

# Al Meezan Investment Management Limited

August 05, 2012

MKT/FMR/01/13

Dear Investor,

Yet another year marked with phenomenal performance and achievements drew close. As the new fiscal year sets in, we commit to continue on achieving excellence in fund management along with providing our valued investor an astounding experience. By the grace of Almighty Allah, fiscal year 2012, closed with total assets under management of over Rs. 39 billion and Al Meezan Investment Management was rated as AM2 by JCR-VIS denoting High Quality Management.

## 1<sup>st</sup> Interim Dividend Payout for Meezan Cash Fund (MCF) for FY2012-2013

We are pleased to announce the 1<sup>st</sup> interim dividend for following MCF for the period ended July 22, 2012 as follows:

Fund	Dividend (Rs.) per unit	% of par value of Rs. 50/-	FYTD Return
Meezan Cash Fund (MCF)	0.30	0.60%	10.59%

## Funds' Performance

The stock market continued its upward momentum in the month of July and the index appreciated by 5.6 % in the month of July 2012. This superior performance also translated into the remarkable returns posted by our equity funds as shown in the table below:

	July 2012 Return	CYTD12 Return
Meezan Islamic Fund (MIF)	5.19%	30.93%
Al Meezan Mutual Fund (AMMF)	5.59%	31.03%
Meezan Tahaffuz Pension Fund (MTPF)- Equity Sub Fund	5.04%	28.53%

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

	July 2012 Return	Benchmark Return
KSE Meezan Index Fund (KMIF)	5.5%	5.7%

The fixed income funds also kept pace, and continued with their superior performance. This is evident in the healthy returns posted by them in the month of July 2012:

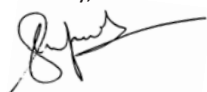
	July 2012 Return	CYTD12 Return
Meezan Sovereign Fund (MSF)	10.76%	10.25%
Meezan Cash Fund (MCF)	10.59%	9.99%
Meezan Islamic Income Fund (MIIF)	10.06%	12.66%

## E-Statement Facility

Effective from August 2012 with the intent of facilitating our consumers, Al Meezan has decided to switch from sending paper statements to E-statements. This service will enable our investors to easily access their investment details. In order to gain benefit from this service, you are therefore requested to provide us your updated e-mail address

We promise that we will continue on the path of excellence through superior financial performance and commendable customer services.

Yours truly,



**Shahid Gul Motiwala**

SVP- Head of Marketing and Sales



Customer Services



Call Centre



Internet Banking



Member Services



Email Services



SMS Alerts

# Al Meezan Investment Management Limited

13/01/FMR/MKT

10 اگست 2012ء

معزز انویسٹر،

اعلیٰ کارکردگی اور کامیابیوں کے ساتھ مالی سال 2012ء بھی عمدگی سے اختتام پذیر ہوا۔ نئے مالی سال کے طلوع کے ساتھ ہم آپ کو بہترین فنڈ مینجمنٹ اور اعلیٰ پائے کی کسٹمر سروس فراہم کرنے کے عزم کی تجدید کرتے ہیں۔ اللہ تعالیٰ کے کرم سے سال 2012ء کا اختتام 39 ارب روپے کے اثاثہ جات کی منظمیت کرتے ہوئے JCR-VIS کی جانب سے اعلیٰ کارکردگی کی بناء پر AM-2 ریٹنگ کے ساتھ ہوا۔

**میزان کیش فنڈ (MCF) میں سال 2012-2013ء کا پہلے عبوری ڈیویڈنڈ**

ہم MCF میں اس مالی سال کے پہلے عبوری ڈیویڈنڈ کا اعلان کرتے ہوئے خوشی محسوس کرتے ہیں۔ اس کی تفصیلات مندرجہ ذیل ہیں:-

فنز	ڈیویڈنڈ روپے فی یونٹ	50% روپے کی فیس و پلیو کی %	FYTD منافع
میزان کیش فنڈ (MCF)	0.30	0.60%	10.59%

**فنز کی کارکردگی**

اشٹاک مارکیٹ میں ماہ جولائی میں مثبت رجحان واضح رہا جس کی بناء پر انڈیکس %5.6 اضافہ کے ساتھ بند ہوا۔ اس کارکردگی کا نتیجہ ہمارے ایکویٹی فنڈز کے منافع میں بھی نمایاں رہا جیسے کہ مندرجہ ذیل تفصیلات سے ظاہر ہے:

جولائی 2012ء منافع	CYTD12 منافع	میزان اسلامک فنڈ (MIF)
5.19%	30.93%	میزان اسلامک فنڈ (MIF)
5.59%	31.03%	المیزان میوچل فنڈ (AMMF)
5.04%	28.53%	میزان تحفظ مینیشن فنڈ (MTPF, Equity)

KMIF، شرعی اصولوں کے مطابقت میں پاکستان کا واحد انڈیکس ٹریک فنڈ نے بھی انڈیکس کی حدود میں رہتے ہوئے شاندار کارکردگی کا مظاہرہ کیا۔

