

# Al Meezan Investment Management Limited

MKT/FMR/07/11

February 07, 2011

Dear Investor,

It is our pleasure to highlight that Meezan Islamic Fund (MIF) has shown a remarkable performance in conjunction with the stock market recovery that we have witnessed in the past two years. On January 31, 2011 the NAV of MIF was Rs. 49.33, 161% up from December 31, 2008 when its NAV hit a record low of Rs. 22.29. In comparison, during the same period, KSE 100 Index touched 12,378 points, 111% up from December 31, 2008 showing the out performance of MIF with respect to KSE-100 Index by 50%. It clearly indicates that MIF investors turned out to be better off than an investor who had invested directly in KSE 100 companies.

The net assets of MIF are over Rs. 4.4 billion as of January 31, 2011 making it the largest open end equity fund in the private sector. We would like to invite our valued investors to invest through Meezan Islamic Fund to maximize their return potential over the long term.

We would like to encourage our investors to enhance their investment in Al Meezan Funds in order to claim maximum tax credit. As per Section 62 of Income Tax Ordinance 2001, an individual investor can claim tax credit upto Rs. 60,000/- (in case of salaried person) or Rs. 75,000/- (in case of self employed) in a tax year on investment upto Rs. 300,000/- or 10% whichever is lower. As per Section 63 of Income Tax Ordinance 2001, an individual investor of pension fund scheme can claim tax credit upto Rs. 100,000/- (in case of salaried person) or Rs. 125,000/- (in case of self employed) in a tax year on investment upto Rs. 500,000/- or 20% whichever is lower.

At the end of January 2011, the assets under management of Al Meezan are Rs. 28 billion. The net assets of the open end funds stood as follows:

<b>Meezan Islamic Fund (MIF)</b>	<b>Rs. 4,425 million</b>
<b>Meezan Islamic Income Fund (MIIF)</b>	<b>Rs. 2,981 million</b>
<b>Meezan Cash Fund (MCF)</b>	<b>Rs. 6,089 million</b>
<b>Meezan Sovereign Fund (MSF)</b>	<b>Rs. 9,323 million</b>

We are thankful for your valuable support and continued patronage. Fund Managers' Report for the month of January 2011 is enclosed for your review and record.

Yours truly,



**Muhammad Anas Rehan**  
Vice President Marketing

# Al Meezan Investment Management Limited

11/07/FMR/MKT

07 فروری 2011ء

معزز انویسٹر

ہم آپ کو یہ بتاتے ہوئے خوشی محسوس کرتے ہیں کہ پچھلے دو سالوں میں اسٹاک مارکیٹ کی بحالی کے ساتھ میزان اسلامک فنڈ (MIF) نے عمدہ کارکردگی کا مظاہرہ کیا ہے۔ 31 دسمبر 2008ء کو MIF کی NAV اپنی کم ترین سطح Rs. 22.29 سے بڑھ کر 31 جنوری 2011 کو 161 فیصد اضافہ کے ساتھ Rs. 49.33 پر پہنچ گئی۔ اس کے برعکس اس ہی دورانیہ میں KSE100 انڈیکس 111 فیصد اضافہ کے ساتھ 12,378 پوائنٹس پر بند ہوا یعنی MIF کی کارکردگی KSE100 انڈیکس کی نسبت 50 فیصد زیادہ رہی۔ یہ اس بات کو عیاں کرتا ہے کہ MIF میں سرمایہ کاری نے انویسٹرز کو KSE100 کمپنیز میں براہ راست سرمایہ کاری کی نسبت زیادہ منافع دیا۔

MIF کے کل اثاثہ جات 31 جنوری 2011 کو 4.4 ارب روپے سے زیادہ تھے اس طرح MIF پاکستان میں پرائیویٹ سیکٹور کا سب سے بڑا ایکویٹی فنڈ ہے۔ ہم آپ کو مدعو کرتے ہیں کہ اپنی طویل المیعاد سرمایہ کاری پر زیادہ سے زیادہ نفع حاصل کرنے کے لیے MIF کے ذریعے سرمایہ کاری کیجئے۔

