



### ECONOMY AND CAPITAL MARKETS UPDATE

#### PKR appreciation the talking point

Pakistan's economic landscape depicted a strong turnaround during the month of March 2014, underpinned by significant recovery in the external account situation. FX reserves climbed to USD10.07 billion on the back of release of IMF tranche (USD550 million) and inflows in Pakistan Development Fund to the tune of USD1.5 billion. Current account surplus recorded at USD164 million for the month of February also supported the balance of payments. Overall, PKR gained 6% MoM against USD, closing the month at PKR98.5/USD. Despite significant improvement in key economic indicators SBP decided to keep the policy rate unchanged at 10% in the March 2014 MPS. The Central bank gave more weight to the challenges on the external account front while noting the recent improvement in FX reserves as one off inflows. Inflationary pressures also resurfaced with CPI inflation clocking in at 8.5% for March (7.9% in February), primarily due to sharp increase in prices of perishable food items. On the fiscal front, tax collection for 9MFY14 stood at PKR1,573 billion, +16% YoY, but short of target by PKR210 billion. Looking ahead, continued foreign inflows in the form of 3G/4G licenses auction, issuance of euro bonds and development funds are expected to further boost FX reserves. Moreover, recent strengthening of PKR against the greenback is expected to positively impact inflation. With SBP sighting a more consistent pattern of foreign inflows and positive real interest rates, a monetary easing stance cannot be ruled out in coming MPS.

#### PIBs in limelight

Long term papers remained investors' favorite during March 2014, with PIBs witnessing record participation of PKR541 billion against a pre-defined target of PKR60 billion. Conversely, T-bill auctions saw muted response with only PKR536 billion accepted against the PKR1,000 billion auction target. Major interest remained towards 3 year PIB where participation of PKR296 billion was received due to their low tenor and attractive yield compared to T-bills. Despite a decline in secondary market yields, cut offs on both T-bills and PIBs came in much higher than expectations as government borrowing targets had to be met. However, the high market participation in auctions helped the government to reduce borrowing from SBP at quarter end - an important milestone of the quarterly performance criteria prescribed by IMF. Renewed interest in long term papers is primarily attributed to market expectations of a probable discount rate cut in the next MPS. High PIB participation resulted in money markets getting into a tight liquidity squeeze. Consequently, yields on short term papers spiked over and above the discount rate. Going ahead, we feel market will continue to like PIBs and overall yields are expected to remain high due to high borrowing targets.

#### Equities back in green

Equities were back in green with the benchmark KSE 100 index gaining 5.3% MoM to close at 27,160 points. Improved economic outlook and significant appreciation of Pakrupee vs. USD, boosted investor sentiment. Banking sector was in the limelight as banks, sighting economic stability, participated heavily in longer term papers to enhance yields on their investment portfolio. Foreign flows, however, turned negative (-USD5.2 million) as liquidity issues for foreign funds triggered selling in the fancied E&P sector. As we move ahead, we anticipate the market to continue its upward journey as improved macros and investor roadshows from government officials (Euro bond, ODGC GDR, secondary offerings of banks) is expected to generate foreign interest. Furthermore, start of the March 2014 results season will create excitement. Market is currently trading at 2014E P/E of 8.1x and offers dividend yield of 6% which is fairly attractive in both absolute and relative terms.

#### ECONOMIC SUMMARY

|                            | Last Reported Month | Current Month | Previous Month | YTD      |
|----------------------------|---------------------|---------------|----------------|----------|
| CPI Inflation              | March               | 8.53%         | 7.93%          | 8.64%    |
| Trade Deficit (USD mn)     | February            | (1,068)       | (1,416)        | (10,907) |
| Remittances (USD mn)       | February            | 1,210         | 1,246          | 10,246   |
| Current A/C (USD mn)       | February            | 164           | (427)          | (2,020)  |
| FDI (USD mn)               | February            | 79            | 107            | 603      |
| Tax Collection ** (PKR bn) | March               | 209           | 162            | 1,573    |
| M2 Growth*                 | March               | -             | -              | 5.48%    |
| FX Reserves* (USD bn)      | March               | -             | -              | 9.144    |