جولائی 2012ء منافع	Benchmark منافع	KSE میزان انڈیکس فنڈ (KMIF)
5.5%	5.7%	KSE میزان انڈیکس فنڈ (KMIF)

اسی طرح فکسڈ انکم فنڈز کی بھی کارکردگی شاندار رہی جو کہ مندرجہ ذیل ہے:

جولائی 2012ء منافع	CYTD12 منافع	میزان سوورن فنڈ (MSF)
10.76%	10.25%	میزان سوورن فنڈ (MSF)
10.59%	9.99%	میزان کیش فنڈ (MCF)
10.06%	12.66%	میزان اسلامک انکم فنڈ (MIIF)

**E-Statement کی سہولت**

اپنے کسٹمرز کی سہولت کے لیے اگست 2012ء سے المیزان نے پیپراسٹیٹمیٹ کے بجائے E-Statement کے آغاز کا فیصلہ کیا ہے۔ یہ سروس انویسٹرز کے لیے اکاؤنٹ کی معلومات حاصل کرنے کو سہل بنائے گی۔ اس سروس سے فائدہ اٹھانے کے لیے آپ سے درخواست ہے کہ ہمیں اپنا ای۔میل ایڈریس فراہم کریں۔

ہم وعدہ کرتے ہیں کہ آپ کو عمدہ فنانشل کارکردگی اور قابل تعریف کسٹمر پہنچانے کا عمل جاری رکھیں گے۔

آپ کا مخلص



شاہد گل موتی والا  
ایس وی بی۔ ہیڈ آف مارکیٹنگ اینڈ سیلز



Customer Services



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Ground Floor, Block 'B', Finance & Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

UAN: (92-21) 111-633-926 (111-MEEZAN) Fax: (92-21) 35630808, Toll Free: 0800 -HALAL (42525)

E-mail: info@almeezangroup.com Website: www.almeezangroup.com



# AL Meezan Investment Management Limited

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

The total funds under management of Al Meezan, the only full fledged Shariah compliant asset management company in Pakistan, have reached Rs. 41.4 billion as on July 31, 2012. With AM2 rating which denotes high management quality, the company clearly stays well ahead of all its competitors in the Islamic asset management market in Pakistan.

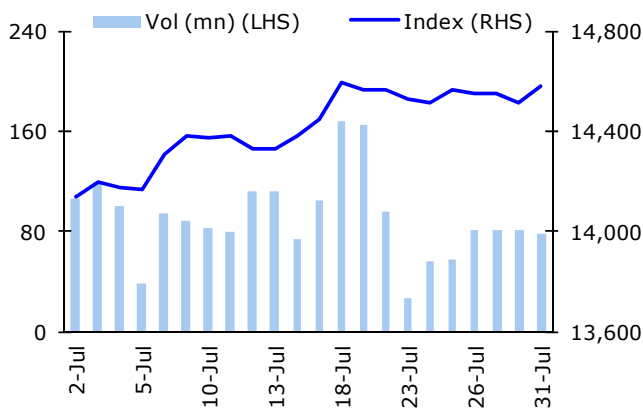
## Stock Market Review

KSE started the new fiscal year FY 13 on a strong note with the market advancing by 5.6% in the month of July to close at level of 14,577. Average daily volumes remained healthy however were below levels seen during the beginning of the year which is partly due to the absence of interest owing to Ramadan. Foreign flows remained encouraging with net flows touching USD31mn mark during the period with positive flows in majority of the trading sessions during the month.

The key trigger remained the resumption of NATO supplies after an agreement was reached between US and Pakistan on the intricacies of the issue. The US also committed to an early disbursement of CSF flows of USD1.1bn which was required by Pakistan to counter the recent currency stress. With the realization of long-awaited flows, investors grew hopeful that the discount rate may be further slashed, an expectation that was reflected in the rising stock prices across the board.

Looking ahead, the direction of market will be determined by 1) an upcoming monetary policy meeting on the 10th of August 2) announcement of results of key companies in the result season and 3) outcome of the standoff between judiciary and the government.

## KSE-100 Index Performance



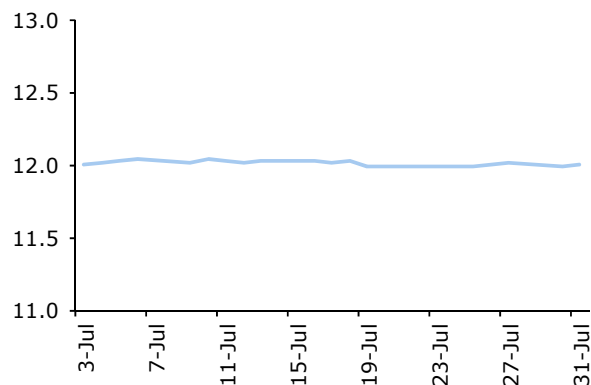
## Money Market Review

During the month of July, money market depicted an illiquid trend. To normalize the liquidity situation, State Bank of Pakistan (SBP) conducted OMO operations and injected approximately Rs 924 billion at weighted average yield of 11.67%. Banks borrowed approximately Rs 520 billion through the discounting window and deposited approximately Rs 38 billion with the SBP at floor rate.

