



MKT/FMR/031/08

April 05, 2008

Dear Investor,

We are pleased to inform you that in continuation with our endeavor to provide best investment management services, we have made some amendments in the offering documents of Meezan Islamic Fund (MIF) and Meezan Islamic Income Fund (MIIF). This is another positive step of Al Meezan Investments for the facilitation and convenience to its valued investors. The supplemental offering documents are available at website. As a result of these amendments:

- I) MIF and MIIF units will be allotted to the investors at the offer price prevailing on the date of booking of investment transaction. So you do not have to wait till realization of funds to lock in your purchase price of units. However, units will be issued after realization of funds.
- II) In MIIF there will be two classes of units (i) Growth Units and (ii) Income Units. In case of any distribution of dividend, Growth Units will be entitled to bonus units while Income Units will be entitled to cash dividend. All existing units are being deemed as Growth Units. However, if you would like to switch to Income Units please inform us by submitting dully filled Application Form for Change in Class of MIIF Units.

We would like to notify that register of Unit holders of MIIF will remain closed on Monday, April 21, 2008 and Tuesday, April 22, 2008 for determining the entitlement of distribution for the period ended March 31, 2008, if any, that may be declared by the Board of Directors of Al Meezan Investments. During this period there will be no transaction in MIIF. If you have an investment in MIIF and want to change your address or any particulars, please immediately notify to our Transfer Agent, Meezan Bank Limited, A-37, Lalazar, M.T. Khan Road, Karachi.

We are proud to inform you about 5-Star ranking of MIF. MIF is the only fund in Islamic equity fund category, which has got 5 star ranking from JCR-VIS. This clearly reflects the consistent outstanding performance of MIF as compared to other Islamic funds in the country.

As you are aware that in collaboration with Meezan Bank Limited, we are in process of launching Pakistan's first Shariah-compliant Capital Protected Fund - **Meezan Capital Protected Fund-1 (MCPF-1)**, the IPO of the fund will be offered to the public shortly.

A detailed Fund Manager's Report for the month of March 2008 is enclosed for your review and record. The fund sizes of MIF and MIIF as on 31st March 2008 stood at:

Meezan Islamic Fund (MIF)	Rs. 5,901million
Meezan Islamic Income Fund (MIIF)	Rs. 6,614million

We are optimistic that with your continued support and patronage we will continue to be the largest Shariah compliant asset management company in Pakistan providing the best investment management services to all our investors.

Yours truly,

Muhammad Anas Rehan
Assistant Vice President Marketing

AL Meezan Investment Management Limited

March, 2008

Al Meezan Investments (AMIM), the company in operation since 1995, has one of the longest track records of managing mutual funds in the private sector in Pakistan. AMIM currently manages five mutual funds; namely Al Meezan Mutual Fund, Meezan Balanced Fund, Meezan Islamic Fund, Meezan Islamic Income Fund, and Meezan Tahaffuz Pension Fund.

The total funds under management of Al Meezan Investments, the only full fledged Shariah compliant asset management company in Pakistan, have reached PKR 18.6 billion as on March 31, 2008. With AM2 Management Quality rating and 5-star ranking for all eligible funds which has been maintained for the past three years, the company clearly stays well ahead of all its competitors in the Islamic asset management market in Pakistan.

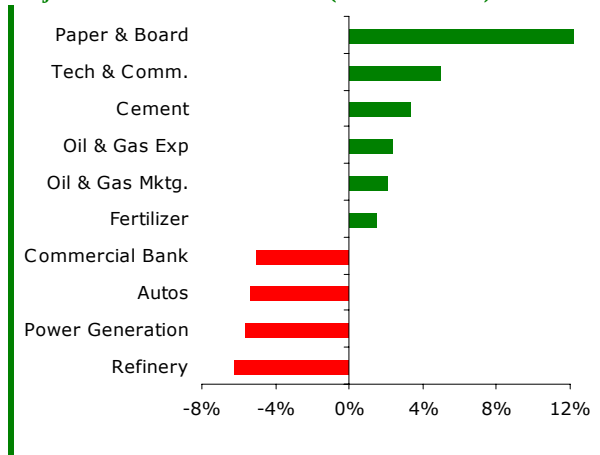
In line with the philosophy of developing Shariah compliant products to meet the investors' need, Al Meezan Investments is shortly going to launch Pakistan's first Shariah Compliant Capital Protected Fund – Meezan Capital Protected Fund that will provide investment opportunity to the investors who desire high level of capital protection and also want to get healthy returns from positive stock market developments.