Source SBP, FBS

\* Latest monthly figures

\*\* Provisional figures

#### GOVERNMENT SECURITIES

| PKRV Yields (%)   | 6 M  | 1 Yr | 3 Yr  | 5 Yr  | 10 Yr |
|-------------------|------|------|-------|-------|-------|
| March 31, 2014    | 10   | 10   | 11.92 | 12.46 | 12.81 |
| February 28, 2014 | 9.94 | 9.98 | 11.99 | 12.46 | 12.83 |
| Change (bps)      | 6    | 2    | -7    | 0     | -2    |

Source : FMA

#### EQUITY MARKET PERFORMANCE

|                          | Mar-14 | Feb-14 | M/M | 1 Yr Low | 1 Yr High |
|--------------------------|--------|--------|-----|----------|-----------|
| KSE - 100 Index          | 27,160 | 25,783 | 5%  | 18,043   | 27,309    |
| Avg. Daily Vol. (mn)     | 215    | 237    | -9% | 62       | 665       |
| Avg. Daily Val. (USD mn) | 96     | 74     | 30% | 19       | 183       |
| 2014E PE(X)              | 8      |        |     |          |           |
| 2014E DY                 | 6%     |        |     |          |           |

Source: KSE, Bloomberg

### FUND MANAGER'S COMMENTS

ABL Income Fund posted an annualized return of 11.40% in March, allowing the YTD return to close at 8.05% (significant improvement of 50 bps MoM). ABL IF also outperformed the benchmark yield of 10.11% by 129 bps. The high return was primarily attributed to major shift in asset allocation along with hefty trading gains in PIBs. As per our strategy, we have increased our weighted average maturity of the portfolio from 164 days to 546 days to take advantage of the high yield differential offered by PIBs.

At month end, we increased our allocation in PIBs from 12.91% in previous month to 19.64% of total assets whereas T-bill exposure was reduced to 21.82% from 65.1%. We have also made fresh investment in Government guaranteed instruments (4.56%), TFCs (8.24%) and spread transactions (2.45% of total assets). Fund size declined marginally by 2% during the month to close at PKR 1.481 billion.

Going forward, we will continue to maintain a high duration portfolio as we expect interest rates to remain stable or trend lower on account of improved macro picture. This movement can bring additional gains in long bond portfolio.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 34.340 million. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.2330 per unit.

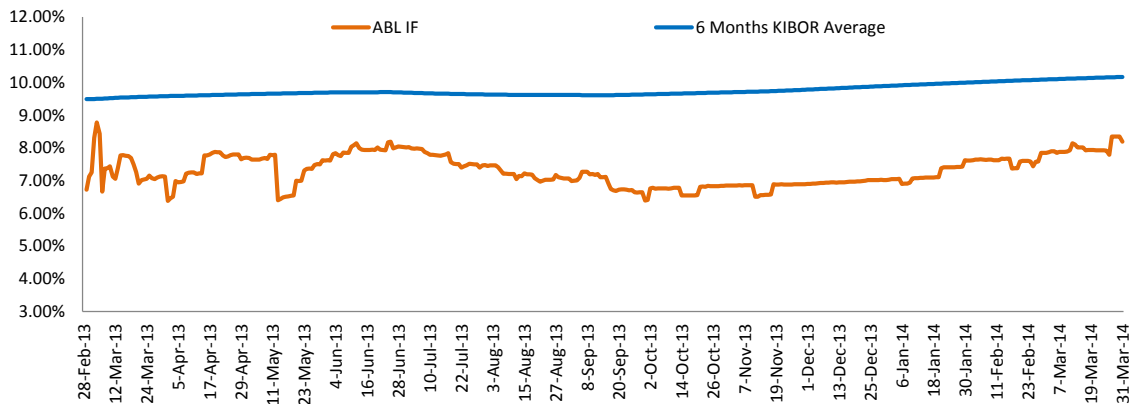
### INVESTMENT OBJECTIVE

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

### Investment Committee

#### Members:

- Farid A.Khan, CFA - CEO
- Muhammad Imran - CIO
- Faizan Saleem - Fund Manager
- Kamran Aziz, CFA - Fund Manager
- Abid Jamal, CFA - Head of Research