During the month, SBP also conducted two T-Bill auctions and one PIB auction. In the T-Bill auctions, SBP accepted approximately Rs 668 billion against total bids of approximately Rs 857 billion. The target of the auctions was Rs 500 billion and maturity was approximately Rs 497 billion. On the expectation of discount rate cut in upcoming monetary policy, which will be announced on 10th August, 2012, cut off yield of six-month paper has decreased by approximately 7 bps and closed at 11.87%. In PIB auction SBP accepted approximately Rs. 51 billion against the target of Rs. 30 billion. Cut off yield of 10 year paper decreased by approximately 5 bps to close at 13.07%. KIBOR rates remained stable during the month with six month KIBOR decreasing by 6 bps to close at 12.0%.

On the forex front, rupee depreciated by Rs 0.04/USD in the interbank market and closed at (Rs94.69/USD). However, rupee appreciated by Rs 1.0/USD in the open market to close at Rs 94.80.

## 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. 5.6 billion as on July 31, 2012. The fund's NAV increased by 5% during the month of July as compared to 6% increase in benchmark index (KMI-30) while KSE-100 Index during the same period increased by 6%. We expect the market to perform as valuations are attractive. As on July 31, the fund was 98% 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, FRM Bushra Tariq Shakil Ahmed, CFA
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## Fund Asset:

	Jun' 12	Jul' 12	MoM %
Net Assets (Rs mn)	5,343	5,606	4.9%
NAV Per Unit (Rs)	49.66	43.56	5.2%

## Asset Allocation:

	Jun' 12	Jul' 12
Equity (%)	96.65	97.53
Cash (%)	3.47	3.39
Other receivables (%)	-0.12	-0.92
Expense Ratio*	2.31%	2.65%
P/E	6.1	6.4

\*Management fee is included in the expense ratio  
\*\*Ex-dividend NAV: Rs.41.41

## Risk Measures—July'12:

	MIF	KSE-100 index	KMI-30 Index
Standard Deviation (%)	0.72	0.62	0.57
Sharpe Ratio	0.25	0.35	0.38

**WWF Disclosure:** : The Fund/Scheme has not made provisions amount to Rs.69.93mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.54/1.25%. For details investor are advised to read Financial Statements of the Scheme for FY2012, to be published.

## Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MIF	5%	3%	19%	5%	25%	109%	59%	367%
Benchmark#	6%	4%	16%	6%	20%	115%	51%	230%

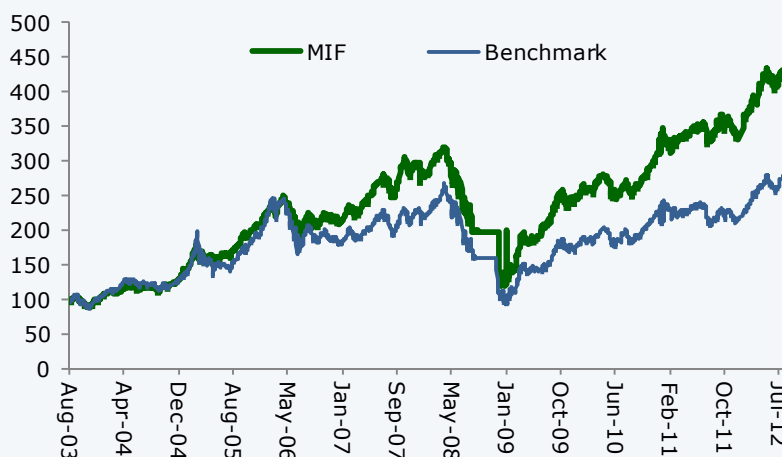
\*\* Performance start date of August 08, 2003,

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

## Annual Returns:

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

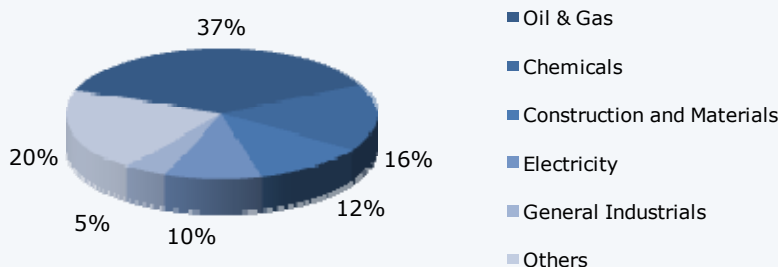
## Fund's Performance:



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

Oil & Gas Development Co. Ltd.	10%	Pakistan State Oil Co. Ltd.	7%
The Hub Power Co. Ltd.	10%	Meezan Bank Ltd.	7%
Fauji Fertilizer Co. Ltd.	10%	Lucky Cement	7%
Pakistan Oilfields Ltd.	9%	DG Khan Cement Co. Ltd.	4%
Pakistan Petroleum Ltd.	9%	ICI Pakistan Ltd.	4%

## Sector Allocation:



- Oil & Gas
- Chemicals
- Construction and Materials
- Electricity
- General Industrials
- Others

