



# Al Meezan Investment Management Limited

MKT/FMR/11/10

June 06, 2010

Dear Investor,

It is our pleasure to inform you that EurekaHedge - world's largest independent data provider and research house has ranked Meezan Islamic Fund (MIF)- Pakistan's largest equity fund in the private sector and Al Meezan Mutual Fund (AMMF) among the Top 10 Islamic Funds globally for the year 2009. MIF was ranked 4<sup>th</sup> for the year 2009, providing 107.44% return to the investors during 2009 while AMMF was ranked 6<sup>th</sup> on a global basis providing 104.66% appreciation in 2009. The achievement of this milestone reflects the recognition of investment management capability and service quality of Al Meezan by globally recognized international independent research houses.

With the previous month's FMR, we sent two forms (i) Form for subscription to Fund Manager's Report (FMR) and SMS Alert and (ii) 'Know Your Customer' (KYC) Form and a prepaid envelope. This month also we are repeating the same process. Many investors prefer to get FMR in electronic form by email instead of through courier service. Hence effective September 2010, we will send FMR to you by courier or email only if you have indicated your interest in it by submitting the subscription form. Providing KYC details is the regulatory requirement of SECP and mandatory for all mutual fund investors. If you have already submitted both the forms please disregard this message, however if you have not yet submitted, kindly fill in both the forms and send to us through TCS by using prepaid envelope without any cost. We look forward to your cooperation in this regard.

Since the financial year 2010 is close to its end, therefore we would like to encourage our investors to increase their investment in open end Meezan Funds in order to get tax credit on their taxable income. The details of tax benefit with illustrations are available at our website [www.almeezangroup.com](http://www.almeezangroup.com).

The month of Ramadan is approaching fast and as per regulatory requirements, we need to accrue Zakat on your investments with us unless you have submitted Declaration for Zakat Exemption. If not provided earlier, we will encourage you to submit the Zakat Exemption Declaration at the earliest otherwise Zakat will be applicable on your investment and it will be deducted at the time of redemption of units or distribution of cash dividend.

At the end of May 2010, the net assets under management of Al Meezan stood at Rs. 18.1 billion which is reflective of your confidence and trust in our funds. We are thankful for your valuable support and continued patronage. We will continuously strive to give the best Shariah compliant investment management services to all our investors. Fund Managers' Report for the month of May 2010 is enclosed for your review and record.

Yours truly,

**Muhammad Anas Rehan**

AVP Marketing

# AL Meezan Investment Management Limited

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. 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. To cater to demands of its valued investors, Al Meezan launched Pakistan's first Shariah compliant Government securities fund – Meezan Sovereign Fund on February 10, 2010.

The total funds under management of Al Meezan, the only full fledged Shariah compliant asset management company in Pakistan, have reached Rs. 18.1 billion as on May 31, 2010. We are pleased to inform you that JCR-VIS recently upgraded management quality rating of Al Meezan to AM2 which denotes high management quality, as the company clearly stays well ahead of all its competitors in the Islamic asset management market in Pakistan.

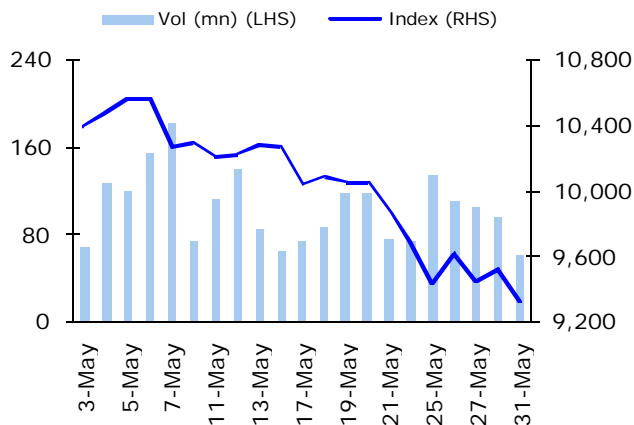
## Stock Market Review

During May, KSE-100 Index lost 1,101 points (10.5% down) to close at 9326, the lowest level for 2010. The average daily turnover during the month declined to 101 million shares as compared to 194 million shares in April.

