

## ABOUT

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 INCOME FUND

ABL-IF yielded an annualized return of 14.99% for the month of February against its benchmark rate of 12.50%. However, it was lower as compared to 16.32% return during the preceding month. Reason for this decline is the continuous decrease in Term Deposit Receipts (TDRs) and Money Market (MM) placement rates, in anticipation of monetary policy easing in the coming days. ABL-IF's low risk portfolio and stable returns have increased the fund size by 30% to Rs.3,054 million for the month of February.

During the month a further decline was witnessed in T-Bill cut off rates. Moreover, bids received in the latest T-Bill auction were three times the target amount as banks have shifted their focus from high risk corporate sector lending to risk free instruments. With lower interest rate expectations, majority of the bids were for one year T-Bill. In anticipation of a decline in interest rates, ABL-IF has increased its investments in longer term TDRs as reflected by the duration of the fund which is at 77 days, whilst maintaining its investments with good quality financial institutions. During the month, change in pricing of Term Finance Certificates (TFCs) resulted in high volatility in the NAVs of most Income/Money Market Funds. Thus, ABL-IF continues to invest in low risk liquid instruments thereby refraining from investing in TFC's. It is due to this reason that your fund has never posted a negative daily return.

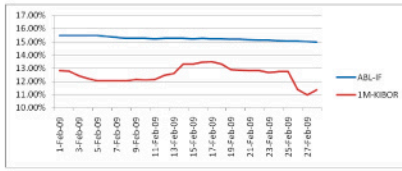
### PERFORMANCE

ABL Income Fund	Since Launch	Jan 2009	Feb 2009
Annualized Performance (%) *	15.83%	16.32%	14.99%
Benchmark: (Average 1-Month KIBOR%)	13.80%	13.46%	12.50%
Profit on Rs. 100,000 invested**	Rs. 6,741	Rs. 1,292	Rs. 1,077
Dividend %	0.4165		

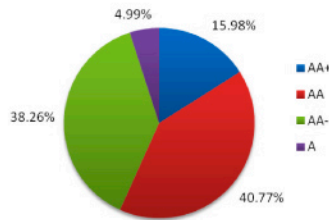
\* Returns are net of management fee & all other expenses  
 \*\* Represents cumulative profit for the respective periods



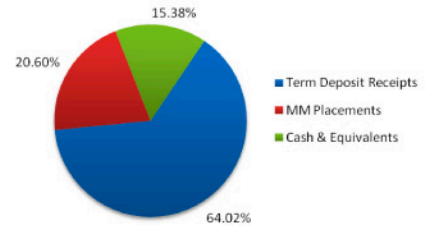
### PERFORMANCE



### ASSET QUALITY



### ASSET ALLOCATION



## GENERAL INFORMATION

Launch Date	September 20 <sup>th</sup> , 2008
Fund Size	Rs. 3,054 million
Type	Open end, Fixed Income Fund
Fund Rating	A(f) - JCR-VIS
Risk Level	Low
Fund Manager	Hammad Ali Abbas
Listing	Karachi Stock Exchange
Custodian & Trustee	Central Depository Company (CDC)
Front/Back end Load	0%
Management Fee	1.5% per annum
Auditors	A.F. Ferguson & Co
Benchmark	1-Month KIBOR Average
Minimum Subscription	Growth Unit : Rs. 5,000/- Income Unit : Rs. 50,000/-

## TECHNICAL INFORMATION

Duration	77 days
Standard Deviation	0.70%
Sharpe Ratio***	2.42

\*\*\*3M PKRV Rate used as Risk Free Rate of Return

## TOPIC OF THE MONTH

KIBOR drastically declined owing to the excessive liquidity in the market. Secondary market yields on PIBs and T-Bills witnessed a fall as well compared to their recent cut off yields. In addition, greater participation in longer term Government instrument auctions by investors reflects the expectation of a decline in the discount rate.

### 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