## Fund Review:

The net assets of Al Meezan Mutual Fund (AMMF) as at July 31, 2012 stood at Rs. 1.74 billion. The fund's NAV increased by 6% during the month of July as compared the 6% increase in benchmark index (KMI-30) while KSE-100 Index during the same period increased by 6%. We expect the market to perform as market valuations are attractive. As on July 31, the fund was 92.6% 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	Bushra Tariq

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

	Jun' 12	Jul' 12	MoM %
Net Assets (Rs mn)	1,680	1,742	3.7%
NAV Per Unit (Rs)**	12.69	11.28	5.6%

## Asset Allocation:

	Jun' 12	Jul' 12
Equity (%)	89.93	92.63
Cash (%)	9.69	8.45
Other receivables (%)	0.42	-1.08
Expense Ratio*	2.46%	2.78%

\*Management fee is included in the expense ratio  
\*\*Ex-dividend NAV: Rs.10.69

## Risk Measures – July'12:

	AMMF	KSE-100 index	KMI-30 Index
Standard Deviation (%)	0.62	0.62	0.57
Sharpe Ratio	0.32	0.35	0.38

## Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
AMMF	6%	3%	20%	6%	24%	108%	53%	1,102%
Benchmark#	6%	4%	16%	6%	18%	115%	51%	757%

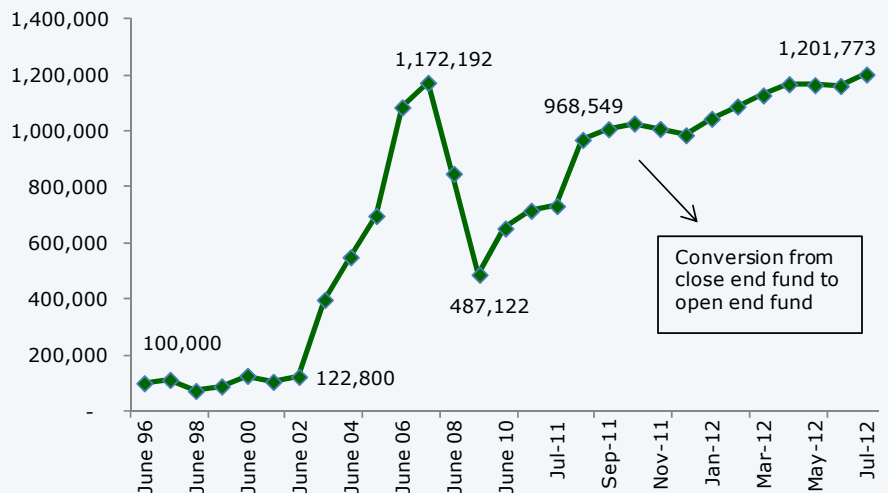
\*\* Performance start date of July 13, 1995,

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

## Annual Returns:

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

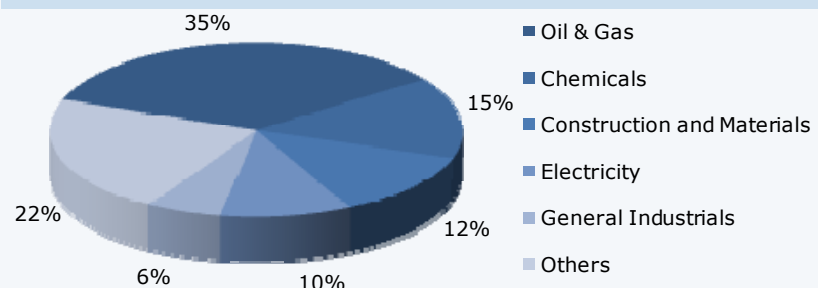
## Investment Growth from FY 1996 - 2012 To Date



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

The Hub Power Co. Ltd.	10%	Lucky Cement	7%
Pakistan Oilfields Ltd.	9%	Pakistan State Oil Co. Ltd.	7%
Fauji Fertilizer Co. Ltd.	9%	Meezan Bank Ltd.	4%
Pakistan Petroleum Ltd.	9%	DG Khan Cement Co. Ltd.	4%
Oil & Gas Development Co. Ltd.	9%	Agriauto Industries Ltd.	4%

## Sector Allocation:



**WWF Disclosure:** : The Fund/Scheme has not made provisions amount to Rs.21.26mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.14/1.22%. For details investors are advised to read Financial Statements of the Scheme for FY2012, to be published.