During the month, local investors largely remained sidelined as the volumes continued to shrink in the market. Even the thin volumes that were seen were mainly focused on second and third tiered scrips. The investors are uncertain about the new taxes namely Capital Gain Tax and Value Added Tax that maybe imposed in the budget. Given the tight fiscal position, everyone expects limited beneficiaries of the budget. Banking sector weakened on the proposal to increase the tax rate by 2.5% to 37.5%. Nonetheless, the foreigners remained net buyers in the market with net foreign inflow of US\$ 25.6 million in May. On the macroeconomic front, 13.26% YoY inflation for April created apprehensions in the market that State Bank may go for monetary tightening. Later, the fears subsided with the release of IMF tranche and maintenance of policy rate at 12.5% by the central bank.

Going forward, the budget to be announced on June 5, 2010 remains the key determinant of the market direction.

### KSE-100 Index Performance



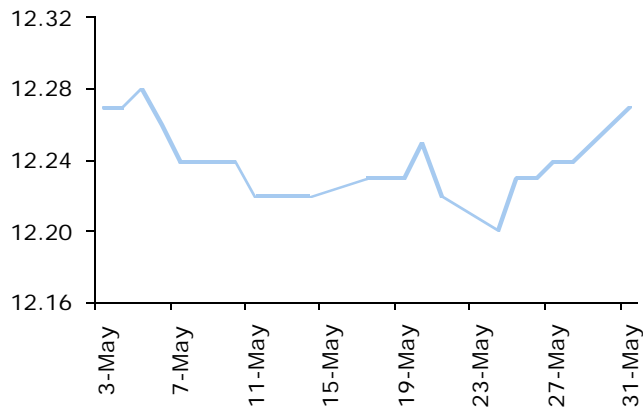
## Money Market Review

As expected, the State Bank of Pakistan kept the policy rate unchanged at 12.5% in the bimonthly monetary policy statement announced on May 24, 2010, with the increase in inflation for April given as the main reason behind the decision.

During May, money market was highly liquid with overnight call and repo markets going down to 9.70% and 9.60% respectively. To normalize the rates, the State Bank regularly conducted OMOs and mopped Rs. 144 billion at weighted average rate of 10.97%. In May, State Bank conducted two T Bill auction and accepted Rs. 144 billion against maturity of Rs. 131 billion. The cut off yield of six-month paper has declined by 18 bps month-on-month to close at 12.10%. SBP also conducted PIB auction and accepted Rs. 11 billion with the cut off yield of 10 year paper declining by 7 bps to close at 12.68%. The KIBOR rates remained stable during May with six month KIBOR remaining unchanged month-on-month at 12.33%.

On the forex front, rupee depreciated against dollar by 1.62% to close at Rs. 85.40 to a dollar in the interbank market despite foreign inflows from IMF and Coalition Support Fund. Rupee depreciated due to multiple reasons namely aggressive forward buying by importers in local market and Euro debt crisis in international market.

### 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.

## 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%                                                            |
| Back End Load                         | Nil                                                           |
| Benchmark                             | KMI-30                                                        |
| Leverage                              | Nil                                                           |
| Listing                               | KSE                                                           |
| AMC Rating                            | AM2                                                           |
| Pricing Mechanism                     | Forward                                                       |
| Valuation Days                        | Mon-Fri                                                       |
| Subscription/<br>Redemption Days      | Mon-Fri 9am – 3pm                                             |
| Fund Manager                          | Muhammad Asad                                                 |
| Members of<br>Investment<br>Committee | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib<br>Madiha Javed |

## Fund Assets:

|                         | Apr<br>'10 | May<br>'10 | MoM<br>% |
|-------------------------|------------|------------|----------|
| Net Assets (Rs mn)      | 4,447      | 3,961      | -10.9%   |
| NAV Per Unit (Rs)       | 50.81      | 45.92      | -9.6%    |
| % held in<br>Securities | 92.5       | 94.8       |          |
| % held as Cash          | 7.5        | 5.2        |          |

## Risk Measures – May '10

|               | Standard<br>Deviation | Sharpe<br>Ratio |
|---------------|-----------------------|-----------------|
| MIF           | 1.31                  | -0.38           |
| KSE-100 index | 1.33                  | -0.42           |
| KMI-30 Index  | 1.55                  | -0.31           |

## Performance

## Cumulative Returns

|           | 1M   | 3M    | 6M | FYTD | 1Yr | 3Yr   | 5Yr  | PSD** |
|-----------|------|-------|----|------|-----|-------|------|-------|
| MIF       | -10% | -4%   | 1% | 30%  | 30% | 36%   | 65%  | 166%  |
| Benchmark | -9%  | -0.4% | 7% | 34%  | 35% | -28%* | -3%* | 122%* |