انکم ٹیکس میں زیادہ سے زیادہ چھوٹ حاصل کرنے کے لیے ہم آپ کی حوصلہ افزائی کرتے ہیں کہ المیز ان کے فنڈز میں اضافی سرمایہ کاری کیجئے۔ انکم ٹیکس آرڈیننس 2001 کے سیکشن 62 کے تحت سرمایہ کار -/300,000 روپے یا اپنی ٹیکس ایبل انکم کی 10% تک سرمایہ کاری پر (جو بھی کم ہو) -/60,000 روپے (تنخواہ دار) یا -/75,000 روپے (غیر تنخواہ دار) تک کی ٹیکس میں چھوٹ حاصل کر سکتے ہیں۔ انکم ٹیکس آرڈیننس 2001 کے سیکشن 63 کے تحت سرمایہ کار پنشن فنڈ میں -/500,000 روپے یا اپنی ٹیکس ایبل انکم کی 20 فیصد تک سرمایہ کاری پر (جو بھی کم ہو) -/100,000 روپے (تنخواہ دار) یا -/125,000 روپے (غیر تنخواہ دار) تک کی ٹیکس میں چھوٹ حاصل کر سکتے ہیں۔

ماہ جنوری 2011 کے اختتام پر المیز ان کے زیر انتظام کل اثاثہ جات 28 ارب روپے تھے۔ اوپن اینڈ فنڈز کے کل اثاثہ جات درج ذیل ہیں۔

میزان اسلامک فنڈ (MIF)	4,425 ملین روپے
میزان اسلامک انکم فنڈ (MIIF)	2,981 ملین روپے
میزان کیش فنڈ (MCF)	6,089 ملین روپے
میزان سوورن فنڈ (MSF)	9,323 ملین روپے

ہم آپ کے مستقل پیش قیمت تعاون کے شکرگزار ہیں ماہ جنوری 2011 کی فنڈ مینجر رپورٹ آپ کی معلومات اور ریکارڈ کے لیے پیش ہے۔

آپ کا تخلص



محمد انس 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. 28 billion as on January 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.

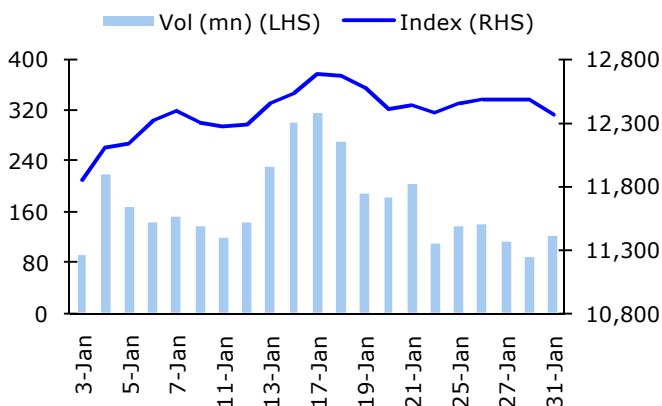
## Stock Market Review

During January, KSE 100 index continued its upward momentum and increased by 2.81% to close at 12,359. The average traded volumes for January were 170 million shares as compared to 140 million shares the month before.

Initially, the market was hit by the news of the hike in fuel prices which was greatly opposed by political parties so much so that the decision had to be withdrawn. Anti dumping duty imposed by Turkey on textile exports kept the sector under pressure whereas auto sector suffered from the news of government's approval of increasing the age limit of imported cars. Despite all these negatives, market was kept bullish by the continuous foreign flows and anticipation of better corporate results especially in fertilizer. Moreover, during the end of the month, the market was further boosted when the monetary policy was announced as key rate remained unchanged. The positivity in the market was short lived as rumors spread wide in the market that government will change the oil pricing formula and reduce the deemed duty on diesel which will severely hit the refineries. Foreigners remained net buyers with US\$ 63 million net inflows.

During February, we expect market to remain volatile due to political uncertainty in African countries (Egypt), inflationary pressure, delays in implementation of structural economic reforms and introduction of leverage product.