## Fund Review

Net assets of Meezan Islamic Income Fund (MIIF) stood at Rs. 1.2 billion as on July 31, 2012. MIIF has provided an annualized return of 10.1 for the month of July as compared to its benchmark which has provided an annualized return of 6.3% 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	1.34 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, FRM
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, FRM Bushra Tariq Shakil Ahmed, CFA

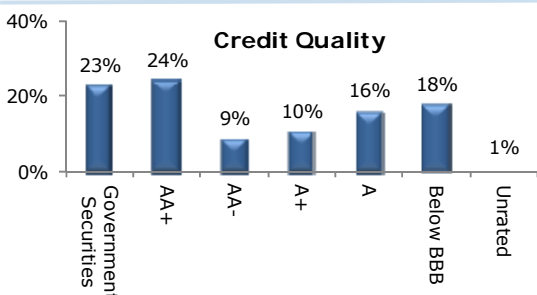
## Fund Assets:

	Jun' 12	Jul' 12	MoM %
Net Assets (Rs mn)	1,209	1,197	-0.93%
NAV Per Unit (Rs)**	51.90	50.34	0.79%

\*\*Ex-Dividend NAV: Rs.49.93

## Credit Quality of portfolio:

Government Securities	23%
AA+	24%
AA-	9%
A+	10%
A	16%
Below BBB	18%
Unrated	1%



## Performance - Annualized Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MIIF	10.1%	9.7%	12.6%	10.1%	7.4%	8.9%	9.2%	9.3%
Benchmark	6.3%	6.2%	6.0%	6.3%	6.0%	5.9%	5.9%	5.9%

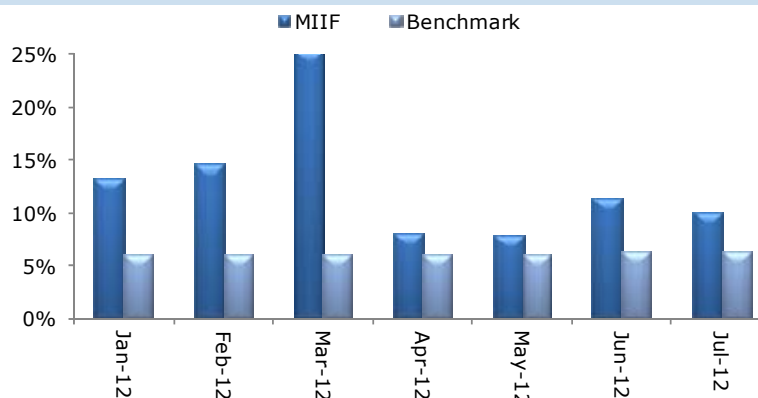
\*\* Performance start date of Jan 15, 2007

## Annual Returns:

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

\* 163 days of operations

## Monthly Performance:



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

GoP Ijarah Sukuk IX	14%	GoP Ijarah Sukuk XII	8%
Eden Housing Ltd.	9%	HUBCO (Commercial Paper)	8%
Century Paper & Board Ltd.	9%	Sitara Chemicals Ltd. - III	2%
Engro Fertilizer Ltd.	9%	Eden Builders Limited	2%
Maple Leaf Sukuk -I	9%	Security Leasing Ltd. - II	1%

## Sector Allocation:

	Jun'12	Jul'12
Sukuks	44%	39%
Government backed / Guaranteed Securities	22%	23%
Cash	26%	30%
Commercial Paper	8%	8%
Others Including receivables	0%	0%

## Details of Non Performing Investments:

Name of Non-compliant investments	Type of Investments	Value of Investments before provision	Provision held if any / Diminishing Market Value	Value of investments after provision	% of Net Assets	% of Gross Assets
Arzoo Textile Mills Ltd.	Sukuk	70,000,000	70,000,000	0.00	0.00%	0.00%
Eden Housing Limited	Sukuk	158,709,375	48,462,975	110,246,400	9.21%	8.93%
Maple Leaf Cement - I	Sukuk	319,320,000	217,137,600	102,182,400	8.53%	8.28%
Maple Leaf Cement - II	Sukuk	12,000,000	12,000,000	-	0.00%	0.00%
Security Leasing Corporation Ltd. - II	Sukuk	19,296,874	9,762,443	9,534,431	0.80%	0.77%

**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.23.42mn, if the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.98/1.96%. For details investors are advised to read Financial Statements of the Scheme for FY2012, to be published.

## Fund Review

Net assets of Meezan Cash Fund (MCF) stood at Rs. 6.8 billion as at July 31, 2012. MCF has provided an annualized return of 10.6% for the month of July as compared to its benchmark which has provided an annualized return of 8.0% during the same period.

## Investment Objective:

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

## Fund Details:

Fund Type:	Open End
Risk Level	Minimal
Launch Date	15-Jun-09
Trustee	CDC
Auditors	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	21.42 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, FRM

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

	Jun' 12	Jul' 12	MoM %
Net Assets (Rs mn)	7,418	6,802	-8.31%
NAV Per Unit (Rs) *	50.08	50.20	0.86%

\*Ex-Dividend NAV

## Rating Exposure:

Government Guaranteed	9%
AA+	54%
AA	35%
AA-	-0.3%##

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

## Portfolio Composition:

	Jun'12	Jul'12
Placements with Banks and DFIs	22%	24%
Commercial Paper	5%	5%
Cash	62%	60%
Government Guaranteed	8%	9%
Other Including receivables	3%	2%

## Performance – Annualized Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCF	10.6%	8.9%	9.8%	10.6%	10.6%	10.6%	-	10.6%
Benchmark	8.0%	8.0%	8.0%	8.0%	8.1%	8.0%	-	8.0%