STOCK MARKET REVIEW

The market extended its rally in the month of March also as KSE-100 Index increased by 191 points (1.3%), to close at 15,126. The average monthly volume, however, witnessed a decline of 10% at 238mn shares as compared to the previous month.

Formation of a new government and the expectation about improved political scenario helped the market to touch an all time high level of 15,274. The market, however, continued to test the level of 15,300 which proved to be a strong resistance for the index. Foreign inflows during the end of the month further helped the market in maintaining its level around 15,000. The sectors of oil and gas exploration, fertilizer, and cement stood among the volume leaders and remained in limelight on the back of their strong fundamentals.

Major Out & Under Performers (KSE 100 Index)



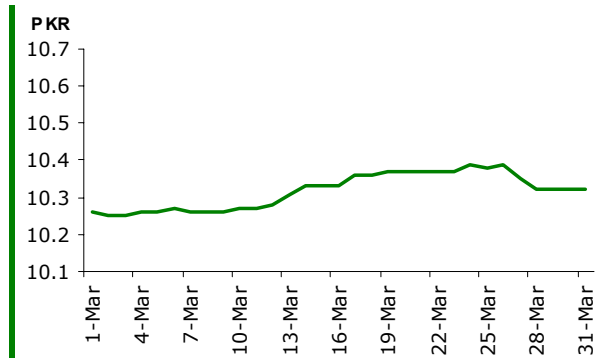
MONEY MARKET REVIEW

Money market during the month mostly remained short on liquidity with overnight rates touching peak levels and forcing the banks to resort to SBP's discount window. SBP also remained active conducting OMO's when the market was facing a liquidity crunch and in other instances mopped up excess liquidity from the market.

In the T-Bill auctions average cut-off yields on the 3, 6 and 12 month paper rose marginally by 6-9 bps in the first auction held on 12th March 2008, however in the second auction held on 26th March 2008, SBP failed to sell its T-Bills as Banks demanded higher yields in the wake of liquidity crunch and rising inflation. In the PIB auction held on 29th March 2008, average yields of all tenures increased significantly with the cut off yield on the benchmark 10 year PIB rising by 60bps to 11.4494%.

The six month KIBOR moved in the range of 10.25-10.39% and averaged at 10.32% marginally up from the February average of 10.28%.

6 Month KIBOR



Disclaimer

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

MEEZAN ISLAMIC FUND (MIF)



Fund Statistics:

Fund Type:	Equity
Launch Date	8th August 2003
Trustee	Central Depository Company
Auditors	A. F. Ferguson
Management Fee	3%
Front End Load	2%
Benchmark	DJIMPK
Listing	KSE
Rating	5 Star

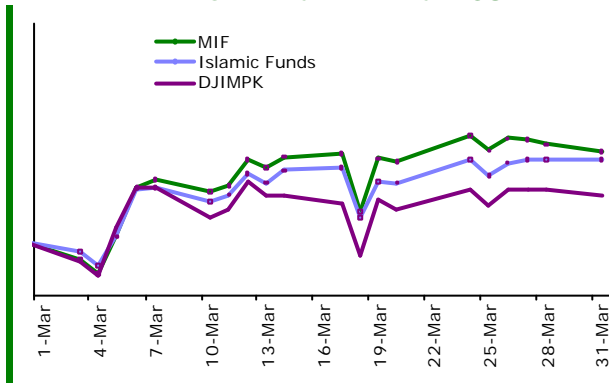
Risk Measures

Beta	0.81
Correlation	0.92
Standard Deviation	0.93%
Semi Variance	0.007%
Information Ratio	0.12
Sharp Ratio	0.15

Fund Assets:

	Feb '08	Mar '08	MoM %
Net Assets (mn)	5,571	5,901	5.90%
NAV Per Unit	66.80	68.97	3.25%
KSE-100 Index	14,934	15,125	1.28%
DJIMPK	19,514	19,826	1.60%