### KSE-100 Index Performance

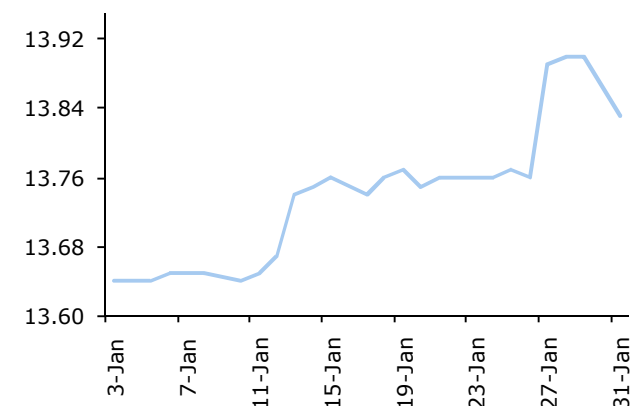


## Money Market Review

The State Bank of Pakistan kept the discount rate unchanged at 14% in its bimonthly monetary policy announcement in January. 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 it 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 two T-Bill auctions and accepted Rs.355 billion against total bid of Rs. 430 billion. The target of the auction was Rs.360 billion against maturity of Rs. 329 billion. In anticipation of tightening monetary policy, the cut off yield of six-month paper increased by 25 bps to close at 13.71%. Similarly, six month KIBOR also increased by 21 bps to close at 13.83%.

On the forex front, rupee marginally depreciated against dollar by Rs.0.07 to close at Rs. 85.72 per dollar in the interbank market. However, it depreciated by Rs.0.30 to close at Rs. 86.10 per dollar in the Kerb market.

### 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.

## 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
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 Madiha Javed Ayesha Irfan M. Ali, CFA, FRM

## Fund Assets:

	Dec' 10	Jan' 11	MoM %
Net Assets (Rs mn)	4,487	4,426	-1.4%
NAV Per Unit (Rs)	47.02	49.33	4.9%
% held in Securities	88.6	82.0	
% held as Cash	11.4	18.0	

## Risk Measures–January'11

	Standard Deviation	Sharpe Ratio
MIF	1.00	0.20
KSE-100 index	0.94	0.11
KMI-30 Index	1.14	0.18

# KMI-30 replaced DJIIMP 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	5%	11%	22%	33%	28%	16%	46%	256%
Benchmark#	5%	11%	25%	37%	41%	17%	18%	163%

\*\* 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 stood at Rs. 4.5 billion as at January 31, 2011. The fund's NAV appreciated by 4.9% during the period under review as compared to an increase of 4.89% in the benchmark index (KMI-30) while KSE-100 Index, during the same period increased by 2.80%.

Although the market is trading at attractive multiples, we hold a cautious view on the market due to deteriorating macroeconomic situation. As on January 31, the fund was 82% invested in equities.

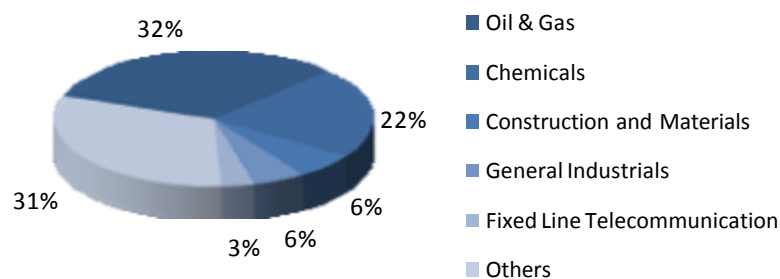
## Portfolio

## Top Ten Holdings

## Company Name(in alphabetical order)

Fauji Fertilizer Company Limited	Chemicals
ICI Pakistan Limited	Chemicals
Lucky Cement	Construction and Materials
Meezan Bank Limited	Banks
Packages Limited	General Industrials
Pakistan Oilfields Limited	Oil & Gas
Pakistan Petroleum Limited	Oil & Gas
Pakistan State Oil Limited	Oil & Gas
Pak. Telecommunication. Co. Limited	Fixed line Telecommunication
The Hub Power Company Limited	Electricity

## 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.
Weighted average time to maturity	1.29 Years
AMC Rating	AM2
Rating Agency	JCRVIS
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:

	Dec' 10	Jan' 11	MoM %
Net Assets (Rs mn)	3,029	2,981	-1.60%
NAV Per Unit (Rs)	50.39	50.72	0.66%

### Rating Distribution of assets

AAA (GoP Issued/backed)	45.0%
AA+	1.6%
AA	13.7%
AA-	10.8%
A+	4.2%
A	9.9%
A-	1.5%
BBB	0%
Below BBB	12.5%
Unrated	0.8%

### Performance

#### Cumulative Returns (annualized)

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MIIF	8.02%	5.11%	8.05%	8.99%	9.19%	8.92%	-	9.04%
Benchmark	5.93%	5.89%	5.88%	5.88%	5.88%	5.91%	-	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) stood at Rs. 3 billion as at January 31, 2010. MIIF has provided an annualized return of 8.02% for the month of January as compared to its benchmark which has provided an annualized return of 5.93% 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%
Karachi Shipyard - II	GoP Backed	9%
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%

	Dec'10	Jan'11
Corporate Sukuks	31%	29%
GoP Issued/backed Sukuks	42%	43%
Cash & Cash Equivalents	27%	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	5.02%	5.00%
Mapl Leaf Cement - I	Sukuk	319,728,000	119,211,864	200,516,136	6.73%	6.69%
Mapl Leaf Cement - II	Sukuk	12,000,000	3,551,280	8,448,720	0.28%	0.28%
Security Leasing Corporatic	Sukuk	29,687,500	7,421,875	22,265,625	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
Weighted average time to maturity	29.53 Days
AMC Rating	AM2
Rating Agency	JCRVIS
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:

	Dec '10	Jan '11	MoM %
Net Assets (Rs mn)	6,305	6,089	-3.42%
NAV Per Unit (Rs)	50.06	50.51	0.91%

### Rating Exposure

AA+	52.4%
AA	47.6%

	Dec'10	Jan'11
TDR	51%	45%
Cash & Cash Equivalents	49%	55%

## Performance

### Cumulative Returns (annualized)

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCF	11.21%	10.96%	10.63%	10.54%	10.37%	-	-	10.21%
Benchmark	8.33%	8.30%	8.25%	8.25%	7.86%	-	-	7.84%

\*\* 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

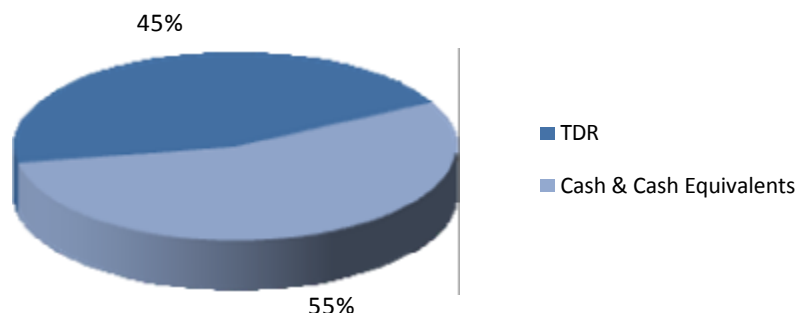
Net assets of Meezan Cash Fund (MCF) stood at Rs. 6.1 billion as at January 31, 2010. MCF has provided an annualized return of 11.21% for the month of January as compared to its benchmark which has provided an annualized return of 8.33% during the same period.

## 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)* Tax Credit as per tax laws
Investment Policy and Strategy	Investments in High Grade & Liquid avenues: Instrument/Issuer Rating : <b>Minimum 'AA'</b> Maximum Maturity of Instruments : <b>Six Months</b> Average Time to Maturity of Portfolio : <b>Three Months</b>
Benchmark	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
Weighted average time to maturity	1 Day
AMC Rating	AM2
Rating Agency	JCRVIS
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:

	Dec '10	Jan '11	MoM %
Net Assets (Rs mn)	8,399	9,323	11.00%
NAV Per Unit (Rs)*	50.75	51.24	0.97%

### Asset Rating

AAA (GoP issued/backed)	63.8%
AA+	26.0%
AA	0.5%
AA-	0.1%

	Dec '10	Jan '11
GoP Ijarah	70%	64%
Cash & Cash Equivalents	30%	36%

## Performance

### Cumulative Returns (annualized)

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MSF	12.00%	11.65%	11.05%	11.00%	-	-	-	10.51%
Benchmark	8.33%	8.30%	8.25%	8.25%	-	-	-	7.90%

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

### Fund Review

Net assets of Meezan Sovereign Fund (MSF) stood at Rs. 9.3 billion as at January 31, 2010. For the month of January, the fund has provided an annualized return of 12% as compared its benchmark which has provided an annualized return of 8.33% during the same period.