### BASIC FUND INFORMATION

|                          |   |
|--------------------------|---|
| Fund Type                | Open-end  |
| Category                 | Income Scheme   |
| Launch Date              | September 20 <sup>th</sup> , 2008                                 |
| Net Assets               | PKR 1,481.46 mn as at March 28 <sup>st</sup> , 2014               |
| NAV                      | PKR 10.0507 as at March 31 <sup>st</sup> , 2014 (Ex-dividend-Nav) |
| Benchmark                | 6 Months KIBOR Average  |
| Dealing Days             | As Per Banking Days   |
| Cut-off time             | 4.00 pm   |
| Pricing Mechanism        | Forward   |
| Management Fees          | 1.5% p.a  |
| Front -end Load          | 1.5 %   |
| Trustee                  | Central Depository Company of Pakistan Ltd (CDC)                  |
| Auditor                  | K.P.M.G Taseer Hadi & Co. Chartered Accountants                   |
| Asset Manager Rating     | AM2 (Stable Outlook) (JCR-VIS)                                    |
| Risk Profile of the Fund | Low   |
| Fund Stability Rating    | A+(f) (JCR-VIS)   |
| Fund Manager             | Faizan Saleem   |
| Listing                  | Karachi Stock Exchange  |

### TECHNICAL INFORMATION

|   |     |
|---|-----|
| Leverage  | NIL |
| Weighted average time to maturity of net assets | 546 |

### TOP TFCs / SUKUK HOLDING (% OF TOTAL ASSETS)

|             | March 31 <sup>st</sup> , 14 |
|-------------|-----------------------------|
| WAPDA PPTFC | 4.56%                       |
| SCB Ltd     | 4.25%                       |
| BAFL TFC V  | 3.98%                       |

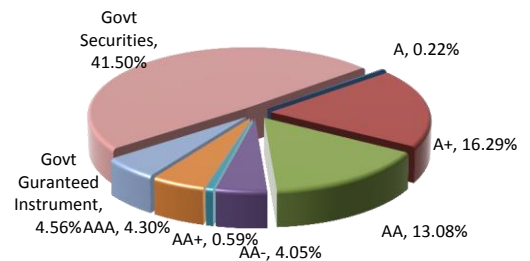
### PERFORMANCE

|          | ABL-IF | Benchmark |
|----------|--------|-----------|
| March-14 | 11.40% | 10.11%    |
| YTD      | 8.05%  | 9.70%     |

### ASSET ALLOCATION (% OF TOTAL ASSETS)

|                                  | Feb 28 <sup>th</sup> 2014 | Mar 31 <sup>st</sup> 2014 |
|----------------------------------|---------------------------|---------------------------|
| Cash                             | 6.32%                     | 14.01%                    |
| Placements with Banks (TDRs)     | 14.33%                    | 16.29%                    |
| Money Market Placements DFIs     | 0.00%                     | 0.00%                     |
| T-Bills                          | 65.14%                    | 21.82%                    |
| PIBs                             | 12.91%                    | 19.64%                    |
| GoP Ijarah Sukuk                 | 0.03%                     | 0.03%                     |
| GoP Guaranteed Corp. Instruments | 0.00%                     | 4.56%                     |
| TFCs                             | 0.00%                     | 8.24%                     |
| Spread Transactions              | 0.14%                     | 2.45%                     |
| Others Including Receivables     | 1.14%                     | 12.97%                    |
|                                  | 100.00%                   | 100.00%                   |

### PORTFOLIO QUALITY (% OF TOTAL ASSETS)



Other assets account for 15.42% of Total Assets

**MUFAP Recommended Format**

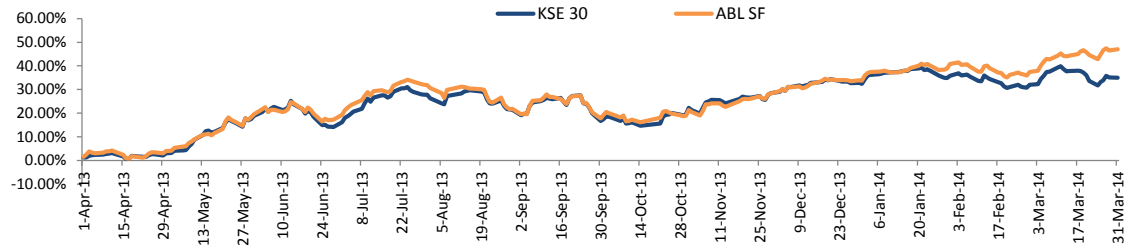
Disclaimer: This publication is for informational purposes only and nothing here in should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns there on are dependent on forces 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 MANAGER'S COMMENTS