RELATIVE PERFORMANCE – MARCH '08



Performance

Month on Month	Feb '08	Mar '08
Return on MIF	5.66%	3.25%
Return on KSE-100 index	6.54%	1.28%
Return on DJIMPK	6.65%	1.60%

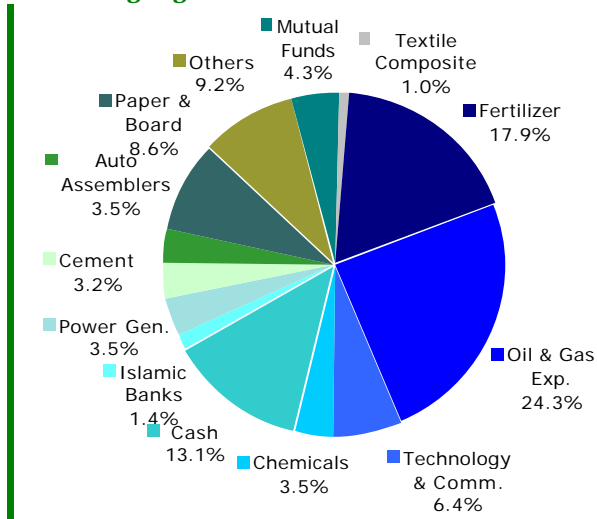
Year – to – date (FY)	Feb '08	Mar '08
Return on MIF	11.54%	15.16%
Return on KSE-100 index	8.44%	9.82%
Return on DJIMPK	8.80%	10.55%

Cumulative return since inception

Return on MIF	223%	233%
Return on KSE-100 index *	255%	260%

*since DJIMPK was launched in July 2004, MIF is compared to KSE-100 index.

Sector Weightage as a % of Net Assets



Top Ten Holdings

Al-Meezan Mutual Fund	Packages
Engro Chemical	Pakistan Oilfields
Fauji Fertilizer Co.	Pakistan Petroleum Ltd.
Fauji Fertilizer Bin Qasim	Pakistan State Oil
Oil & Gas Development Co.	Pakistan Telecom

FUND REVIEW

During March, net assets under management reached PKR 5,901 million. The NAV during the month appreciated by 3.25%, while the bench mark Dow Jones Islamic Index Pakistan (DJIMPK) was up by 1.6%; thus outperforming the benchmark by 1.65%. The KSE 100 index during the same period was up 1.28%. The fund was 88% invested in shares at the end of Mar '08 as compared to 87% of net assets at the end of Feb '08.

Going forward, we anticipate political stability in the country, and expect the market to gain strength to continue its bull run. Moreover, we anticipate an increase in foreign inflows due to strong fundamentals and a significant discount as compared to the regional bourses.

MEEZAN ISLAMIC INCOME FUND (MIIF)



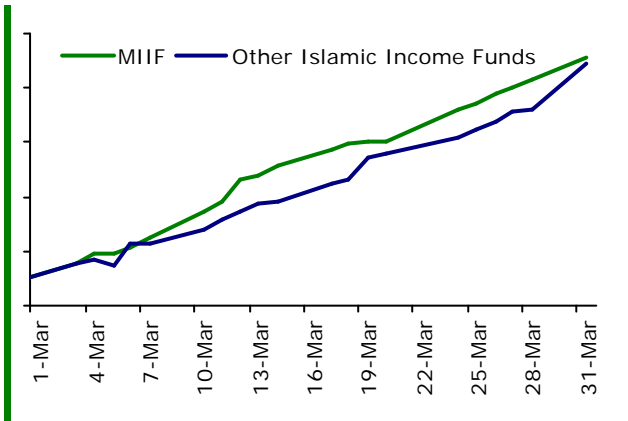
Pakistan's First Shariah-compliant Open-End Income Fund

Fund Statistics:	
Fund Type	Open End
Risk Level	Minimal
Launch Date	15-Jan-07
Trustee	Central Depository Company
Unit Types	A, B & C
Auditors	A.F. Ferguson
Portfolio Duration	4.92 Months
AMC Rating	AM2 (High Quality)