## 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

### Sector Allocation

#### Cash & Cash Equivalents

36%



GoP Ijarah  
64%

**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
Rating Agency	JCRVIS
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	4.7%	19.4%	26.9%	31.3%	28.7%	23.7%	-	32.3%
MTPF- Debt*	13.5%	7.8%	7.9%	9.9%	10.6%	9.3%	-	9.1%
MTPF- MMkt*	10.6%	10.4%	10.3%	10.6%	9.6%	9.3%	-	9.1%

\*\* 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 January 31, 2010, total size of Meezan Tahaffuz Pension Fund (MTPF) stood at Rs. 336 million. For the month of January, the equity sub fund posted a return of 4.7% while debt and money sub funds posted an annualized return of 13.5% and 10.6% respectively.

## Funds Assets

Rs (Mn)	Dec '10	Jan '11	MoM %
MTPF- Equity	137	141	3.2%
MTPF- Debt	109	114	4.6%
MTPF- MMkt	80	82	1.4%
<b>Total Fund</b>	<b>326</b>	<b>336</b>	<b>3.2%</b>

## NAV per unit

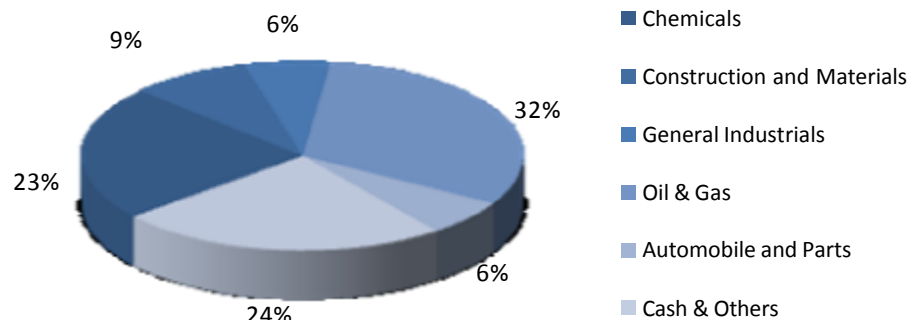
Rs	Dec '11	Jan '11	MoM %
MTPF- Equity	126.6	132.6	4.7%
MTPF- Debt	135.8	137.3	1.1%
MTPF- MMkt	135.8	137.0	0.9%

## Sukuk Holdings – MTPF (Debt fund)

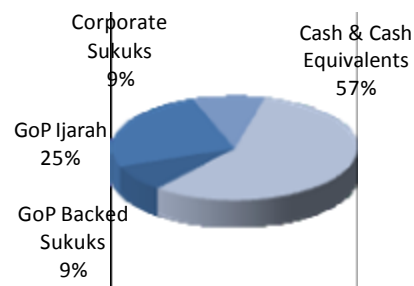
Dawood Hercules
Eden Housing Limited
GoP Ijarah Sukuks IV
KSEW – II
Maple Leaf Cement
Security Leasing Sukuk II
Shahmurad Sugar Mills

## Portfolio

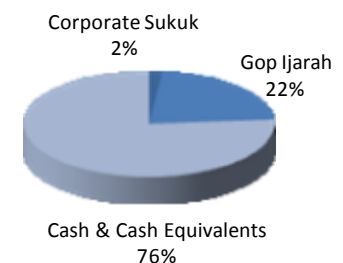
### Sector Weightage as a % of Net Assets (MTPF – Equity)



### 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
Rating Agency	JCRVIS
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:

	Dec '10	Jan '11	MoM %
Net Assets (Rs mn)	686	697	1.50%
NAV Per Unit (Rs)	54.86	55.70	1.5%

	Dec '10	Jan '11
Equity	13.5%	14.7%
Murabahah Placement	86.5%	85.3%

## Performance

### Cumulative Returns

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCPF-1	1.54%	4.89%	7.50%	9.67%	21.89%	-	-	25.37%

