



Pure. Profit.

December, 2011

Al Meezan Investment Management Limited

MKT/FMR/06/12,

January 06, 2012

Dear Investor,

Continuing with our tradition, as the New Calendar Year dawns upon us, we at Al Meezan will continue to strive in our aim for excellence at par as we continue to provide superior services to our valued investors. We would like to wish all our valued investors a blessed New Year and we pray that this year brings in peace, prosperity and success your way.

Dividend Payout of Meezan Sovereign Fund and Meezan Cash Fund

The size of our funds have grown from Rs. 27.2 billion as at December 31st 2010 to Rs. 36.2 billion at the end of December 31st 2011. The main contribution came from Meezan Sovereign Fund (MSF), which provided an annualized return of 12.1% in the last calendar year. Keeping this into consideration and with investor interest at the forefront, we are pleased to announce interim dividends for MSF & MCF for the period ending 21st December 2011.

Fund	Period	Dividend (Rs.) /unit	% of par value of Rs. 50	Total Return % for FY12
MSF	Sep 23 - Dec 21, 2011	1.30	2.60%	12.13%
MCF	Nov 22 - Dec 21, 2011	0.40	0.80%	11.50%

As far the equity markets are considered this year was very rocky for the stock exchange as KSE-100 index slumped down by 5%. Despite these challenges, our equity fund continued with their superb performance and posted high returns as depicted in the table below:

	3 Years				
	CY09	CY10	CY11	Cumulative	Annualized
Equity Funds					
MIF	107%	26%	5%	176%	40%
AMMF	105%	27%	4%	171%	39%

Moreover, if we look from the perspective of long term i.e. three years horizon, the investors of MIF have managed to attain cumulative return of 176% i.e. an annualized of 40%.

Keeping the investor interest as our top priority, we at Al Meezan, promise that just like the past 16 years, we shall keep on striving for excellence in fund management and superior financial services

The Fund Managers' Report for the month of December 2011 is enclosed for your review.

Yours truly,

Shahid Gul Motiwala

SVP- Head of Marketing and Sales



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Al Meezan Investment Management Limited

12/06/FMR/MKT

06 جنوری 2012ء

معزز انویسٹر،

اس نئے سال کے طلوع ہونے کے ساتھ اپنی روایت کو برقرار رکھتے ہوئے ہم آپ کو بہترین خدمات پہنچانے کا عزم مصمم کرتے ہیں۔ المیزان کی جانب سے آپ سب کو نئے سال کی مبارکباد۔

MSF اور MCF میں ڈیویڈنڈ کی تقسیم:

ہمارے فنڈز کے اثاثہ جات 27.2 ارب روپے (31 دسمبر 2010ء) سے بڑھ کر 36.2 ارب روپے (31 دسمبر 2011ء) ہو چکے ہیں۔ اس اضافہ میں زیادہ حصہ میزان سوورن فنڈ (MSF) کی جانب سے تھا جس نے 12.1% کا سالانہ منافع فراہم کیا ہے۔ اس حقیقت کو دیکھتے ہوئے اور اپنے انویسٹرز کو مد نظر رکھتے ہوئے ہم MSF اور MCF میں 21 دسمبر 2011ء کو ختم ہونے والی مدت پر ایک اور عبوری ڈیویڈنڈ کا اعلان کرتے ہیں۔

فنڈ	مدت	ڈیویڈنڈ روپے	50% روپے کی فیس ویلیو کی %	FY12 کا کل منافع
میزان سوورن فنڈ (MSF)	23 ستمبر - 21 دسمبر 2011	1.30	2.60%	12.13%
میزان کیش فنڈ (MCF)	22 نومبر - 21 دسمبر 2011	0.40	0.80%	11.50%

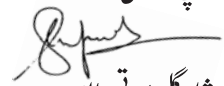
سال 2011ء میں اسٹاک مارکیٹس غیر مستحکم رہیں اور KSE-100 انڈیکس بھی 5% گرا۔ ان تمام مشکلات کے باوجود ہمارے ایکویٹی فنڈز کی کارکردگی شاندار رہی اور 2011 میں اچھا منافع بھی فراہم کیا۔ اس کی تفصیلات مندرجہ ذیل ہیں۔

3 سال					
سالانہ منافع	مجموعی منافع	CY11	CY10	CY09	ایکویٹی فنڈز
107%	26%	5%	176%	40%	MIF
105%	27%	4%	171%	39%	AMMF

مزید برآں اگر طویل مدت (3 سال) کے منافع کو ذہن میں رکھا جائے تو بھی MIF نے اپنے انویسٹرز کو 170% کا مجموعی اور 40% کا سالانہ منافع فراہم کیا ہے۔ انویسٹرز کے مفاد کو اولین ترجیح دیتے ہوئے، پچھلے 16 سالوں کی روایت کو برقرار رکھتے ہوئے ہم یہ عہد کرتے ہیں کہ ہم بہترین فنڈ مینجمنٹ اور سروسز فراہم کرنے کے لیے کوشاں رہیں گے!

ماہ دسمبر 2011ء کی فنڈ مینجمنٹ رپورٹ آپ کے ریکارڈ کے لیے پیش ہے۔

آپ کا مخلص



شاہد گل موتی والا

ایس وی بی۔ ہیڈ آف 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 eight 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 and Meezan Capital Protected Fund (MCPF-II).

The total funds under management of Al Meezan, the only full fledged Shariah compliant asset management company in Pakistan, have reached Rs. 36.2 billion as on December 31, 2011. 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

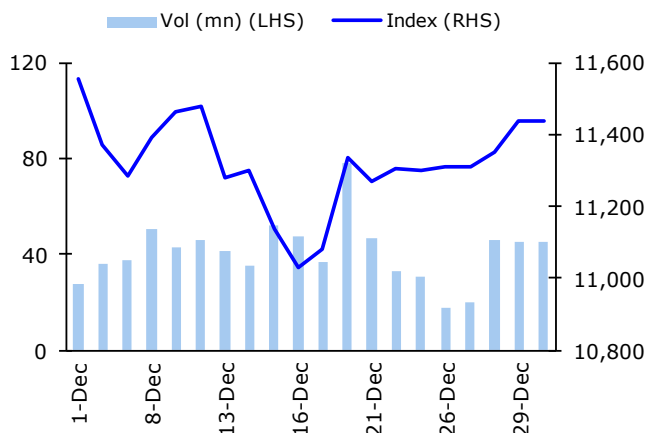
During the month of December, KSE100 index declined by 1.61% to close at the level of 11,347. The market witnessed a dull month as averaged traded volume contracted to 41mn shares per day compared to 45mn shares in the previous month.

Throughout the month, political uncertainty hovered the market along with the memo gate scandal that continued to raise suspicions, both on the local and foreign front. This was in addition to the freeze in USD700mn aid from US. On the local front, the gas crisis aggravated in the peak winter season with the major brunt falling on the fertilizer sector. Foreigners thus remained net sellers during the month worth USD 24mn.

On the other hand, SECP relaxed margin trading rules by reducing the cash margin requirement and permitting the individuals to act as financiers. At the same time, the regulator has also sent a proposal to FBR regarding changing the modalities of collection of Capital Gain tax in order to develop an effective mechanism without disturbing the collection of CGT.

Going forward, the key drivers for the market will be outcome of the Pak – US confrontation, update on the Memo Gate scandal, issue of gas curtailment and the start of the result season. We believe that the stock fundamentals valuations can be temporarily pushed to the sidelines as the surge in FPI outflows is likely to take on added importance with investors questioning its persistent recurrence.

KSE-100 Index Performance



Money Market Review

During the month of December, money market depicted a mixed trend. To normalize the liquidity situation, State Bank of Pakistan (SBP) conducted OMOs and injected around Rs 1,410 bn at a weighted average yield of 11.59% while it mopped up around Rs24 bn at a weighted average yield of 10.28%. Banks borrowed around Rs 128 bn through the discounting window while it deposited Rs 249 bn with the SBP at floor rate.

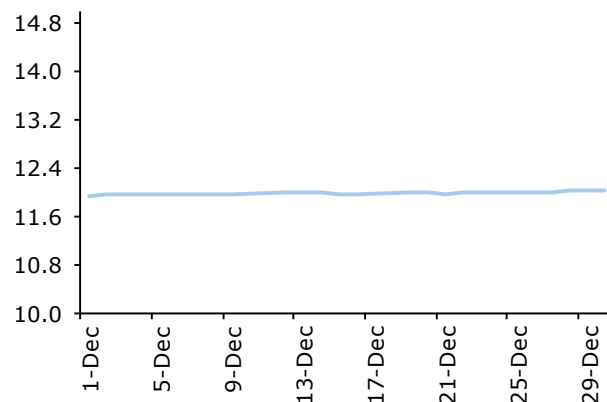
During the month, SBP conducted two T-Bill auctions, one PIB auction and one Ijarah auction. SBP scraped first T-Bill auction and also scraped six month paper bidding in the second auction, while accepted around Rs252 mn against total bid of Rs 69 bn. The targets of the auction were Rs165 bn against maturity of Rs 161 bn. One year paper cut off yield increased by around 10 bps to close at 11.90%. Accordingly, six month KIBOR rate also increased by 20 bps to close at 12.02%.

In the PIB auction, SBP accepted around Rs 6 bn against the target of Rs15 bn. The cut off yield of 10 year paper had increased by around 38 bps to close at 12.70%.

In Ijarah Sukuk IX auction, SBP accepted around Rs 70 billion at par against the total participation of around Rs. 84 bn. The target of the auction was Rs50 bn and coupon of the auction was 11.94%.

On the forex front, rupee remained under pressure against dollar and depreciated by Rs.1.21 to close at Rs. 89.96 per dollar in the interbank market and by Rs.1.70 in the open market to close at Rs. 90.10.