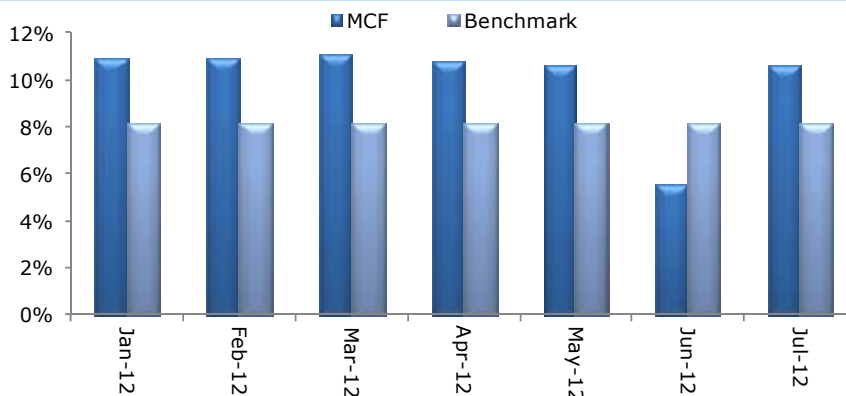
\*\* Performance start date of June 15, 2009

## Annual Returns:

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

#15 days of operations

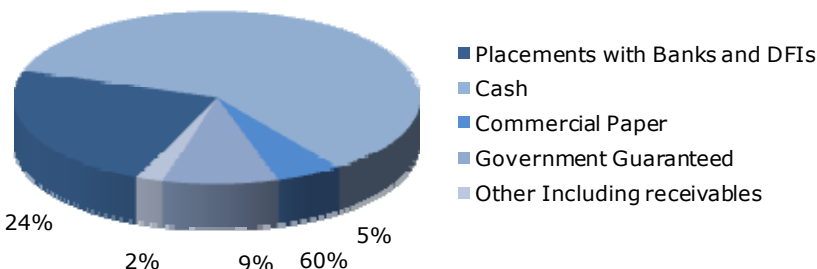
## Monthly Performance:



## Portfolio: Salient Features

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

## Asset Allocation:



**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.35.80mn, if the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.26/0.53%. For details investors are advised to read Financial Statements of the Scheme for FY2012, to be published.

## Fund Review

Net assets of Meezan Sovereign Fund (MSF) stood at Rs. 18.91 billion as on July 31, 2012. For the month of July, the fund has provided an annualized return of 10.8% as compared to its benchmark which has provided an annualized return of 8.0% during the same period.

## Investment Objective:

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

## Fund Details:

Fund Type:	Open End
Risk Level	Minimal
Launch Date	10-Feb-10
Trustee	CDC
Auditors	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
Pricing Mechanism	Forward
Weighted average time to maturity	1.47 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, FRM
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, FRM Bushra Tariq Shakil Ahmed, CFA

## Fund Assets:

	Jun '12	Jul '12	MoM %
Net Assets (Rs mn)	19,709	18,914	-4.03%
NAV Per Unit (Rs)*	50.03	50.46	0.87%

\*Ex-Dividend NAV

## Asset Rating:

Government Guaranteed	76%
AA+	16%
AA	7%

## Asset Allocation:

	Jun '12	Jul '12
Government Guaranteed	73%	76%
Cash	26%	23%
Other Including receivables	1%	1%

**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.58.47mn, if the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.16/0.31%. For details investors are advised to read Financial Statements of the Scheme for the FY2012, to be published.

## Performance - Annualized Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MSF	10.8%	9.6%	10.1%	10.8%	11.0%	-	-	11.0%
Benchmark	8.0%	8.0%	8.0%	8.0%	8.1%	-	-	8.1%

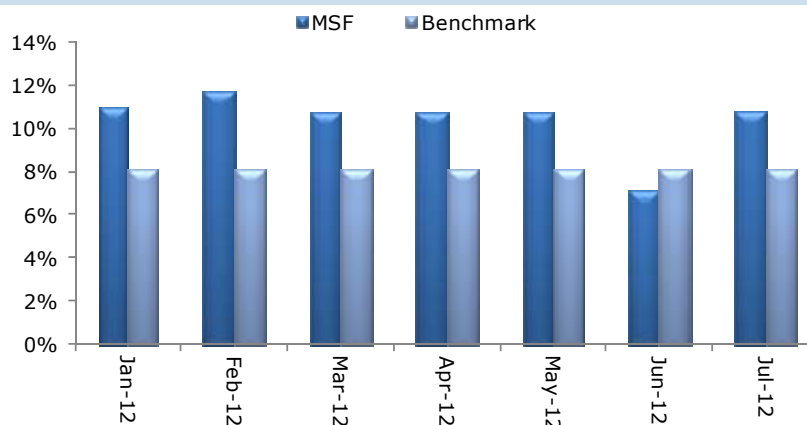
\*\* Performance start date of Feb 10, 2010,

## Annual Returns:

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

\* 140 days of operations

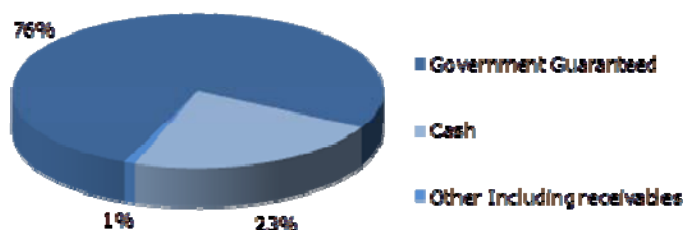
## Monthly Performance:



## Portfolio: Salient Features

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

## Asset Allocation:





## Fund Review:

For the month of July 2012, MCPF-II provided a return of 1.5%. The net assets of Meezan Capital Protected Fund (MCPF-II) have grown to Rs. 449 million during the same period.