\*\* 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

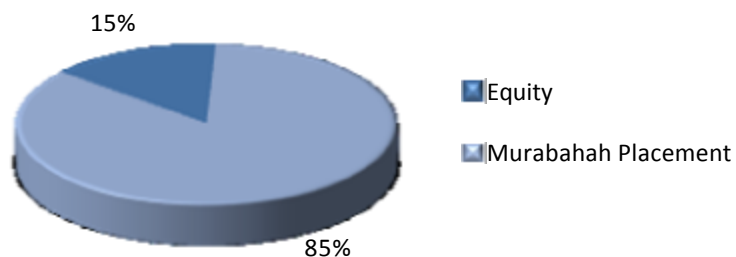
As at January 31, the net assets of Meezan Capital Protected Fund (MCPF-1) stood at Rs. 697 million, showing an increase of 1.5% month-on-month. For January 2010, MCPF-1 provided a return of 1.54%.

## Portfolio

### Salient Features

<b>Key Benefits</b>	Preservation of Principal Investment upon maturity of investment
	Primary Investment in Murabahah
	Exposure to equity coupled with capital protection
	Very Low Risk
<b>Investment Policy and Strategy</b>	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** Dec '10 Jan '11

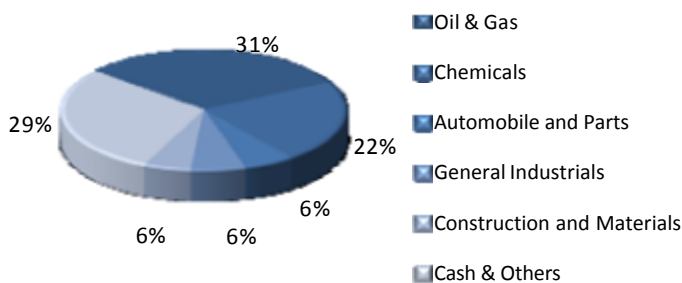
Return on AMMF	6.40%	4.52%
Return on KSE-100 index	6.96%	2.80%
Return on KMI-30 Index*	5.97%	4.89%

### Year - to - date (FY)

Return on AMMF	24.91%	30.18%
Return on KSE-100 index	23.66%	27.13%
Return on KMI-30 Index*	30.86%	37.26%

\* Benchmark

### AMMF Assets Distribution – January '11



### Fund Assets:

	Dec'10	Jan'11	MoM %
Net Assets (mn)	1,637	1,711	4.52%
NAV Per Unit (Rs)	11.90	12.44	4.52%

### 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 January 31, 2011 stood at Rs. 1.7 billion. The fund's NAV appreciated by 4.52% during the month of January as compared to 4.89% increase in the benchmark index (KMI-30) while KSE-100 Index, during the same period increased by 2.80%.

## Meezan Balanced Fund

### Performance

**Month on Month** Dec '10 Jan '11

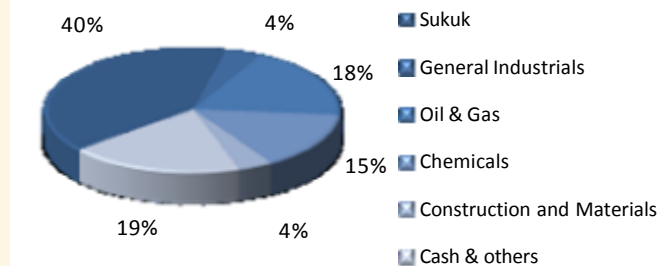
Return on MBF	3.73%	3.09%
Benchmark Return*	3.23%	2.69%
Return on KMI-30 Index	5.97%	4.89%

### Year - to - date (FY)

Return on MBF	15.78%	19.20%
Benchmark Return*	16.90%	20.35%
Return on KMI-30 Index	30.86%	37.26%

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

### MBF Assets Distribution – January '11



### Fund Assets:

	Dec'10	Jan'11	MoM %
Net Assets (mn)	1,413	1,457	3.09%
NAV Per Unit (Rs)	11.78	12.14	3.09%

### 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 January 31, 2011 stood at Rs. 1.46 billion. The fund's NAV appreciated by 3.1% during the month.