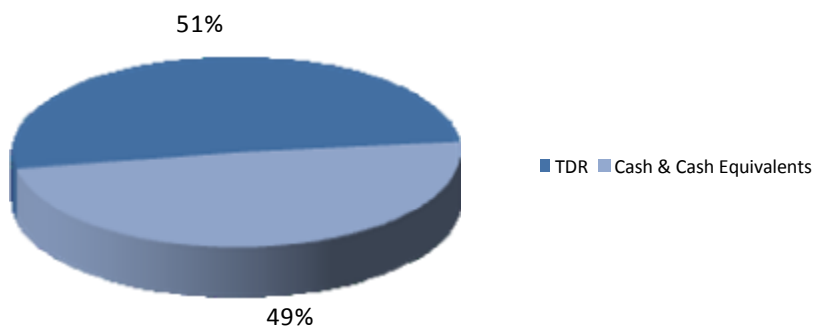
Net assets of Meezan Cash Fund (MCF) as at December 31, 2010 stood at Rs. 6.3 billion. MCF has provided an annualized return of 11.1% for the month of December as compared to its benchmark which has provided an annualized return of 8.3% during the same period.

Portfolio

Salient Features

Key Benefits	Maximum Preservation of Principal Investment
	High Liquidity (Redemption within Two working days)
	No Sales Load (No Entry or Exit charges)*
Investment Policy and Strategy	Tax Credit as per tax laws
	Investments in High Grade & Liquid avenues:
	Instrument/Issuer Rating : Minimum 'AA'
	Maximum Maturity of Instruments : Six Months
Benchmark	Average Time to Maturity of Portfolio : Three Months
	Average return on 6-month Islamic bank deposits

Portfolio Composition



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

Funds Details

Fund Type	Open End
Risk Level	Minimal
Launch Date	10-Feb-10
Trustee	CDC
Registrar	Meezan Bank Ltd
Unit Types	A, B , C & D
Front End Load	0.5%
Fund Category	Income
Back End Load	Nil
Listing	ISE
Management Fee	1%
Auditors	A.F. Ferguson & Co.
Benchmark	Average return on 6-month Islamic bank deposits
Leverage	Nil
Portfolio Duration	93 Days
AMC Rating	AM2
Fund Stability Rating	AA+ (f)
Pricing Mechanism	Forward
Valuation Days	Mon-Fri
Subscription/Redemption Days	Mon-Fri 9am-3 pm Sat 9am - 12:30pm
Fund Manager	M. Ali, CFA, FRM
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib Madiha Javed Ayesha Irfan M. Ali, CFA, FRM

Fund Assets:

	Nov '10	Dec '10	MoM %
Net Assets (Rs mn)	6,962	8,399	20.64%
NAV Per Unit (Rs)*	50.90	50.75	0.97%

* Ex-Dividend NAV

Asset Rating

AAA (GoP issued/backed)	70.8%
AA+	28.7%
AA	0.1%
AA-	0.4%

	Nov '10	Dec '10
GoP Ijarah	73%	70%
Cash & Cash Equivalents	27%	30%

Performance

Cumulative Returns (annualized)

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MSF	11.99%	11.18%	10.83%	10.83%	-	-	-	10.40%
Benchmark	8.28%	8.28%	8.15%	8.15%	-	-	-	7.86%

** Performance start date of Feb 10, 2010

Fund Review

Meezan Sovereign Fund (MSF) was launched during February, 2010. As of December 31, 2010, the net assets of the fund stood at Rs. 8.4 billion, showing an increase of 21% month on month. For the month of December, the fund has provided an annualized return of 12% as compared to the previous month return of 10.9%.

Portfolio

Salient Features

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

Sector Allocation

Cash & Cash Equivalents
30.3%



GoP Ijarah
69.7%

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.

Funds Details

Fund Type	Open End
Risk Level	Minimal
Launch Date	28-Jun-07
Trustee	CDC
Registrar	Meezan Bank Ltd
Fund Category	Pension
Auditors	A.F. Ferguson & Co.
AMC Rating	AM2
Pricing Mechanism	Forward
Valuation Days	Mon-Fri
Subscription/ Redemption Day	Mon-Fri 9 am – 3 pm
Fund Manager	Muhammad Asad
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib Madiha Javed Ayesha Irfan M. Ali, CFA, FRM

Performance

Cumulative Returns

	1M	3M	6M	YTD	1Yr	3Yr	5Yr	PSD**
MTPF- Equity	6.2%	20.5%	15.4%	25.4%	28.6%	17.0%	-	26.4%
MTPF- Debt*	2.3%	6.7%	7.1%	9.3%	9.8%	9.2%	-	9.0%
MTPF- MMkt*	10.4%	10.5%	10.6%	10.6%	9.3%	9.3%	-	9.0%

** Performance start date of June 28, 2007,

* annualized return

Annual Returns

	FY10	FY09	FY08	FY07	FY06	FY05	FY04
MTPF- Equity	31.50%	-25.80%	3.10%	-	-	-	-
MTPF- Debt	8.50%	10.20%	8.30%	-	-	-	-
MTPF- MMkt	8.50%	11.10%	7.70%	-	-	-	-

Fund Review

As at December 31, 2010, total size of Meezan Tahaffuz Pension Fund (MTPF) stood at Rs. 326 million. For the month of December, the equity sub fund posted a return of 6.2% while debt and money sub funds posted an annualized return of 2.3% and 10.4% respectively.

Funds Assets

Rs (Mn)	Nov '10	Dec '10	MoM %
MTPF- Equity	126	137	8.1%
MTPF- Debt	107	109	1.7%
MTPF- MMkt	79	80	1.3%
Total Fund	313	326	4.2%

NAV per unit

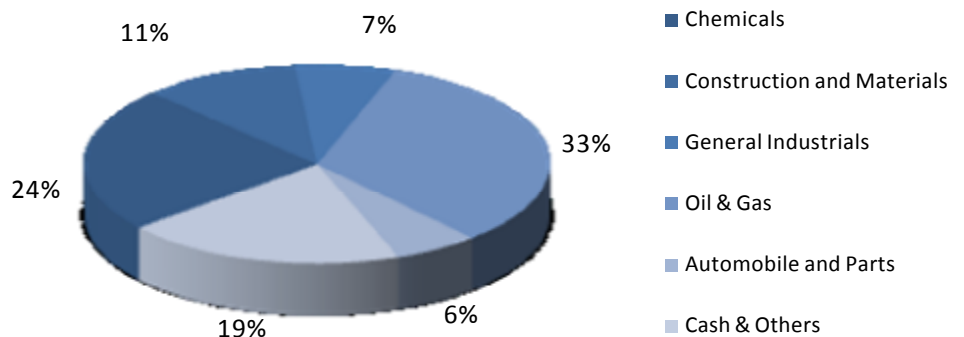
Rs	Nov '10	Dec '10	MoM %
MTPF- Equity	119.3	126.6	6.2%
MTPF- Debt	135.5	135.8	0.2%
MTPF- MMkt	134.7	135.8	0.8%

Sukuk Holdings – MTPF (Debt fund)

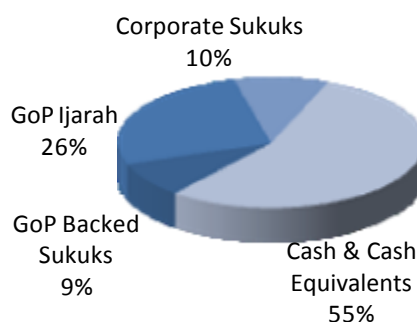
Dawood Hercules
Eden Housing Limited
GoP Ijarah Sukuks IV
KSEW – II
Maple Leaf Cement
Security Leasing Sukuk II
Shahmurad Sugar Mills

Portfolio

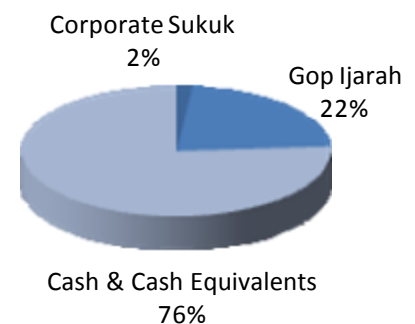
Sector Weightage as a % of Net Assets (MTPF – Equity)



MTPF Debt Sub Fund



MTPF Money Market Sub Fund



INVESTMENT OBJECTIVE: To protect investors' principal investment till the maturity of the fund and provide a reasonable return

Funds Details

Fund Type	Open End
Risk Level	Minimal
Launch Date	19-May-08
Trustee	CDC
Registrar	Meezan Bank Ltd
Unit Types	A, B, C & D
Front End Load	3%
Fund Category	Capital Protected
Back End Load	Contingent Load
Listing	KSE
Management Fee	3% of equity Segment 1% of Capital Protected Segment
Auditors	A.F. Ferguson & Co.
Leverage	Nil
AMC Rating	AM2
Pricing Mechanism	Forward
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am-3pm
Fund Manager	Ayesha Irfan
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib Madiha Javed Ayesha Irfan M. Ali, CFA, FRM

Fund Assets:

	Nov '10	Dec '10	MoM %
Net Assets (Rs mn)	677	686	1.44%
NAV Per Unit (Rs)	54.05	54.86	1.5%

	Nov '10	Dec '10
Equity	13.9%	13.5%
Murabahah Placement	86.1%	86.5%

Performance

Cumulative Returns

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCPF-1	1.50%	4.73%	8.01%	8.01%	12.95%	-	-	23.47%

** Performance start date of May 19, 2008

Annual Returns

	FY10	FY09	FY08	FY07	FY06	FY05	FY04
MCPF-1	14.07%	0.75%	-0.54%*	-	-	-	-

* 41 days of operations.

Fund Review

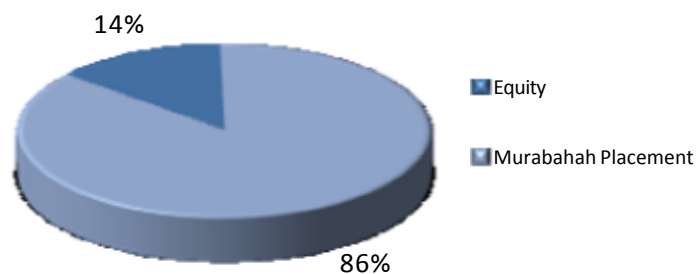
As on December 31, the net assets of Meezan Capital Protected Fund (MCPF-1) stood at Rs. 686 million, showing an increase of 1.4% month-on-month. For December 2010, MCPF-1 provided a return of 1.5%.

Portfolio

Salient Features

Key Benefits	Preservation of Principal Investment upon maturity of investment
	Primary Investment in Murabahah
	Exposure to equity coupled with capital protection
	Very Low Risk
Investment Policy and Strategy	Tax-free Returns (for holdings till maturity)
	Tax Credit as per tax laws
	Upto 23% exposure to equity
	77% of Investment in Capital Protected segment
	Murabahah Placement with a top rated Islamic bank

Sector Allocation



Al Meezan Mutual Fund

Performance

Month on Month **Nov '10** **Dec '10**

Return on AMMF 7.68% 6.40%

Return on KSE-100 index 6.06% 6.96%

Return on KMI-30 Index* 7.67% 5.97%

Year - to - date (FY)

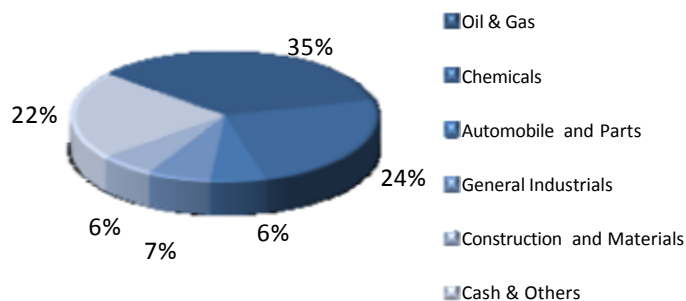
Return on AMMF 17.90% 24.91%

Return on KSE-100 index 15.62% 23.66%

Return on KMI-30 Index* 23.49% 30.86%

* Benchmark

AMMF Assets Distribution – December '10



Fund Assets:

	Nov'10	Dec'10	MoM %
Net Assets (mn)	1,538	1,637	6.40%
NAV Per Unit (Rs)	11.18	11.90	6.40%

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 Review

Net assets of Al Meezan Mutual Fund (AMMF) as at December 31, 2010 stood at Rs. 1.6 billion. The fund's NAV appreciated by 6.4% during the month of December in line with the 6% increase in the benchmark index (KMI-30) while KSE-100 Index, during the same period increased by 7%.

Meezan Balanced Fund

Performance

Month on Month **Nov '10** **Dec '10**

Return on MBF 4.93% 3.73%

Benchmark Return* 4.08% 3.23%

Return on KMI-30 Index 7.67% 5.97%

Year - to - date (FY)

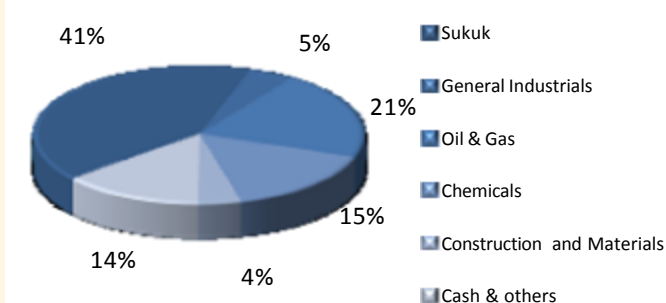
Return on MBF 11.80% 15.78%

Benchmark Return* 12.33% 16.90%

Return on KMI-30 Index 23.49% 30.86%

*50% return on Islamic deposits and 50% return on KMI-30

MBF Assets Distribution – December '10



Fund Assets:

	Nov'10	Dec'10	MoM %
Net Assets (mn)	1,362	1,413	3.73%
NAV Per Unit (Rs)	11.35	11.78	3.73%

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 Review

Net assets of Meezan Balanced Fund (MBF) as at December 31, 2010 stood at Rs. 1.4 billion. The fund's NAV appreciated by 3.7% during the month.

Record Achievement: A Triumph of Your Trust in Us!



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Al Meezan has achieved yet another milestone: Assets Under Management of **Rs. 25 billion** – making it **the largest private sector asset management company** in Pakistan. While our heads bow to the Almighty Allah on accomplishing this record achievement, we salute the fact that this glory is a triumph of your faith and trust in us.

We take this opportunity to pledge to continue to bring the best of our products and services to you.

RIBA-FREE

(AM2 rating by JCR-VIS)
Al Meezan Investment Management Limited
A subsidiary of **Meezan Bank**

Risk disclosure: All investments in mutual funds are subject to market risks. The NAV of units may go up or down based on the market conditions. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and the risks involved.