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. 4.3 billion as at December 31, 2011. The fund's NAV decreased by 5% during the month of December as compared to 5% decrease in benchmark index (KMI-30) while KSE-100 Index during the same period decreased by 2%. We expect the market to perform as valuations are attractive. As on December 31, 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	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
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 M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed
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Fund Asset:

	Nov' 11	Dec' 11	MoM %
Net Assets (Rs mn)	4,573	4,330	-5.3%
NAV Per Unit (Rs)	41.82	39.89	-4.6%

Asset Allocation:

	Nov' 11	Dec' 11
Equity (%)	92.83	95.29
Cash (%)	6.52	4.82
Other receivables (%)	0.65	-0.11
Expense Ratio*	0.017	0.047
P/E	6.14	6.00

*Management fee is included in the expense ratio

Risk Measures–December'11:

	MIF	KSE-100 index	KMI-30 Index
Standard Deviation (%)	0.95	0.96	1.05
Sharpe Ratio	-0.28	-0.07	-0.20

Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MIF	-5%	-6%	-4%	-4%	5%	176%	56%	257%
Benchmark#	-5%	-6%	-4%	-4%	6%	166%	46%	164%

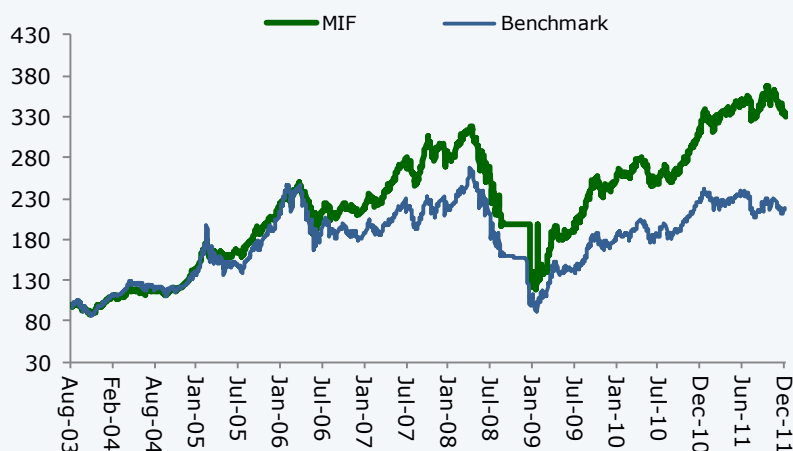
** Performance start date of August 08, 2003,

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

Annual Returns:

	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MIF	39%	31%	-30%	0.27%	29%	30%	40%
Benchmark	44%	37%	-35%	1%	17%	25%	22%

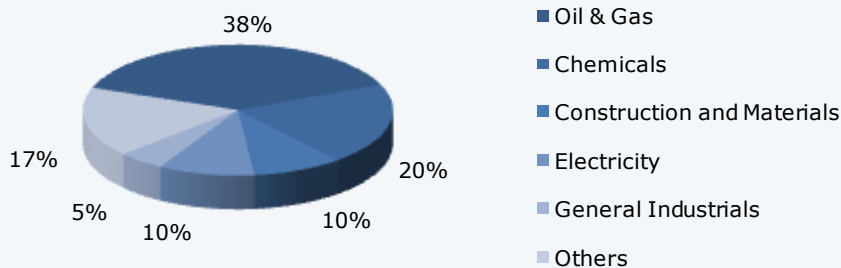
Fund's Performance:



Top Ten Equity holdings:(% of NAV):

Fauji Fertilizer Co. Ltd.	14%	Pakistan State Oil Co. Ltd.	8%
Pakistan Oilfields Ltd.	11%	Lucky Cement	6%
The Hub Power Co. Ltd.	10%	ICI Pakistan Ltd.	6%
Pakistan Petroleum Ltd.	10%	Meezan Bank Ltd.	5%
Oil & Gas Development Co. Ltd.	9%	Packages Ltd.	3%

Sector Allocation:



Fund Review:

The net assets of Al Meezan Mutual Fund (AMMF) as at December 31, 2011 stood at Rs. 1.4 billion. The fund's NAV decreased by 4.0% during the month of December as compared the 5% decrease in benchmark index (KMI-30) while KSE-100 Index during the same period decreased by 2%. We expect the market to perform market valuations are attractive. As on December 31, the fund was 95% 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	A.F. Ferguson & 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	Muhammad Asad

Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed
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Fund Asset:

	Nov' 11	Dec' 11	MoM %
Net Assets (Rs mn)	1,479	1,406	-4.9%
NAV Per Unit (Rs)	10.68	10.22	-4.3%

Asset Allocation:

	Nov' 11	Dec' 11
Equity (%)	91.34	95.37
Cash (%)	8.11	4.70
Other receivables (%)	0.55	-0.06
Expense Ratio*	0.011	0.019

*Management fee is included in the expense ratio

Risk Measures-December'11:

	AMMF	KSE-100 index	KMI-30 Index
Standard Deviation (%)	0.94	0.96	1.05
Sharpe Ratio	-0.27	-0.07	-0.20

Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
AMMF	-4%	-6%	-4%	-4%	4%	171%	54%	885%
Benchmark#	-5%	-6%	-4%	-4%	6%	166%	46%	587%

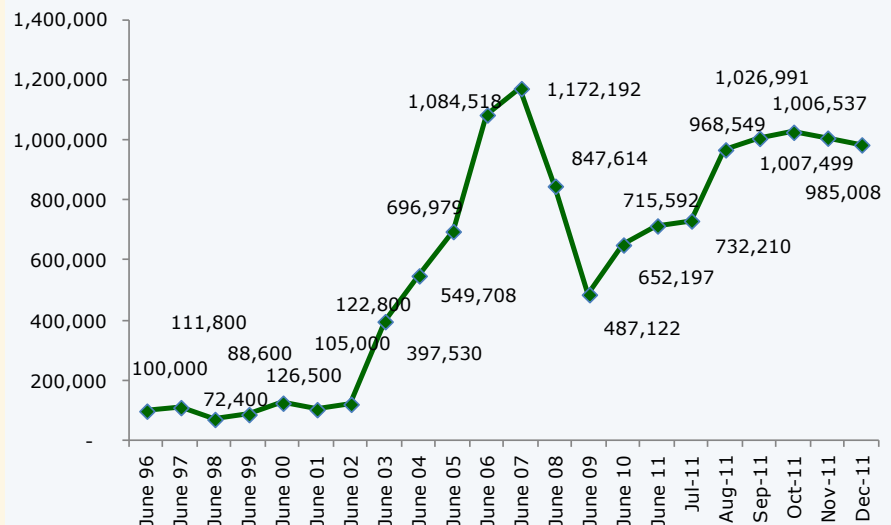
** Performance start date of July 13, 1995,

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

Annual Returns:

	FY11	FY10	FY09	FY08	FY07	FY06	FY05
AMMF	38%	31%	-32%	0.43%	27%	28%	45%
Benchmark	44%	37%	-35%	1%	17%	25%	22%

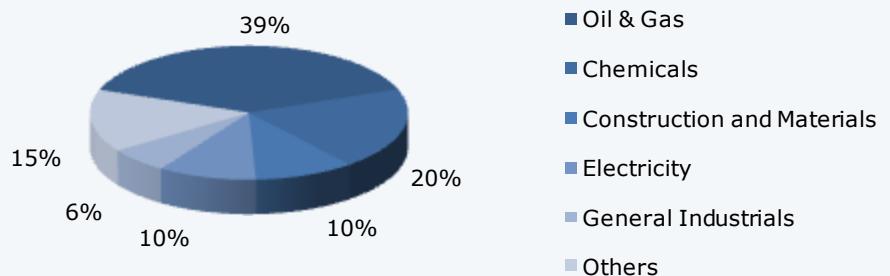
Investment Growth from FY 1996- 2012 To Date



Top Ten Equity holdings:(% of NAV):

Fauji Fertilizer Co. Ltd.	13%	Pakistan State Oil Co. Ltd.	7%
Pakistan Oilfields Ltd.	10%	Lucky Cement	7%
Oil & Gas Development Co. Ltd.	10%	ICI Pakistan Ltd.	6%
Pakistan Petroleum Ltd.	10%	DG Khan Cement Co. Ltd.	3%
The Hub Power Co. Ltd.	10%	Meezan Bank Ltd.	3%

Sector Allocation:



Fund Review

Net assets of Meezan Islamic Income Fund (MIIF) stood at Rs. 1.7 billion as at December 31, 2011. MIIF has provided an annualized return of -27.3% for the month of December as compared to its benchmark which has provided an annualized return of 6.0% 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:

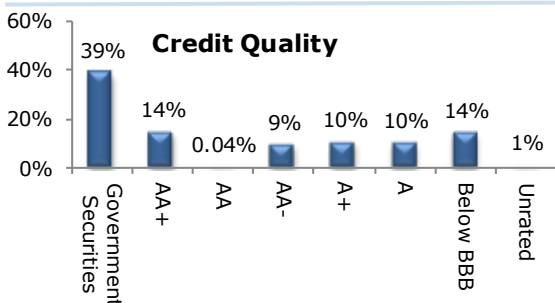
Fund Type:	Open End
Risk Level	Minimal
Launch Date	15-Jan-07
Trustee	CDC
Auditors	A.F. Ferguson & Co.
Registrar	Meezan Bank Ltd.
Unit Types	A, B and C
Management Fee	1.5%
Front End Load	0.5%
Fund Category	Income
Leverage	Nil
Listing	KSE
AMC Rating	AM2
Rating Agency	JCRVIS
Fund Stability Rating	A(f)
Pricing Mechanism	Forward
Weighted average time to maturity	1.42 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	M. Ali, CFA, FRM
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed

Fund Assets:

	Nov' 11	Dec' 11	MoM %
Net Assets (Rs mn)	2,343	1,718	-26.65%
NAV Per Unit (Rs)	49.73	50.76	2.07%

Credit Quality of portfolio:

Government Securities	39%
AA+	14%
AA	0.04%
AA-	9%
A+	10%
A	10%
Below BBB	14%
Unrated	1%



Performance - Annualized Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MIIF	27.3%	-0.5%	2.8%	2.8%	8.4%	10.6%	-	8.9%
Benchmark	6.0%	6.0%	6.0%	6.0%	5.9%	5.9%	-	5.9%

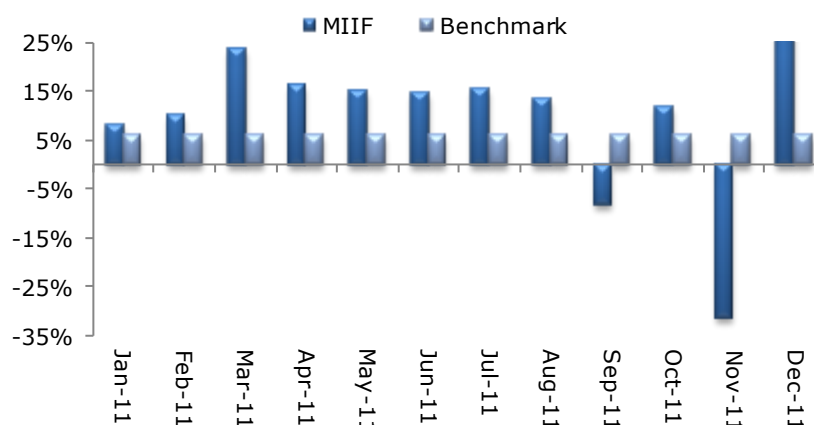
** Performance start date of Jan 15, 2007

Annual Returns:

	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MIIF	11.8%	7.31%	10.15%	9.28%	10.07%*	-	-
Benchmark	5.9%	5.75%	6.54%	5.75%	4.66%	-	-

* 163 days of operations

Monthly Performance:



Top Ten Portfolio holdings:(% of NAV):

GoP Ijarah Sukuks III	16%	Century Paper & Board Mills Ltd.	7%
GoP Ijarah Sukuks IX	15%	Maple Leaf Sukuk -I	6%
Engro Fertilizer Ltd.	9%	HUBCO (Commercial Paper)	6%
GoP Ijarah Sukuks IV	8%	KAPCO (Commercial Paper)	6%
Eden Housing Ltd.	8%	Sitara Chemicals Ltd. - III	3%

Sector Allocation:

	Nov'11	Dec'11
Sukuks	29%	36%
Government backed / Guaranteed Securities	26%	39%
Cash	33%	12%
Commercial Paper	11%	11%
Others Including receivables	2%	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	186,553,125	56,965,491	129,587,634	7.54%	7.46%
Maple Leaf Cement - I	Sukuk	319,456,000	217,230,080	102,225,920	5.95%	5.88%
Maple Leaf Cement - II	Sukuk	12,000,000	3,551,280	8,448,720	0.49%	0.49%
Security Leasing Corporation Ltd. - II	Sukuk	21,093,750	6,184,139	14,909,611	0.87%	0.86%

Fund Review

Net assets of Meezan Cash Fund (MCF) stood at Rs. 6.6 billion as at December 31, 2011. MCF has provided an annualized return of 10.9% for the month of December as compared to its benchmark which has provided an annualized return of 8.1% 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	A.F. Ferguson & 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	16.11 Days
Benchmark	Average return on 6-month Islamic bank deposits
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 3pm
Fund Manager	M. Ali, CFA, FRM

Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed
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Fund Assets:

	Nov' 11	Dec' 11	MoM %
Net Assets (Rs mn)	6,532	6,601	1.05%
NAV Per Unit (Rs) *	50.11	50.15	0.88%

*Ex-Dividend NAV

Rating Exposure:

AA+	69%
AA	29%
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:

	Nov'11	Dec'11
Placements with Banks and DFIs	23%	15%
Commercial Paper	8%	8%
Cash	66%	75%
Other Including receivables	3%	2%

Performance – Annualized Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCF	10.9%	11.2%	11.5%	11.5%	11.5%	-	-	10.7%
Benchmark	8.1%	8.2%	8.3%	8.3%	8.3%	-	-	7.9%

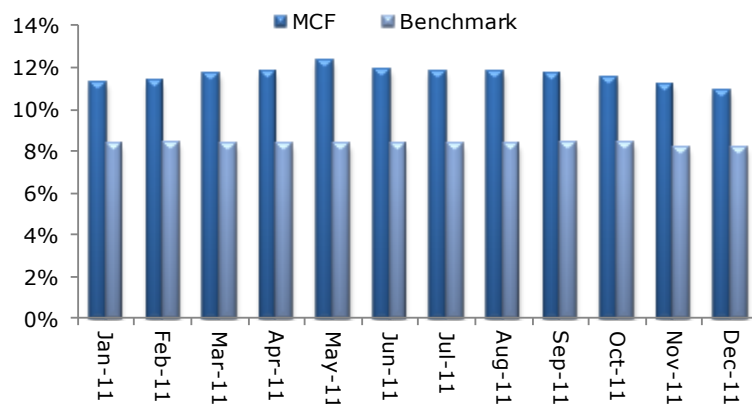
** Performance start date of June 15, 2009

Annual Returns:

	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MCF	11.0%	10.10%	8.08%#	-	-	-	-
Benchmark	8.2%	7.48%	7.6%	-	-	-	-

#15 days of operations

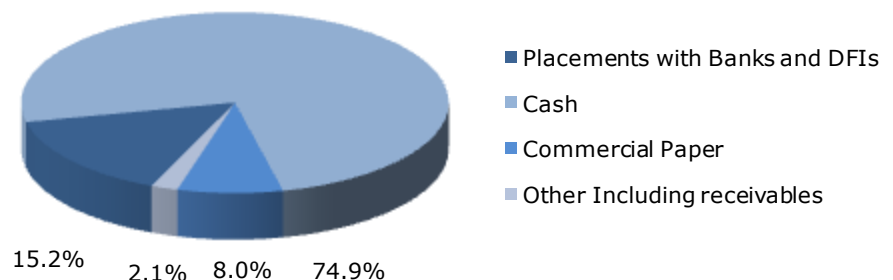
Monthly Performance:



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) Tax Credit as per tax laws
Investment Policy and Strategy	Investments in High Grade & Liquid avenues: Instrument/Issuer Rating : Minimum 'AA' Maximum Maturity of Instruments : Six Months Average Time to Maturity of Portfolio : Three Months
Benchmark	Average return on 6-month Islamic bank deposits

Asset Allocation:



Fund Review

Net assets of Meezan Sovereign Fund (MSF) stood at Rs. 18.80 billion as at December 31, 2011. For the month of December, the fund has provided an annualized return of 12.6% as compared to its benchmark which has provided an annualized return of 8.1% 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	A.F. Ferguson & 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+ (f)
Pricing Mechanism	Forward
Weighted average time to maturity	1.92 Years
Benchmark	Average return on 6-month Islamic bank deposits
Valuation Days	Mon-Fri
Subscription/ Redemption Days	Mon-Fri 9am – 3pm
Fund Manager	M. Ali, CFA, FRM

Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed
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Fund Assets:

	Nov '11	Dec '11	MoM %
Net Assets (Rs mn)	16,659	18,798	12.84%
NAV Per Unit (Rs) *	51.12	50.33	1.01%

*Ex-Dividend NAV

Asset Rating:

Government Guaranteed	80%
AA+	8%
AA	10%
AA-	0.2%

Asset Allocation:

	Nov '11	Dec '11
Government Guaranteed	57%	80%
Cash	41%	18%
Other Including receivables	2%	2%

Performance - Annualized Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MSF	12.6%	12.0%	12.1%	12.1%	12.1%	-	-	11.3%
Benchmark	8.1%	8.2%	8.3%	8.3%	8.3%	-	-	8.1%

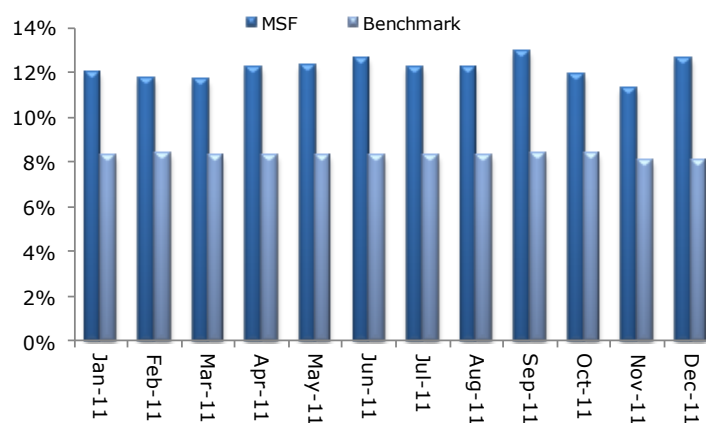
** Performance start date of Feb 10, 2010,

Annual Returns:

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

* 140 days of operations

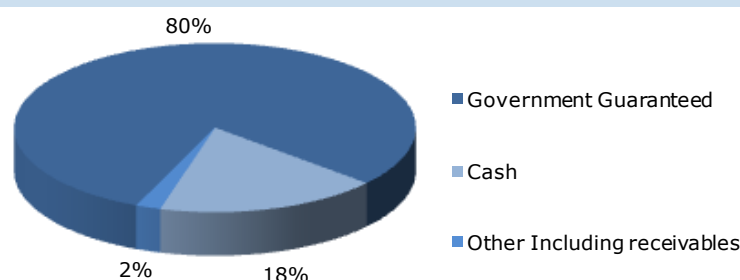
Monthly Performance:



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

Asset Allocation:



Fund Review:

The fund was launched on July 5, 2011. As at December 31, the net assets of Meezan Capital Protected Fund (MCPF-II) stood at Rs. 408 million. For the month of December 2011, MCPF-II provided a return of -0.6%.

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	A.F. Ferguson & 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	M. Farhan Lakhani
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed

Funds Asset:

	Nov' 11	Dec' 11	MoM %
Net Assets (Rs mn)	410	408	-0.63%
NAV Per Unit (Rs)	51.96	51.63	-0.64%

Asset Allocation:

Equity (%)	21.6
GoP Guaranteed Securities (%)	74.0
Cash & Cash Equivalents (%)	4.4

Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCPF-II	-0.6%	0.1%	3.3%	3.3%	-	-	-	3.3%

** Performance start date of Jul 5, 2011,

Annual Returns:

	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MCPF-II	-	-	-	-	-	-	-

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

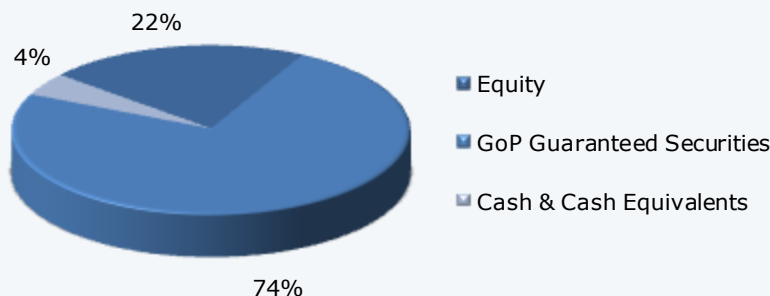
Capital Protection Segment

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 December 31, 2011, total size of Meezan Tahaffuz Pension Fund (MTPF) stood at Rs. 476 million. For the month of December, the NAV of equity sub fund decreased by 4% while the NAV of debt and money sub funds provided an annualized return of 11.9% and 10.1% 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	Ford Rhodes Siddat Hyder & 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 M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed
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FUND ASSETS:

Rs (Mn)	Nov '11	Dec '11	MoM %
MTPF- Equity	197	199	0.8%
MTPF- Debt	165	170	3.0%
MTPF- MMkt	105	107	1.3%
Total Fund	467	476	1.7%

NAV per unit:

Rs	Nov '11	Dec '11	MoM %
MTPF- Equity	136.8	131.1	-4.1%
MTPF- Debt	148.6	150.1	1.0%
MTPF- MMkt	149.9	151.1	0.8%

Sukuk Holdings – MTPF(Debt fund):

GoP Ijarah Sukuks V	34.1%
GoP Ijarah Sukuks IX	31.7%
GoP Ijarah Sukuks IV	16.4%
GoP Ijarah Sukuks VIII	7.6%
GoP Ijarah Sukuks VI	1.8%
Maple Leaf Cement	1.0%
Eden Housing Limited	0.6%
Security Leasing Sukuk II	0.4%

Performance – Cumulative Returns:

	1M	3M	6M	YTD	1Yr	3Yr	5Yr	PSD**
MTPF- Equity	-4.1%	-5.6%	-4.6%	-4.6%	3.5%	182.7%	-	30.8%
MTPF- Debt*	11.9%	7.6%	8.6%	8.6%	10.5%	9.5%	-	9.4%
MTPF- MMkt*	10.1%	11.9%	11.6%	11.6%	11.2%	10.2%	-	9.5%

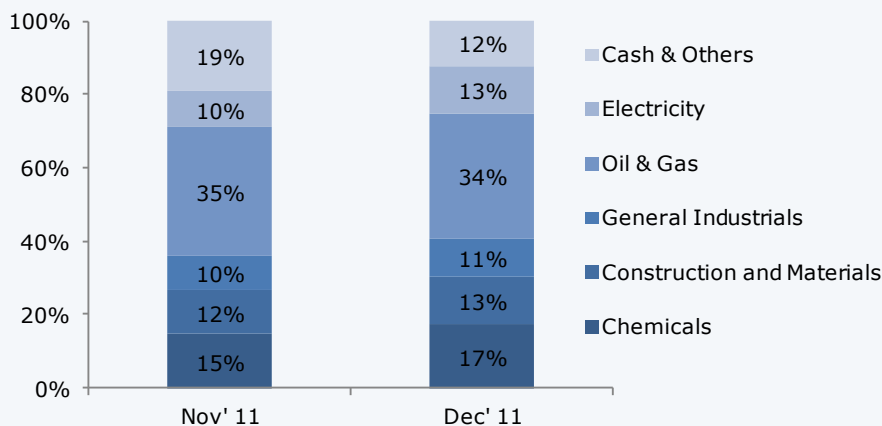
** Performance start date of June 28, 2007,

* annualized return

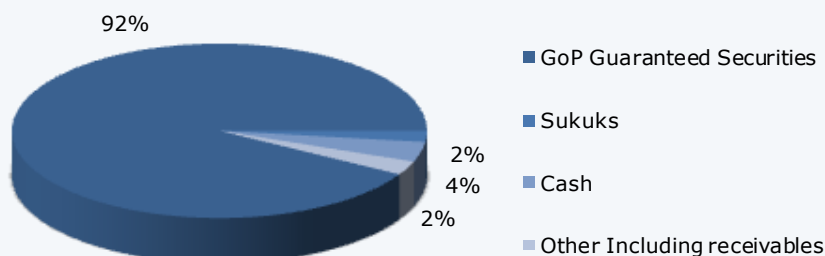
Annual Returns:

	FY11	FY10	FY09	FY08	FY07	FY06	FY05
MTPF- Equity	36.0%	31.5%	25.8%	3.10%	-	-	-
MTPF- Debt	10.9%	8.50%	10.2%	8.30%	-	-	-
MTPF- MMkt	10.7%	8.50%	11.1%	7.70%	-	-	-

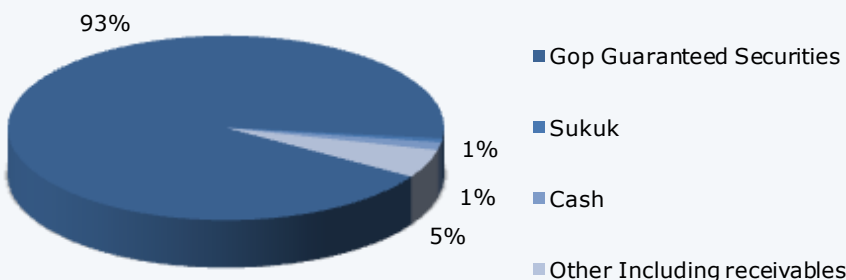
Sector Weightage as % of Net Assets (MTPF – Equity):



MTPF Debt Sub Fund:



MTPF Money Market Sub Fund:



PAKISTAN'S ONLY SHARIAH-COMPLIANT CLOSED-END FUND

AMC RATING AM2 (STABLE OUTLOOK)

Fund Review:

Net assets of Meezan Balanced Fund (MBF) as at December 31, 2011 stood at Rs. 1.33 billion. The fund's NAV decreased by 2.2% 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:	Close End
Risk Level	Minimal
Launch Date	20-Dec-2004
Trustee	CDC
Auditors	A.F. Ferguson & 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
Pricing Mechanism	N/A
Valuation Days	N/A
Subscription/ Redemption Days	N/A
Fund Manager	M. Farhan Lakhani
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed

Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MBF	-2%	-2%	1%	1%	9%	111%	44%	143%
Benchmark	-2%	-2%	-0.7%	-0.7%	6%	83%	23%	55%

** Performance start date of Dec 20, 2004

Annual Returns:

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

* Performance start date of Dec 20, 2004

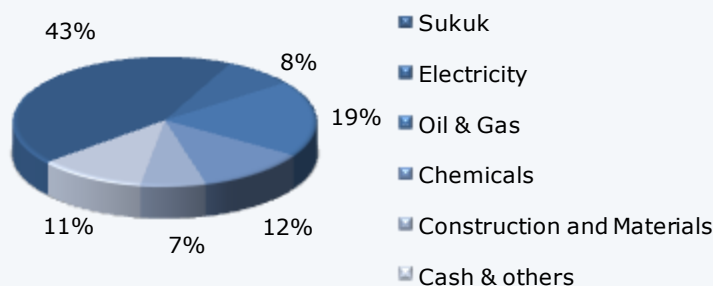
Top Ten Portfolio holdings:(% of NAV):

	Equity	Sukuk
Fauji Fertilizer Co. Ltd.	8%	KAPCO (Commercial Paper) 13%
Hub Power Co. Ltd.	8%	HUBCO (Commercial Paper) 8%
Pakistan Oilfields Ltd.	6%	GoP Ijarah Sukuks -IV 7%
Pakistan Petroleum Ltd.	5%	Engro Fertilizer Ltd. 4%
Oil & Gas Development Co. Ltd.	4%	GoP Ijarah Sukuks -III 2%

Sector Allocation:

	Nov'11	Dec'11
Equity	54%	54%
GoP Guaranteed Securities	16%	9%
Sukuk	7%	6%
Commercial Paper	20%	21%
Cash	3%	10%

Sector Performance:



Funds Asset:

	Nov' 11	Dec' 11	MoM %
Net Assets (Rs mn)	1,357	1,327	-2.19%
NAV Per Unit (Rs)	11.31	11.06	-2.19%