ABL-SF increased by 6.9% in March'14 against a 2.2% increase in KSE-30 index, which reflects an outperformance of 470 basis points. During the month, investment in the Oil & Gas sector was increased from 25.1% to 27.2% of the portfolio, exposure in Chemicals sector was increased from 19.6% to 20.6% and allocation to Construction sector was adjusted from 11.6% to 11.4%. The weight in Oil & Gas sector was enhanced due to positive outlook on OMCs. ABL-SF, as of March 2014, is 85.5% invested in equities, 11.8% in T-Bills and remaining in bank deposits.

Improving macros in the form of rising foreign reserves and strengthening currency boosted local confidence. Mutual Funds emerged as big buyers in the market (MTD Net Buying: \$55 mn) aided by hefty flows in new funds. We highlighted last month that macroeconomic picture seems to be improving on back of better LSM growth, controlled inflation, improving private sector growth and government's ability to borrow large sums in recent bond auctions. Over six percent appreciation of Pak Rupee in the month of March brought about a major improvement in investor sentiment and is being marked as major economic achievement of current government. Not only will this appreciation help control inflation, it'll also contribute towards easing of circular debt and add stability to general business conditions. Pakistan is also expected to benefit from likely enhancement of its weight in MSCI Frontier Market Index as Qatar and UAE markets move on to MSCI Emerging Market Index. Overall our strategy continues to be bullish on broader market. However, as always, our gains will not come from chasing hot stocks but sticking to companies with strong fundamentals.

The scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 14.15mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.2400 per unit.



### INVESTMENT OBJECTIVE

To provide higher risk adjusted returns over the long term by investing in a diversified portfolio of equity instruments offering capital gain and dividends.

### Investment Committee

#### Members:

- Farid A.Khan, CFA - CEO
- Muhammad Imran - CIO
- Faizan Saleem - Fund Manager
- Kamran Aziz, CFA - Fund Manager
- Abid Jamal, CFA - Head of Research

### BASIC FUND INFORMATION

|                          |   |
|--------------------------|---|
| Fund Type                | Open-end  |
| Category                 | Equity Scheme   |
| Launch Date              | June 28, 2009   |
| Net Assets               | Rs 822.82mn as at March 31 <sup>st</sup> , 2014   |
| NAV                      | Rs 13.9227 as at March 31 <sup>st</sup> , 2014  |
| Benchmark                | KSE-30 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          | 2%  |
| Trustee                  | Central Depository Company of Pakistan Limited  |
| Auditor                  | A.F. Ferguson & Co, Chartered Accountants   |
| Asset Manager Rating     | AM2 (JCR-VIS) (Stable outlook)  |
| Risk Profile of the Fund | High  |
| Performance Ranking      | MFR 3-Star (JCR VIS) (Based on one Year weighted average ranking), MFR 3-Star (JCR VIS) (Based on Three Year weighted average ranking) for periods ended December 31, 2013. |
| Fund Manager             | Kamran Aziz, CFA  |
| Listing                  | Karachi Stock Exchange  |

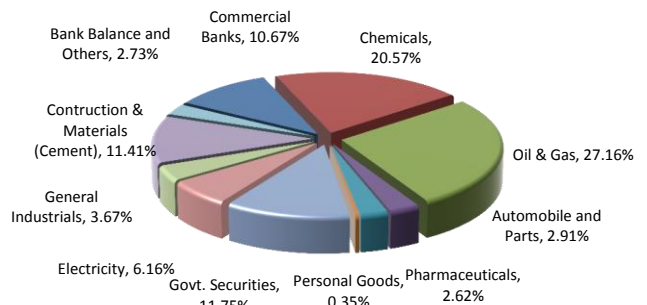
### PERFORMANCE

|                      | ABL-SF | KSE-30 |
|----------------------|--------|--------|
| Year to Date (YTD)*  | 25.31% | 18.28% |
| Trailing 12 Months*  | 46.97% | 34.93% |
| Month to Date (MTD)* | 6.92%  | 2.22%  |

\*Returns are net of management fee & all other expenses

| ASSET ALLOCATION (% OF TOTAL ASSETS) | Feb 28th 2014 | Mar 31st 2014 |
|--------------------------------------|---------------|---------------|
| Stock/Equities                       | 82.34%        | 85.52%        |
| Bank Balances                        | 11.69%        | 1.16%         |
| T-Bills                              | 3.13%         | 11.75%        |
| Others                               | 5.98%         | 1.57%         |
| Leverage                             | NIL           | NIL           |

### SECTOR ALLOCATION (% OF TOTAL ASSETS)



| TOP TEN HOLDINGS (% OF TOTAL ASSETS) | Feb 28th 2014 | Mar 31st 2014 |
|--------------------------------------|---------------|---------------|
| Pakistan Oilfields                   | 8.77%         | 9.04%         |
| Arif Habib Corporation               | 6.79%         | 7.44%         |
| Hub Power Company                    | 5.67%         | 6.16%         |
| Pakistan Petroleum                   | 8.55%         | 5.92%         |
| Pakistan State Oil Co.               | 5.17%         | 5.80%         |
| Engro Corporation                    | 5.42%         | 5.51%         |
| Maple Leaf Cement                    | 5.63%         | 5.37%         |
| Fatima Fert.                         | 4.73%         | 4.92%         |
| Fauji Cement                         | 4.16%         | 4.23%         |
| United Bank Limited                  | 2.90%         | 3.74%         |

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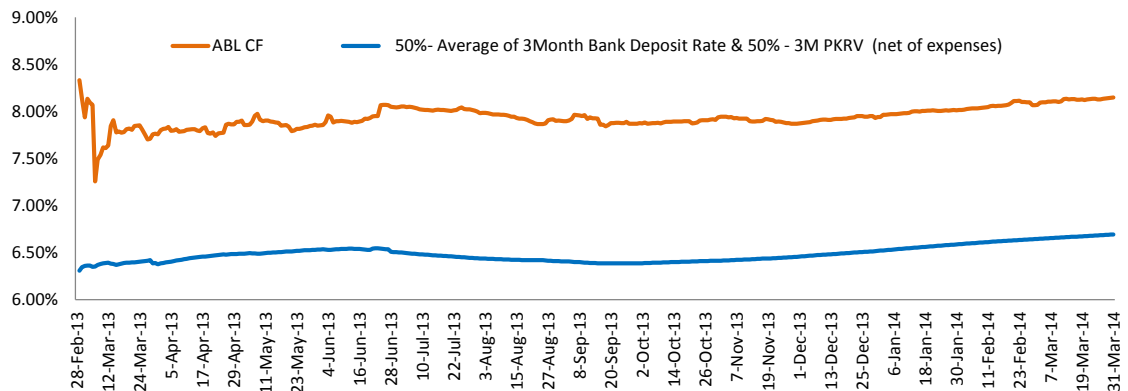
### FUND MANAGER'S COMMENTS

The fund was able to post an impressive return of 8.44% in March against the benchmark performance of 6.83%, thus, showing an outperformance of 161 bps. On YTD basis, ABL CF return stood at 7.98% compared to the benchmark yield of 6.47% (an outperformance of 151 bps). Fund size reduced marginally by 1.77% to close at PKR 16,490 million.

During the period under review, yields across all tenors declined before the MPS announcement owing to market expectation of a 50 bps cut. We took maximum advantage of yield curve movement and offloaded major holding of a long duration bills which resulted in decent capital gains for the fund. At month end, investment in T-bills was reduced to 62.54% compared to 76.69% in previous month. Conversely allocation in TDRs (22.68%) and Bank deposits (11.20%) were increased to 33.88% of total assets compared to 17.28% in previous month in order to take advantage of high rates offered by banks on account of quarter end. Weighted average maturity of the fund was reduced to 29 days from 48 days due to above actions.

Going forward, we will maintain low duration as short maturity T-bills are trading at much above the discount rate due to liquidity issues in money market.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 110.272 million, had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.06695 per unit.



### INVESTMENT OBJECTIVE

To provide investors, with consistent returns with high level of liquidity, through a blend of money market and sovereign debt instruments

### Investment Committee

#### Members:

- Farid A.Khan, CFA - CEO
- Muhammad Imran - CIO
- Faizan Saleem - Fund Manager
- Kamran Aziz, CFA - Fund Manager
- Abid Jamal, CFA - Head of Research

### BASIC FUND INFORMATION

|                          |   |
|--------------------------|---|
| Fund Type                | Open-end  |
| Category                 | Money Market Scheme   |
| Launch Date              | July 30 <sup>th</sup> , 2010  |
| Net Assets               | PKR 16,489.97 mn as at March 31 <sup>st</sup> , 2014                              |
| NAV                      | PKR 10.0122 as at March 31 <sup>st</sup> , 2014 (Ex-dividend)                     |
| Benchmark                | 50%- Average of 3Month Bank Deposit Rate & 50% - 3M PKRV (net of expenses)        |
| Dealing Days             | As Per Banking Days   |
| Cut-off time             | 4.00 pm   |
| Pricing Mechanism        | Backward  |
| Management Fees          | 10% of Annualized Gross Return (subject to Upper Cap of 1.25% & Lower Cap of 1%). |
| Front -end Load          | Nil   |
| Trustee                  | Central Depository Company of Pakistan Ltd (CDC)                                  |
| Auditor                  | A.F. Ferguson & Co. Chartered Accountants   |
| Asset Manager Rating     | AM2 (Stable Outlook) (JCR-VIS)  |
| Risk Profile of the Fund | Low   |
| Fund Stability Rating    | AA(f) (JCR-VIS)   |
| Fund Manager             | Faizan Saleem   |
| Listing                  | Karachi Stock Exchange  |

### PERFORMANCE

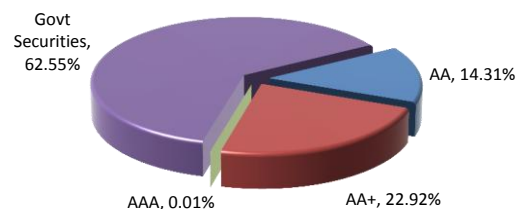
|          | ABL-CF | Benchmark |
|----------|--------|-----------|
| March-14 | 8.44%  | 6.83%     |
| YTD      | 7.98%  | 6.47%     |

\*Returns are net of Management fee and all other expenses

### ASSET ALLOCATION (% OF TOTAL ASSETS)

|                              | Feb 28th 2014 | Mar 31st 2014 |
|------------------------------|---------------|---------------|
| Cash                         | 0.16%         | 11.20%        |
| Placements with Banks (TDRs) | 17.12%        | 22.68%        |
| Money Market Placements      | 4.49%         | 3.35%         |
| T-Bills                      | 76.69%        | 62.54%        |
| Others Including Receivables | 1.54%         | 0.22%         |
|                              | 100.00%       | 100.00%       |

### PORTFOLIO QUALITY (% OF TOTAL ASSETS)



Other assets account for 0.22% of Total Assets

### TECHNICAL INFORMATION

|   |     |
|---|-----|
| Leverage  | NIL |
| Weighted average time to maturity of net assets | 29  |

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### FUND MANAGER'S COMMENTS

ABL Government Securities Fund generated an impressive return of 23.71% p.a. in the month of March, thus allowing YTD return to jump by 197 bps compared to previous month and close at 9.47%. The higher return was attributed mainly due to shift in asset allocation along with hefty trading gains in PIBs. As per our strategy discussed in the last FMR, we have increased the WAM of the portfolio from 263 days to 519 days through increasing our allocation towards medium term government bonds. The fund was also able to beat the benchmark return of 9.10% by a massive 1461 bps.

At month end, Government Securities constituted 61.64% (T-bills 5.73% & PIBs 55.91% of assets) compared to 79.74% in previous month. Almost 33% of fund assets were invested in bank deposits due to profit taking on existing bond portfolio and better rates offered by the banks on account of quarter end. ABL GSF fund size increased by 29% during the month to close at PKR 2.539 billion.

Going forward, we will continue to hold high duration portfolio as we expect further gains on our bond portfolio.

The Scheme has maintained the provisional asset against Workers' welfare Fund's Liability to the tune of Rs. 119.509 million, Had the same not been made, the NAV per unit of the scheme would have been higher by Rs 0.4771 per unit.