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

\* KSE-100 Index

## Annual Returns

|           | FY09 | FY08  | FY07 | FY06 | FY05 | FY04 |
|-----------|------|-------|------|------|------|------|
| MIF       | -30% | 0.27% | 29%  | 30%  | 40%  | 24%* |
| Benchmark | -29% | -1%   | 17%  | 25%  | 22%  | 26%* |

\* Return from inception date

## Fund Review

Net assets of Meezan Islamic Fund as at May 31, 2010 stood at Rs. 3.96 billion. The fund's NAV decreased by 9.6% during the period under review against a depreciation of 9.3% in the benchmark index (KMI-30) while KSE-100 Index, during the same period declined by 10.5%.

Since the market has declined by more than 10% during the month, it is trading at attractive multiples. We hold a positive view on the market. As on May 31, the fund was 95% invested in equities.

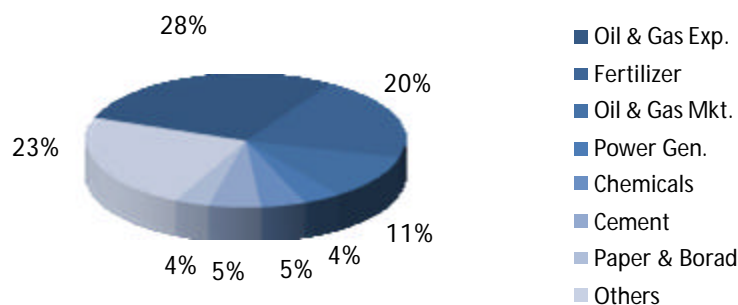
## Portfolio

## Top Ten Holdings

## Company Name(in alphabetical order)

|                                       |            |
|---------------------------------------|------------|
| Fauji Fertilizer Bin Qasim Limited    | Fertilizer |
| Fauji Fertilizer Company Limited      | Fertilizer |
| ICI Pakistan Limited                  | Chemicals  |
| Lucky Cement                          | Cement     |
| Oil & Gas Development Company Limited | E&P        |
| Pak. Telecommunication. Co. Ltd       | Telecom    |
| Pakistan Oilfields Limited            | E&P        |
| Pakistan Petroleum Limited            | E&P        |
| Pakistan State Oil Company Limited    | OMC        |
| The Hub Power Company Limited         | Power      |

## 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%                                                          |
| Back End Load                   | Contingent load for Type C investors                          |
| Management Fee                  | 1.5%                                                          |
| Benchmark                       | Average bank deposit rate of three Islamic banks              |
| Leverage                        | Nil                                                           |
| Auditors                        | A.F. Ferguson & Co.                                           |
| Portfolio Duration              | 60 days                                                       |
| AMC Rating                      | AM2                                                           |
| Fund Stability Rating           | A+ (f)                                                        |
| Pricing Mechanism               | Forward                                                       |
| Valuation Days                  | Mon-Sat                                                       |
| Subscription/Redemption Days    | Mon-Fri 9am-3 pm<br>Sat 9am-12:30 pm                          |
| Fund Manager                    | Muhammad Asad                                                 |
| Members of Investment Committee | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib<br>Madiha Javed |

### Fund Assets:

|                    | Apr '10 | May '10 | MoM %  |
|--------------------|---------|---------|--------|
| Net Assets (Rs mn) | 3,649   | 3,428   | -6.05% |
| NAV Per Unit (Rs)  | 51.25   | 51.72   | 0.92%  |

### Rating Distribution of assets

|                         |       |
|-------------------------|-------|
| AAA (GoP Issued/backed) | 37.6% |
| AA+                     | 21.3% |
| AA                      | 8.9%  |
| AA-                     | 6.8%  |
| A                       | 14.7% |
| A-                      | 1.7%  |
| BBB and below           | 7.9%  |
| Unrated                 | 1.1%  |

## Performance

### Cumulative Returns (annualized)

|           | 1M     | 3M     | 6M    | FYTD  | 1Yr   | 3Yr   | 5Yr | PSD** |
|-----------|--------|--------|-------|-------|-------|-------|-----|-------|
| MIIF      | 11.44% | 11.10% | 5.06% | 7.65% | 8.25% | 9.06% | -   | 9.19% |
| Benchmark | 5.88%  | 5.87%  | 5.86% | 5.78% | 5.74% | 5.89% | -   | 5.72% |

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

### Annual Returns

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

### Fund Review

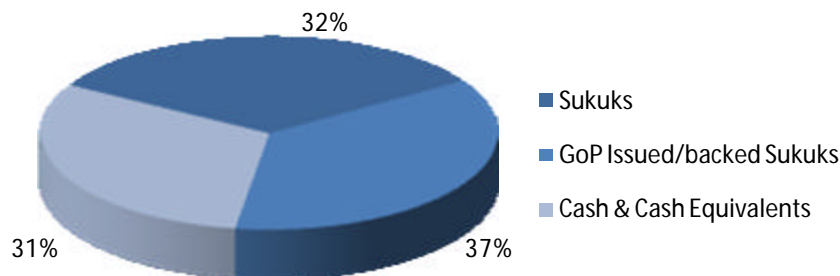
Net assets of Meezan Islamic Income Fund (MIIF) as at May 31, 2010 stood at Rs. 3.4 billion. For the month, MIIF has provided an annualized return of 11.4% as compared to its benchmark which has provided an annualized return of 5.9% during the same period.

## Portfolio

### Top Ten Sukuk Holdings

| Sukuks Names                     | Sectors      | %   |
|----------------------------------|--------------|-----|
| GoP Ijarah Sukuk IV              | GoP Ijarah   | 19% |
| Engro Fertilizer Limited         | Fertilizer   | 8%  |
| GoP Ijarah Sukuk III             | GoP Ijarah   | 8%  |
| KSEW - II                        | GoP Backed   | 8%  |
| Mapl Leaf Cement                 | Cement       | 7%  |
| Eden Housing Limited             | Construction | 6%  |
| Century Paper & Board Mills Ltd. | Paper        | 2%  |
| KSEW - I                         | GoP Backed   | 2%  |
| Shahmurad Sugar Mills Limited    | Sugar        | 2%  |
| Eden Builders Limited            | Construction | 1%  |

### Portfolio Composition



**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                              |
| Management Fee                  | 1%                                                            |
| Auditors                        | A.F. Ferguson & Co.                                           |
| Leverage                        | Nil                                                           |
| Portfolio Duration              | 18 Days                                                       |
| AMC Rating                      | AM2                                                           |
| Fund Stability Rating           | AA (f)                                                        |
| Pricing Mechanism               | Forward                                                       |
| Valuation Days                  | Mon-Sat                                                       |
| Subscription/Redemption Days    | Mon-Fri 9am-3pm<br>Sat 9am-12:30 pm                           |
| Fund Manager                    | Muhammad Ali. CFA, FRM                                        |
| Members of Investment Committee | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib<br>Madiha Javed |

### Fund Assets:

|                    | Apr '10 | May '10 | MoM % |
|--------------------|---------|---------|-------|
| Net Assets (Rs mn) | 5,789   | 5,580   | -3.6% |
| NAV Per Unit (Rs)  | 50.87   | 51.28   | 0.8%  |

### Rating Exposure

|     |        |
|-----|--------|
| AA+ | 57.36% |
| AA  | 42.64% |

## Performance

### Cumulative Returns (annualized)

|           | 1M     | 3M    | 6M     | YTD    | 1Yr | 2Yr | 5Yr | PSD**  |
|-----------|--------|-------|--------|--------|-----|-----|-----|--------|
| MCF       | 10.06% | 9.92% | 10.09% | 10.10% | -   | -   | -   | 10.01% |
| Benchmark | 7.30%  | 7.34% | 7.38%  | 7.45%  | -   | -   | -   | 7.46%  |

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

### Annual Returns

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

\* 15 days of operations.

### Fund Review

The fund provides our valued investors with the opportunity to park their excess liquidity in secure high quality instruments. To minimize the impact of interest rate volatility, the investment policy limits investment avenues to short tenure, i.e. to a maximum maturity of six months. Moreover, to ensure security of investment, rating of instruments must at least be 'AA'.