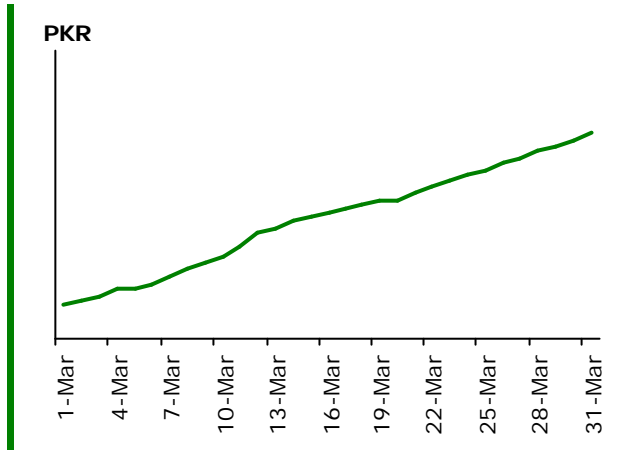
Fund Assets:			
	Feb '08	Mar '08	MoM %
Net assets (PKRmn)	7,322	6,614	-9.67%
NAV per unit (PKR)	52.97	53.40	0.81%

Performance		
Month on Month	Feb '08	Mar '08
Return on MIIF	0.70%	0.81%
Return on MIIF (annualized)	8.86%	9.55%
Year - to - date (FY)		
Return on MIIF	5.88%	6.74%
Return on MIIF (annualized)	8.82%	8.94%
Cumulative return since inception		
Return on MIIF	9.43	9.51%

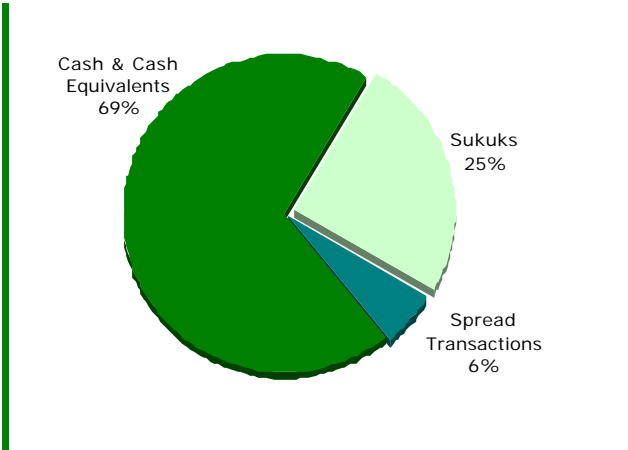
RELATIVE PERFORMANCE – MARCH '08



MIIF NAV March 2008



MIIF Assets Distribution



FUND REVIEW

MIIF is aimed at providing our valued customers with a consistent stream of income that not only complies with the rules of Shariah, but also focuses at long term preservation of capital. The fund comprises of Shariah compliant spread transactions, Sukuk & other Islamic fixed income instruments

During the month the fund provided an annualized return of 9.55% to its unit holders, with Net assets of the fund standing at PKR 6.6 billion. Since inception the fund has provided an annualized return of 9.51%. Going forward, however, we anticipate an annual return of approximately 9%.

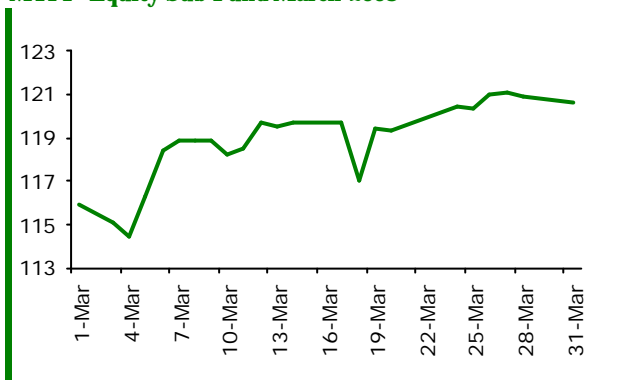
MEEZAN TAHAFFUZ PENSION FUND (MTPF)