## Investment Objective:

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

## Fund Details:

Fund Type:	Open End
Risk Level	Minimal
Launch Date	5-Jul-11
Trustee	CDC
Auditors	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	Ahmed Hassan

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

	Jun' 12	Jul' 12	MoM %
Net Assets (Rs mn)	443	449	1.35%
NAV Per Unit (Rs)**	56.76	51.26	1.48%

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

## Asset Allocation:

GoP Guaranteed Securities (%)	74.4
Equity (%)	19.2
Cash (%)	4.5
Other Including receivables (%)	2.0

**WWF Disclosure:** The Fund/Scheme has not made provisions amount to Rs.1.16mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.13/0.26%. For details investor are advised to read Financial Statements of the Scheme for the FY2012, to be published.

## Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MCPF-II	1.5%	2.8%	8.5%	1.5%	14.6%	-	-	15.2%

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

## Annual Returns:

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

## Portfolio: Salient Features

### Key Benefits

- 100% Capital Protection.
- Optimal Halal returns while remaining in Capital Protection structure.
- Tax exempt returns (under applicable Tax Laws)
- Tax Credit ( as per Tax Law)
- Professional Fund Management by the largest asset management company in private sector in Pakistan

### Investment Policy and Strategy

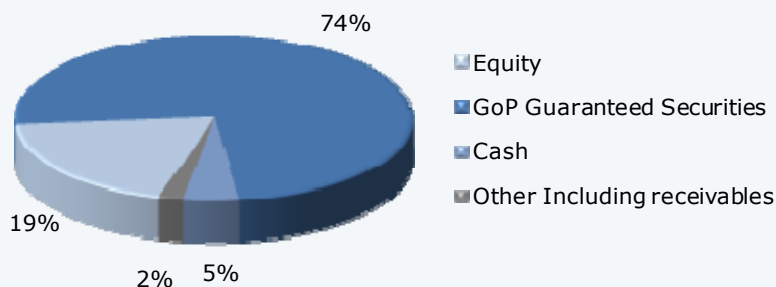
#### Capital Protection Segment

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

#### Investment Segment

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

## Asset Allocation:



## Fund Review:

As at July 31, 2012, total size of Meezan Tahaffuz Pension Fund (MTPF) stood at Rs. 899 million. For the month of July, the NAV of equity sub fund increased by 5.0% while the NAV of debt and money sub funds provided an annualized return of 9.7% and 9.6% 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, FRM Bushra Tariq Shakil Ahmed, CFA

## FUND ASSETS:

Rs (Mn)	Jun '12	Jul '12	MoM %
MTPF- Equity	324	344	6.1%
MTPF- Debt	333	340	2.1%
MTPF- MMkt	211	215	1.8%
<b>Total Fund</b>	<b>868</b>	<b>899</b>	<b>3.5%</b>

## NAV per unit:

Rs	Jun '12	Jul '12	MoM %
MTPF- Equity	160.4	168.5	5.0%
MTPF- Debt	157.6	158.9	0.8%
MTPF- MMkt	158.7	159.9	0.8%

## Sukuk Holdings – MTPF (Debt fund):

GoP Ijarah Sukuks X	21.77%
GoP Ijarah Sukuks XI	17.65%
GoP Ijarah Sukuks V	17.06%
GoP Ijarah Sukuks IX	15.89%
GoP Ijarah Sukuks XII	14.71%
GoP Ijarah Sukuks VIII	3.82%
GoP Ijarah Sukuks VII	1.47%
GoP Ijarah Sukuks IV	0.88%
GoP Ijarah Sukuks VI	0.88%
Eden Housing Limited	0.27%

## MTPF - Allocation Schemes

	1M	3M	6M	YTD	1Yr	3Yr	5Yr	PSD**
High Volatility	6%	3%	17%	6%	19%	83%	55%	56%
Medium Volatility	7%	6%	15%	7%	16%	55%	38%	39%
Low Volatility	9%	8%	12%	9%	13%	33%	24%	24%
Lower Volatility	10%	10%	10%	10%	10%	10%	10%	10%