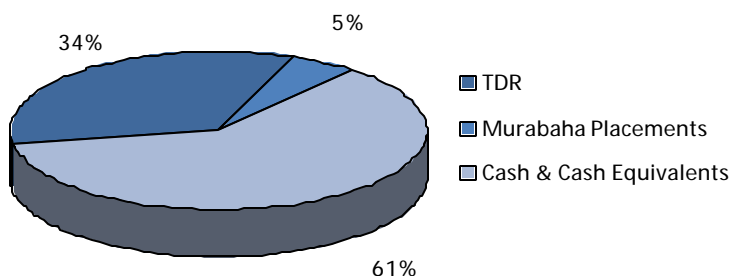
As of May 31, 2010, net assets of the fund were Rs. 5.6 billion, showing a decrease of over 3.6% month-on-month. For the month, MCF provided an annualized return of 10.1% to its investors.

## Portfolio

### Salient Features

|                                |                                                             |
|--------------------------------|-------------------------------------------------------------|
| Key Benefits                   | Maximum Preservation of Principal Investment                |
|                                | High Liquidity (Redemption within Two working days)         |
|                                | Tax-free Returns                                            |
|                                | No Sales Load (No Entry or Exit charges)*                   |
| Investment Policy and Strategy | Tax Credit as per tax laws                                  |
|                                | Investments in High Grade & Liquid avenues:                 |
|                                | Instrument/Issuer Rating : <b>Minimum 'AA'</b>              |
|                                | Maximum Maturity of Instruments : <b>Six Months</b>         |
| Benchmark                      | Average Time to Maturity of Portfolio : <b>Three Months</b> |
|                                | Average Return on 3 month deposit with three Islamic Banks  |

### 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%                                                          |
| Back End Load                   | Nil                                                           |
| Management Fee                  | 1%                                                            |
| Auditors                        | A.F. Ferguson & Co.                                           |
| Benchmark                       | Average return on 6-month Islamic bank deposits               |
| Leverage                        | Nil                                                           |
| Portfolio Duration              | 26 Days                                                       |
| AMC Rating                      | AM2                                                           |
| Fund Stability Rating           | AA+ (f)                                                       |
| Pricing Mechanism               | Forward                                                       |
| Valuation Days                  | Mon-Sat                                                       |
| Subscription/Redemption Days    | Mon-Fri 9am–3pm<br>Sat 9am–12:30 pm                           |
| Fund Manager                    | Ayesha Irfan                                                  |
| Members of Investment Committee | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib<br>Madiha Javed |

### Fund Assets:

|                    | Apr '10 | May '10 | MoM %  |
|--------------------|---------|---------|--------|
| Net Assets (Rs mn) | 558     | 546     | -2.12% |
| NAV Per Unit (Rs)  | 51.00   | 51.42   | 0.82%  |

### Asset Rating

|                         |       |
|-------------------------|-------|
| AAA (GoP issued/backed) | 23.4% |
| AA+                     | 54.0% |
| AA                      | 22.6% |

## Performance

### Cumulative Returns (annualized)

|           | 1M     | 3M     | 6M | YTD | 1Yr | 2Yr | 5Yr | PSD** |
|-----------|--------|--------|----|-----|-----|-----|-----|-------|
| MSF       | 10.03% | 10.11% | -  | -   | -   | -   | -   | 9.64% |
| Benchmark | 7.30%  | 7.34%  | -  | -   | -   | -   | -   | 7.34% |

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

### Fund Review

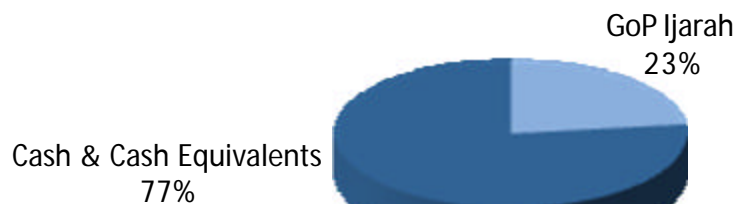
Meezan Sovereign Fund (MSF) was launched during February. As of April 30, 2010, the net assets of the fund stood at Rs. 546 million, showing a decrease of 2%. For the month of May, the fund has provided an annualized return of 10% against a return of 7.3% of its benchmark .

## Portfolio

### Salient Features

|                                |                                                                                                                             |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Key Benefits                   | 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)                                                                       |
| Investment Policy and Strategy | Tax-free Returns                                                                                                            |
|                                | Tax Credit as per tax laws                                                                                                  |
|                                | Investments in High Grade & Liquid avenues:<br>Minimum 70% Investment in Governmentbacked / issued securities (rated 'AAA') |
|                                | Placements in top rated banks and financial institutions                                                                    |
| Benchmark                      | Weighted Average Time to Maturity of Portfolio : Not more than 4 years                                                      |
|                                | Average return on 6-month Islamic bank deposits                                                                             |

### Sector Allocation



# PENSION MEEZAN TAHAFFUZ PENSION FUND (MTPF)

**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                                               |
| Auditors                        | A.F. Ferguson & Co.                                           |
| AMC Rating                      | AM2                                                           |
| Pricing Mechanism               | Forward                                                       |
| Valuation Days                  | Mon-Fri                                                       |
| Subscription/Redeem             | Mon-Fri 9 am – 3 pm                                           |
| Fund Manager                    | Muhammad AI, CFA, FRM                                         |
| Members of Investment Committee | M. Shoaib, CFA<br>Muhammad Asad<br>Sanam Zaib<br>Madiha Javed |

## Performance

### Cumulative Returns

|              | 1M    | 3M    | 6M   | YTD   | 1Yr   | 3Yr | 5Yr | PSD**  |
|--------------|-------|-------|------|-------|-------|-----|-----|--------|
| MTPF- Equity | -9.6% | -3.5% | 2.7% | 30.3% | 30.5% | -   | -   | -0.24% |
| MTPF- Debt*  | 10.5% | 12.7% | 7.9% | 8.8%  | 10.5% | -   | -   | 9.08%  |
| MTPF- MMkt*  | 9.7%  | 7.9%  | 8.4% | 7.7%  | 8.7%  | -   | -   | 8.85%  |

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

\* at annualized rate

### Annual Returns

|              | FY09   | FY08 | FY07 | FY06 | FY05 | FY04 |
|--------------|--------|------|------|------|------|------|
| MTPF- Equity | -25.8% | 3.1% | -    | -    | -    | -    |
| MTPF- Debt   | 10.2%  | 8.3% | -    | -    | -    | -    |
| MTPF- MMkt   | 11.1%  | 7.7% | -    | -    | -    | -    |

### Fund Review

As at May 31, 2010, total size of Meezan Tahaffuz Pension Fund (MTPF) stood at Rs. 253 million. The Debt sub fund posted an annualized return of 10.5% whereas the Money Market sub funds posted a return of 9.7%. However, the NAV of equity sub-fund declined by 9.6% MoM.

## Funds Assets

| Rs (Mn)      | Apr'10 | May'10 | MoM % |
|--------------|--------|--------|-------|
| MTPF- Equity | 100    | 94     | -6.2% |
| MTPF- Debt   | 85     | 89     | 4.4%  |
| MTPF- MMkt   | 68     | 70     | 3.1%  |
| Total Fund   | 253    | 253    | -0.1% |

## NAV per unit

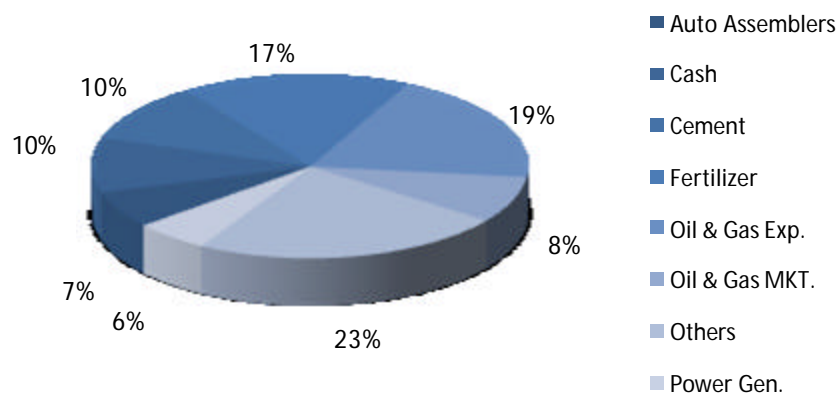
| Rs           | Apr'10 | May'10 | MoM % |
|--------------|--------|--------|-------|
| MTPF- Equity | 110.5  | 100.0  | -9.6% |
| MTPF- Debt   | 128.2  | 129.2  | 0.8%  |
| MTPF- MMkt   | 127.5  | 128.4  | 0.7%  |

## Sukuk Holdings – MTPF (Debt fund)

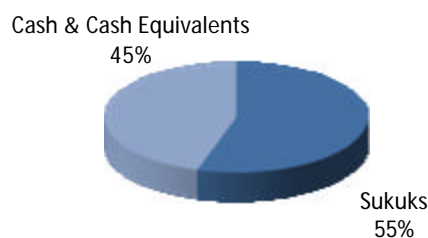
|                           |
|---------------------------|
| Dawood Hercules           |
| Eden Housing Limited      |
| GoP Ijarah Sukuks IV      |
| KSEW – II                 |
| Maple Leaf Cement         |
| Security Leasing Sukuk II |
| Shahmurad Sugar Mills     |

## Portfolio

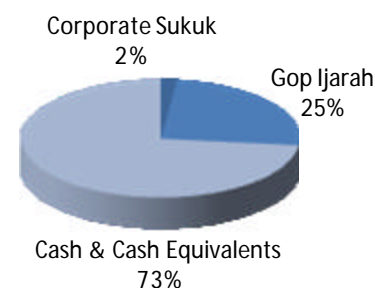
### Sector Weightage as a % of Net Assets (MTPF – Equity)



### MTPF Debt Sub Fund



### MTPF Money Market Sub





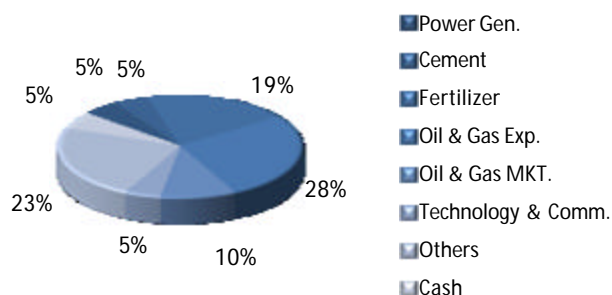
## Al Meezan Mutual Fund

### Performance

| Month on Month               | Apr '10 | May '10 |
|------------------------------|---------|---------|
| Return on AMMF               | 1.24%   | -9.10%  |
| Return on KSE-100 index      | 2.45%   | -10.56% |
| Return on KMI-30 Index *     | 2.25%   | -9.28%  |
| <b>Year – to - date (FY)</b> |         |         |
| Return on AMMF               | 42.81%  | 30.89%  |
| Return on KSE-100 index      | 45.60%  | 30.22%  |
| Return on KMI-30 Index *     | 48.17%  | 34.41%  |

\* Benchmark

### AMMF Assets Distribution – May '10



### Fund Assets:

|                   | Apr '10 | May '10 | MoM %  |
|-------------------|---------|---------|--------|
| Net Assets (mn)   | 1,540   | 1,400   | -9.10% |
| NAV Per Unit (Rs) | 11.20   | 10.18   | -9.10% |

### 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 May 31, 2010 stood at Rs. 1.4 billion. The fund's NAV depreciated by 9.1% during the period under review against a decline of 9.3% in the benchmark index (KMI-30) while KSE-100 Index, during the same period decreased by 10.5%.

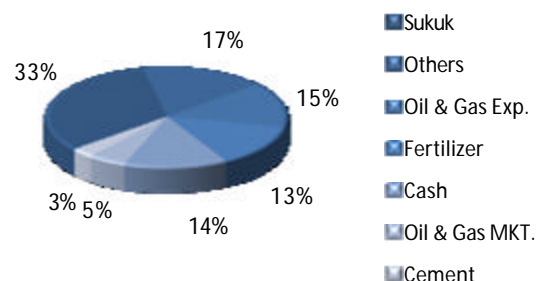
## Meezan Balanced Fund

### Performance

| Month on Month               | Apr '10 | May '10 |
|------------------------------|---------|---------|
| Return on MBF                | 1.06%   | -4.42%  |
| Benchmark Return*            | 1.37%   | -5.04%  |
| Return on KMI-30 Index       | 2.25%   | -9.28%  |
| <b>Year – to - date (FY)</b> |         |         |
| Return on MBF                | 27.17%  | 22.01%  |
| Benchmark Return*            | 26.49%  | -17.76% |
| Return on KMI-30 Index       | 48.17%  | 34.41%  |

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

### MBF Assets Distribution – May '10



### Fund Assets:

|                   | Apr '10 | May '10 | MoM %  |
|-------------------|---------|---------|--------|
| Net Assets (mn)   | 1,333   | 1,274   | -4.42% |
| NAV Per Unit (Rs) | 11.11   | 10.62   | -4.42% |

### 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 May 31, 2010 stood at Rs. 1.27 billion. The fund's NAV declined by 4.42% during the month.