Pakistan's First Shariah-compliant Open-End Income Fund

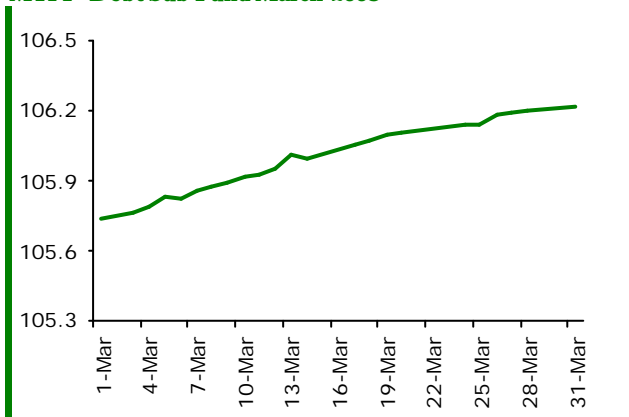
Fund Statistics:

Fund Type	Open End
Risk Level	Minimal
Launch Date	28-Jun-07
Trustee	Central Depository Company
Unit Types	A
Auditors	A.F. Ferguson
AMC Rating	AM2 (High Quality)

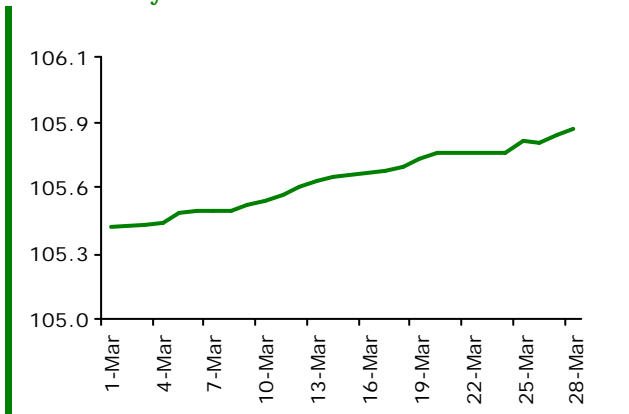
MTPF Equity Sub Fund March 2008



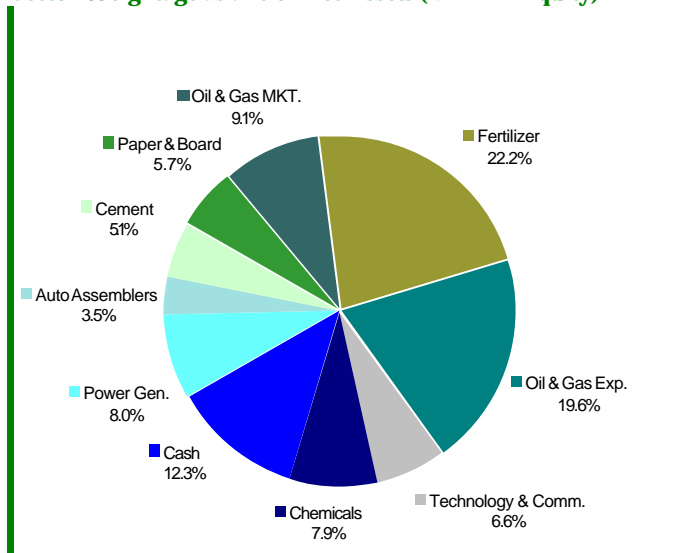
MTPF Debt Sub Fund March 2008



MTPF Money Market Sub Fund March 2008



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



Performance

	MoM	YTD	Since Inception
MTPF- Equity	4.07%	20.47%	20.39%
MTPF- Debt	8.29% *	6.17%	6.22%
MTPF- Money Market	7.06% *	5.80%	5.77%

* at annualized rates

Fund Assets:

PKR Millions	Feb '08	Mar '08	MoM %
MTPF- Equity	68.63	72.31	5.35%
MTPF- Debt	56.03	56.72	1.23%
MTPF- Money Market	52.94	53.29	0.65%

FUND REVIEW

Meezan Tahaffuz Pension Fund (MTPF) was launched in June 2007. As of Mar 31, 2008, total size of the fund has increased to PKR 182mn.

During the month, MTPF Equity sub fund appreciated by 4.07%, while Debt and Money Market sub funds earned 0.69% (8.29% annualized) and 0.59% (7.06% annualized) respectively.

MUHAMMAD ASAD
CHIEF INVESTMENT OFFICER