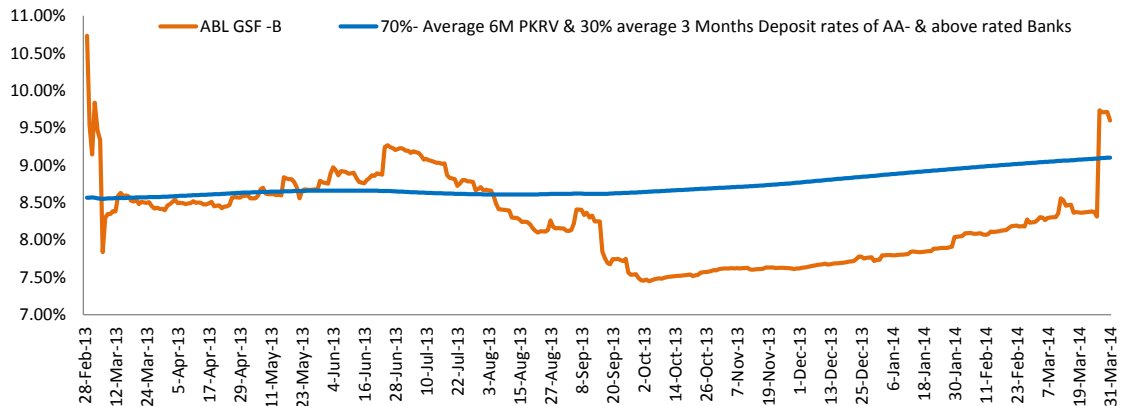
### INVESTMENT OBJECTIVE

To provide investors, with consistent returns with high level of liquidity, through a blend of money market and sovereign debt instruments

### Investment Committee

#### Members:

- Farid A.Khan, CFA - CEO
- Muhammad Imran - CIO
- Faizan Saleem - Fund Manager
- Kamran Aziz, CFA - Fund Manager
- Abid Jamal, CFA - Head of Research



### BASIC FUND INFORMATION

|                          |  |
|--------------------------|--|
| Fund Type                | Open-end   |
| Category                 | Income Scheme  |
| Launch Date              | November 30 <sup>th</sup> , 2011   |
| Net Assets               | PKR 2,539.45 mn as at March 31 <sup>st</sup> , 2014                                  |
| NAV                      | PKR 10.1382 as at March 31 <sup>st</sup> , 2014 (Ex-dividend)                        |
| Benchmark                | 70%- Average 6M PKRV & 30% average 3 Months Deposit rates of AA- & above rated Banks |
| Dealing Days             | As Per Banking Days  |
| Cut-off time             | 4.00 pm  |
| Pricing Mechanism        | Forward  |
| Management Fees          | Class-A unit 0.25%, Class-B unit 1.25%   |
| Front-end Load           | 1.5%   |
| Trustee                  | Central Depository Company of Pakistan Ltd (CDC)                                     |
| Auditor                  | A.F. Ferguson & Co. Chartered Accountants  |
| Asset Manager Rating     | AM2 (Stable Outlook) (JCR-VIS)   |
| Risk Profile of the Fund | Low  |
| Fund Stability Rating    | A+(f) (JCR-VIS)  |
| Fund Manager             | Faizan Saleem  |
| Listing                  | Karachi Stock Exchange   |

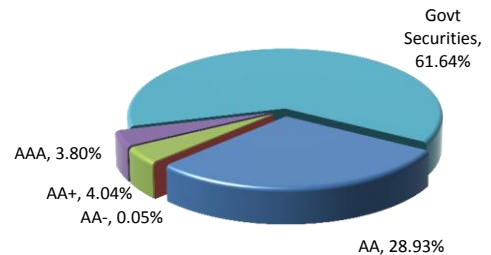
### PERFORMANCE

|          | ABL-GSF | Benchmark |
|----------|---------|-----------|
| March-14 | 23.71%  | 9.10%     |
| YTD      | 9.47%   | 8.71%     |

### ASSET ALLOCATION (% OF TOTAL ASSETS)

|                              | Feb 28th 2014 | Mar 31st 2014 |
|------------------------------|---------------|---------------|
| Cash                         | 3.49%         | 28.15%        |
| Placements with Banks (TDRs) | 4.86%         | 3.66%         |
| Money Market Placements DFIs | 11.44%        | 5.02%         |
| T-Bills                      | 63.15%        | 5.73%         |
| PIBs                         | 16.60%        | 55.91%        |
| Others Including Receivables | 0.46%         | 1.54%         |
|                              | 100.00%       | 100.00%       |