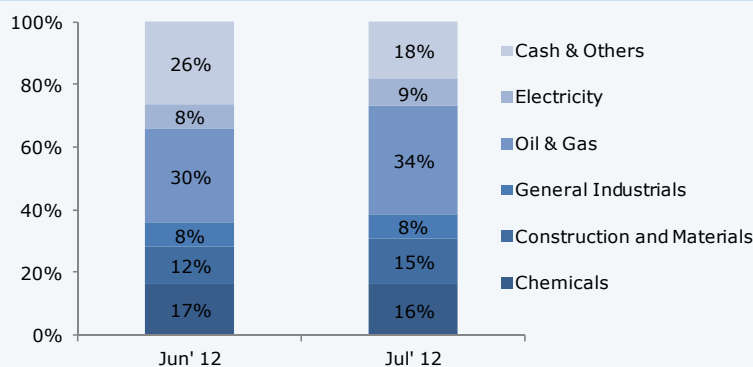
\*\* Performance start date of June 28, 2007, \* annualized return

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

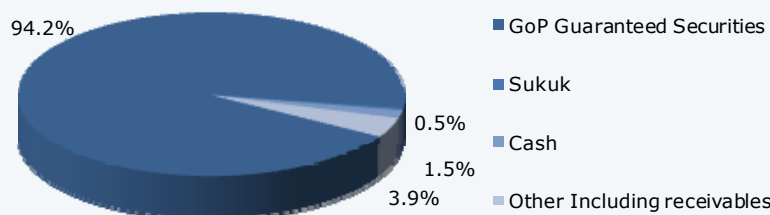
## Annual Returns:

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

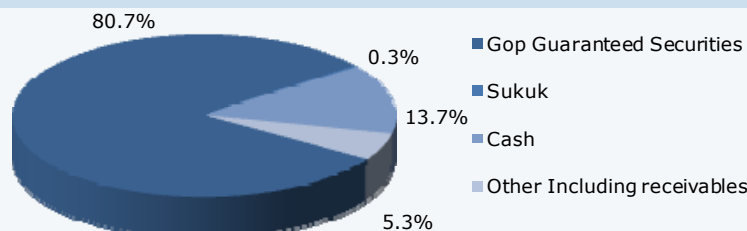
## Sector Weightage as % of Net Assets (MTPF – Equity):



## MTPF Debt Sub Fund:



## MTPF Money Market Sub Fund:



**WWF Disclosure:** The Fund/Scheme has not made provisions amount to Rs.2.56mn (Equity), Rs. 1.39mn (Debt) and Rs. 0.92mn (MMKT) against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.1.26/0.75% (Eq.), 0.65/0.41% (Dt.) and 0.68/0.43% (MM). For details investor are advised to read Financial Statements of the Scheme for FY2012, to be published.

## Fund Review:

The fund was launched on May 23, 2012. As at July 31, the net assets of KSE-Meezan Index Fund (KMIF) stood at Rs. 280 million. For the month of July 2012, KMIF provided a return of 5.5%.

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

## Fund Assets:

	Jun' 12	Jul' 12	MoM %
Net Assets (Rs mn)	289	280	-3.16%
NAV Per Unit (Rs)	48.83	51.49	5.45%

**WWF Disclosure:** The Fund/Scheme has not made provisions amount to Rs.0.28mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.05/0.10%. For details investor are advised to read Financial Statements of the Scheme for the FY2012, to be published.

## Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
KMIF	5.5%	-	-	-	-	-	-	3.0%
Benchmark	5.7%	-	-	-	-	-	-	3.7%

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

## Annual Returns:

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

## Portfolio: Salient Features

### Key Benefits

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

### Investment Policy

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

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

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

### Fund Review:

Net assets of Meezan Balanced Fund (MBF) as at July 31, 2012 stood at Rs. 1.59 billion. The fund's NAV increased by 3.6% 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:	Closed 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
Fund Manager	Ahmed Hassan
Members of Investment Committee	M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, FRM Bushra Tariq Shakil Ahmed, CFA

### Funds Asset:

	Jun' 12	Jul' 12	MoM %
Net Assets (Rs mn)	1,535	1,590	3.57%
NAV Per Unit (Rs)	12.79	13.25	3.57%

**WWF Disclosure:** The Fund/Scheme has not made provisions amount to Rs.14.94mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.12/0.94%. For details investor are advised to read Financial Statements, to be published.

### Performance - Cumulative Returns:

	1M	3M	6M	FYTD	1Yr	3Yr	5Yr	PSD**
MBF	4%	3%	13%	4%	20%	86%	68%	191%
Benchmark	4%	3%	23%	4%	24%	59%	27%	82%

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

### Annual Returns:

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

\* Performance start date of Dec 20, 2004

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

	Equity	Sukuk	
Hub Power Co. Ltd.	8%	GoP Ijarah Sukuk -XII	17%
Fauji Fertilizer Co. Ltd.	7%	HUBCO (Commercial Paper)	6%
Pakistan Oilfields Ltd.	6%	GoP Ijarah Sukuk -IX	6%
Oil & Gas Development Co. Ltd.	5%	GoP Ijarah Sukuk -XI	4%
Pakistan Petroleum Ltd.	5%	Engro Fertilizer Ltd.	3%

### Sector Allocation:

	Jun'12	Jul'12
Equity	56%	57%
GoP Guaranteed Securities	10%	27%
Sukuk	5%	5%
Commercial Paper	18%	6%
Cash	11%	4%

### Sector Performance:

