

RATED AM3 (JCR-VIS)

ABL Asset Management
Discover the potential

INFOCUS

**FUND MANAGER'S REPORT
APRIL 2010**

INVEST in
ABL AMC FUNDS
before **30th June'10**
and **SAVE** up to
Rs. 60,000
on your Taxes

Disclaimer: All investments in Mutual Funds are subject to market risks. The NAV of units may go up or down based on the market conditions. Past performance is not necessarily indicative of future results. Please read the Offering Document of the funds to understand the investment policies and the risks involved.

Investment Objective

The objective of ABL Income Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium, and long-term instruments, both within and outside Pakistan.

Fund Manager's Comments

ABL-IF yielded an annualized monthly return of 10.79% in April 2010, almost in line with preceding month's return of 10.80%. There was no considerable uptick in TDR rates during the period, thus ABL-IF maintained its investments in money market instruments and Treasury Bills. This strategy paid dividends as ABL-IF booked capital gains on its T-bill portfolio as the interbank market got flushed with liquidity towards the end of the month. Cash assets increased considerably on account of heavy sales in the fund and as a result the fund size increased by 29.21% to close at Rs.12.358 bn. With a duration of 49 days, the fund intends to lock in placements at attractive rates as and when market conditions so warrant.

The period under review saw promises made by agencies towards inflow of funds on account of CSF and IMF 5th Tranche of \$1.2 bn. However, none materialized and Foreign Exchange Reserves remained static. Risks to economic recovery persist due to domestic security concerns, erratic power supply and pace of global economic recovery. Such risks coupled by rise in fuel and commodity prices are likely to exacerbate Inflation going ahead. Thus status quo is expected in the bi-monthly SBP MPS announcement due end of May.

The month closed with an extremely liquid interbank market where Rs.81.60 bn was flooded with the SBP. During the month, SBP conducted two Treasury Bills auctions where Rs.71.00 bn and Rs.84.59 bn were accepted, respectively. Both auctions entailed attractive yields on Treasury Bills, the most sought after investment avenue under the prevailing circumstances. Towards month end, T-bill yields dipped on account of excess liquidity in the interbank market. Thus, it is expected that cut off yields in the upcoming auctions may decline, thereby yielding more capital gains. The Fund intends to benefit from any such gains and will continue to analyze the market for lucrative opportunities.

Basic Fund Information

Fund Type	Open-end
Category	Income Fund
Launch Date	September 20, 2008
Net Assets (PKR)	PKR 12,358 mn
NAV	PKR 10.0906
Benchmark	1 Month Kibor Average
Dealing Days	As Per Local Stock Exchanges
Cut-off Time	4:00 PM
Pricing Mechanism	Forward
Management Fee	1.5% p.a
Front-end Load	NIL
Trustee	Central Depository Company of Pakistan Ltd
Auditor	A.F Ferguson & Co, Chartered Accountants
Asset Manager Rating	AM3 (JCR-VIS)
Risk Profile of the Fund	Low
Fund Stability Rating	A+(f) (JCR-VIS)

Technical Information

ABL-IF

Leverage	NIL
Duration	49 days

Asset Allocation (% of Assets)

Mar. 10

Apr. 10

Cash	7.45%	14.22%
Placement with Banks (TDRs)	40.26%	30.34%
Placement with DFIs (COIs)	4.18%	4.69%
Reverse Repo against Govt. Securities	8.50%	8.88%
Money Market placements	2.61%	4.62%
T-Bills	33.78%	31.80%
Others including receivables	3.22%	5.45%

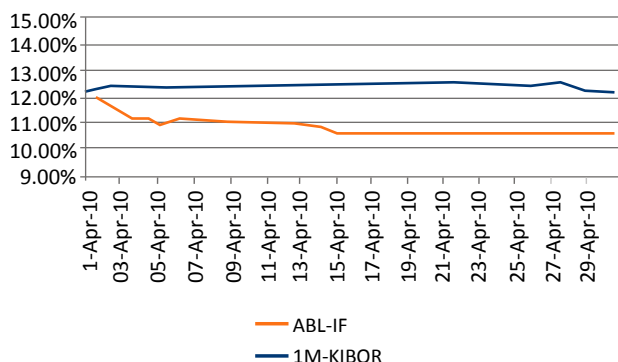
Fund Returns

ABL-IF

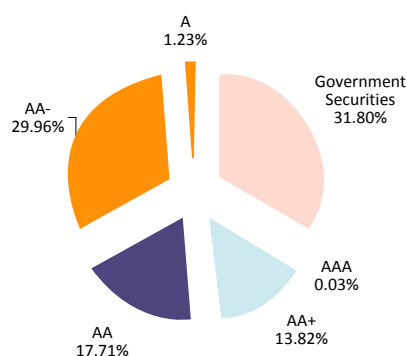
Benchmark*

Year to date (YTD)	11.08%	12.48%
Trailing 12 months	11.29%	12.64%
Month to date (MTD)	10.79%	12.37%

* 1 Month Kibor Average



Credit Quality of Portfolio (% of Assets)



* Receivables account for 5.45% of Net Assets

Investment Committee Members:

1. Farid A. Khan, CFA - CEO
2. Sulaiman S. Mehdi - COO & Company Secretary
3. Hammad Ali Abbas - Fund Manager
4. Kamran Aziz - Fund Manager

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ABL Asset Management

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Investment Objective

ABL-SF aims to provide higher risk-adjusted returns to the investors by investing in diversified portfolio of equity instruments offering capital gains and dividends.

Fund Manager's Comments

April 2010 was second month in row when local stock markets witnessed heavy influx of foreign investment. Net FIPI figures showed an inflow of \$80.2 mn, which was the third highest monthly inflow for current fiscal year. ABL-SF returned 0.50% during the month under review against 2.45% appreciation in KSE-100, which is an underperformance by 195 basis points. The underperformance can be attributed to high active weights in some blue chips, especially in the fertilizer sector, which underperformed the index. ABL-SF, nevertheless, continues to be the best performing stock fund in the open-end category on both year-to-date (July-March) and since-inception basis.

During April ABL-SF increased its exposure in OGDC from 0.0% to 7.8%. This was done to reduce tracking risk of the portfolio as OGDC alone occupies around 21% of KSE-100. Exposure in Engro was reduced from 8.7% to 3.5% due to deterioration in sector's outlook from cut in feed gas supplies. Though fertilizer companies have the pricing power to offset any negative impact of gas curtailments, we feel it is the underlying investment theme of the sector which was hurt by state's energy diversion strategy. Other major moves included complete sell-off of Shell Pakistan and Kot Addu Power and further purchase of Thal Limited Pakistan. ABL-SF, as of April end, is 88.84% invested in equities and 11.16% in placements with banks.

Strong foreign flows remained the dominant theme for the market last month. Foreign investors, whose combined holding was \$1.9 billion at the beginning of the current year, now hold \$2.3 billion worth of Pakistani equities, which constitutes 6.6 per cent of the total market capitalization and a significant 26.5 per cent of free float. Regional markets, too, enjoyed the heavy foreign influx during the month under review with Indian market receiving \$2.1 billion, Taiwan \$3.8 billion, South Korea \$4.8 billion and Thailand \$1.2 billion although stocks tumbled worldwide after credit rating downgrades of Greece and Portugal

Mix to positive results kept local capital markets in a tight band during the month. Local investors preferred to remain on sidelines on rumours relating to investigation of some financial groups, worsening of circular debt and gas load shedding towards the end of the month. With results season over, market interest is expected to shift towards the news flow on upcoming budget. We expect market to remain under pressure given recent slow down in foreign

Basic Fund Information

Fund Type	Open-end
Category	Equity Scheme
Launch Date	June 28th, 2009
Net Assets (PKR)	440,065,194 as at 30 April, 2010
NAV	14.5072 as at 30 April, 2010
Benchmark	KSE-100 Index
Dealing Days	As Per Local Stock Exchanges
Cut-off Time	4:00 PM
Pricing Mechanism	Forward
Management Fee	3% p.a
Front-end Load	3%
Trustee	Central Depository Company of Pakistan Ltd
Auditor	A.F Ferguson & Co, Chartered Accountants
Asset Manager Rating	AM3 (JCR-VIS)
Risk Profile of the Fund	High

Technical Information

ABL -SF

Leverage NIL

Top Ten Holdings (% of Assets)

30-Apr

PSO	9.02%
HUBCO	8.97%
POL	8.85%
ABL	8.16%
OGDC	7.88%
PPL	7.60%
MCB	7.35%
FFC	6.94%
APL	4.00%
MEBL	3.57%

Performance

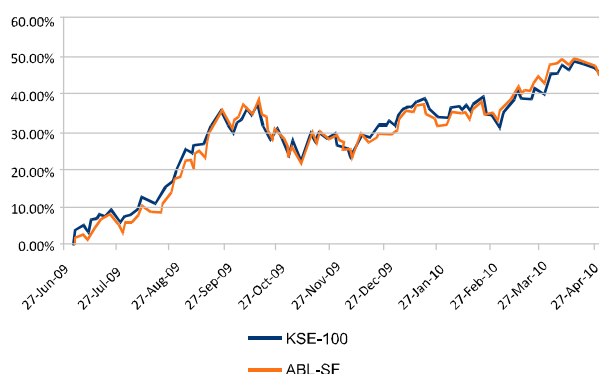
ABL-SF

KSE-100

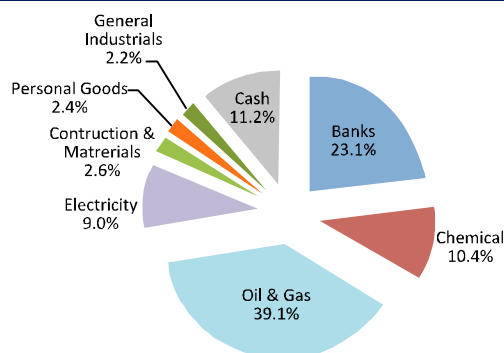
Year to Date* 45.38% 45.60%

Trailing 12 months n/a n/a

* Returns are net of management fee & all other expenses



Sector Allocation (% of Assets)



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3 steps to Invest in ABL AMC FUNDS

STEP ONE

Contact Us:

- ▶ Call us on our Toll Free number 0800-ABLAM (225-26) to let our Investment Consultant guide you better or
- ▶ Visit ABL's 45 designated Branches to be facilitated by our investment Consultant or
- ▶ Email us at: contactus@ablmc.com and we will answer all your queries or
- ▶ Visit us on our website www.ablmc.com for information and guidance

STEP TWO

Investment Process

Forms

- ▶ Our investment advisors will help you fill the required forms;
 - ▶ ABL-IF Form 1 – Account Opening Form
 - ▶ ABL-IF Form 2- Investment Form
 - ▶ Know Your Customer Form

Payment Mode

- ▶ Payments can be made through Cheques / Demand Draft or Pay Orders
- ▶ Payments shall be made in favor of: "CDC-Trustee ABL _____ FUND"

Documents to be attached

- ▶ **For Individuals:**
 - ▶ Copy of CNIC (Incase of Joint Application, CNIC of all applicants is required)
 - ▶ Zakat Affidavit (Incase of exemption from Zakat)
 - ▶ Know Your Customer Form
- ▶ **For Corporate:**
 - ▶ Memorandum and Articles of Association/Bye Laws / Trust Deed
 - ▶ Power of Attorney or other document authorizing the authorized signatory(ies) to sign the application
 - ▶ Board Resolution authorizing the Investment
 - ▶ Copy of CNIC(s) of the Authorized Signatory(ies)

STEP THREE

Submission of Documents

- ▶ You may submit your documents at the designated branches of ABL or drop them / courier them at ABL AMC's Head Office: First Floor, 11-B, Lalazar, MT Khan Road, Karachi

Once we receive the documents, a registration number will be generated and allotted to you. Units will be issued against your investment on the Net Asset Value (NAV) of that day. An introductory letter will be dispatched to confirm your investment in ABL AMC Funds.

For further details please contact:

Head Office: 021-111-ABL AMC (225-262)

Helpline: 0800 ABL-AM (0800 225 26)

Name	Contact No.	Designated Branch
Karachi		
Furqan Ali Dakhan	0321-2014622	Clifton Branch
Raheel Khawar Kamal	0345-2584931	S.I.T.E. Branch
Mushtaq Ur Rehman	0300-2417978	Hyderi Branch
Tehmina Zaheer	0300-2419637	Zamzama Branch
Shoab Shoukat	0333-5473547	Foreign Exchange Branch
Muhammad Naeem	0321-2393830	Hassan Square Branch
Farhana Masood	0300-3340640	Shahrah-E-Faisal Branch
Shahid Ali Chishti	0300-2127537	Karimabad Branch
Branch Manager	021-35678779	Zaib-Un-Nisa. Street Branch
Branch Manager	021-34554409	Tariq Road. Branch
Branch Manager	021-32430353	Cloth Market Branch
Branch Manager	021-35853995	Khayaban- E- Badar Branch
Branch Manager	021-35068823	Korangi Industrial Area
Branch Manager	021-35875639	Bath Island
Lahore		
Muhammad Yasir	0333-4306795	Y-Block DHA Branch
Waqar Ahmad Paracha	0300-8840151	Kashmir Road Branch
Malik Faisal Faryad	0300-4619625	Mall Road Branch
Aamir Aslam	0321-4175607	PAF Base Branch
Zahra Sabahat	0321-9440359	Brandreth Road Branch
Islamabad		
Iftikhar Hameed Khan	0333-5607962	Blue Area Branch
Zahir Mehmood Khan	0346-9273633,	I-8 Markaz Branch
M. Rashid Qayyum	0345-5923766	F-6 Markaz Branch
Ch. Abdul Wahab	0344-6212627	G-11 Markaz Branch
Branch Manager	051-2293980	F-10 Markaz Branch
Arif Raza	0333-8505435	Chaklala Branch
Branch Manager	051-5510001	Adamjee Road Branch
Multan		
Hafiz Tariq	0301-7570040	Chowk Rasheed Branch
Fizza Hassan	0321-4339404	Abdali Road Branch
Saira Habib	0342-7012691	Multan Cantt Branch
Majid Hussain	0301-7545343	Nawan Sheher Branch
Hafiz M. Irfan Tahir	0321-4861219, 0313-4861219	Shah Rukn-e-Alam
Faisalabad		
Mughees Ahmad Sheikh	0332-8663525	Peoples Colony Branch
Branch Manager	041-8813202	Jail Road. Branch
Gujranwala		
Sidra Iqbal	0336-4655633	Zia Plaza
Hayderabad		
Haider Abbas	0321-3051874	Civic Center Branch
Sahiwal		
Branch Manager	040-4466863	High Street Branch
Rahimyar Khan		
M. Khurram Shehzad	0333-6118234	Shahi Road Branch
D.G.Khan		
M. Adnan Qaisarni	0332-5710566	Azmat Road Branch
Bahawalpur		
Fahad Husnain Lashari	0301-7755667	Fareed Gate Branch
Gujrat		
Majid Riaz	0300-4205706	G.T. Road Branch
Abbottabad		
Yasir Aslam	0345-9554184	Supply Bazar branch
Quetta		
Imran Hassan Khan	0345-8165666	Jinnah Road Branch
Sialkot		
Branch Manager	052-9250541-42	Kashmir Road Branch
Sargodha		
Tanzel Maqbool	0331-7660756	New Queens Road
Jhelum		
Waqas Riaz	0314-5418990	Cantt Branch

CONTACT US:

Helpline 0800 ABL-AM (0800 225 26)

UAN: (021) 111-ABL-AMC (111-225-262)

Email: contactus@ablmc.com

Website: www.ablmc.com



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