### PORTFOLIO QUALITY (% OF TOTAL ASSETS)



Other assets account for 1.55% of Total Assets

### TECHNICAL INFORMATION

|   |     |
|---|-----|
| Leverage  | NIL |
| Weighted average time to maturity of net assets | 519 |

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### FUND MANAGER'S COMMENTS

During the month of March '14, ABL-IIF posted an annualized return of 8.31% against the benchmark return of 6.66%, outperforming the benchmark by 165 bps. ABL IIF performance remained consistent on YTD basis due to active portfolio reallocation which resulted into an annualized return of 8.72% versus the benchmark yield of 6.67% - an outperformance of 205 bps.

The month under review observed sharp increase in prices of all Islamic instruments on the back of liquidity driven demand due to delays in announcement of fresh GoP Ijarah Sukuk auction. We have maintained our stance and remained invested in cash assets because current yield on GoP Ijarah Sukuk is around 100 bps below the bank rate. Weightage average maturity of the fund was lowered to 385 days from 338 days in the previous month. At month end, the fund comprised of Corp Sukuks, Govt. Guaranteed Sukuks and bank deposits at 10.76%, 11.33% and 76.66% of assets respectively. Fund size increased by 5.40% to close at PKR 1.278 billion.

Going forward, we believe returns will improve further on account of better accruals and capital gains on our corporate Sukuk portfolio.

The Scheme has maintained the provisional asset against Workers' welfare Fund's Liability to the tune of Rs. 6.363 million, Had the same not been made, the NAV per unit of the scheme would have been higher by Rs. 0.04985 per unit.

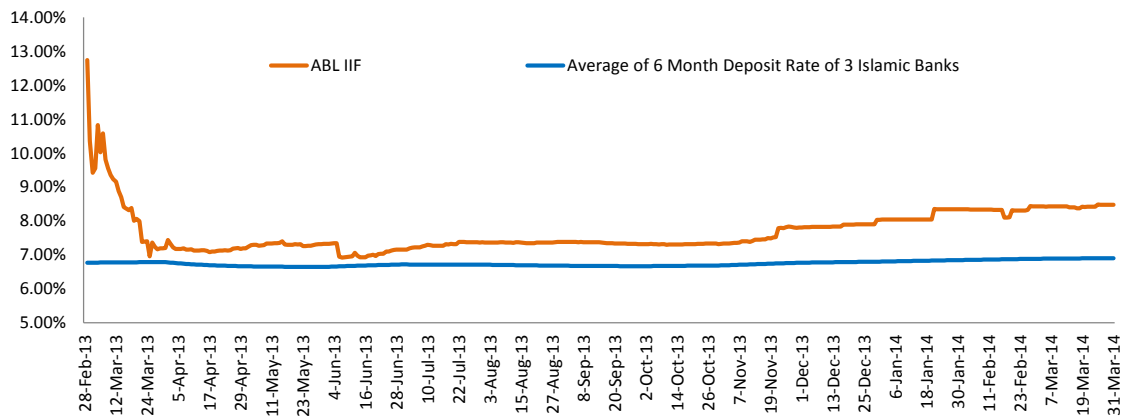
### INVESTMENT OBJECTIVE

To provide investors, with an opportunity to earn higher income over medium to long-term by investing in a diversified portfolio consisting of different Money market and debt instruments permissible under the shariah principles.

### Investment Committee

#### Members:

- Farid A.Khan, CFA - CEO
- Muhammad Imran - CIO
- Faizan Saleem - Fund Manager
- Kamran Aziz, CFA - Fund Manager
- Abid Jamal, CFA - Head of Research



### BASIC FUND INFORMATION

|                          |  |
|--------------------------|--|
| Fund Type                | Open-end   |
| Category                 | Islamic Income Scheme                              |
| Launch Date              | July 30 <sup>th</sup> , 2010                       |
| Net Assets               | PKR 1277.69 mn as at March 31 <sup>st</sup> , 2014 |
| NAV                      | PKR 10.0104 as at March 31 <sup>st</sup> , 2014    |
| Benchmark                | Average of 6 Month Deposit Rate of 3 Islamic Banks |
| Dealing Days             | As Per Banking Days                                |
| Cutt-off time            | 4.00 pm  |
| Pricing Mechanism        | Forward  |
| Management Fees          | 1% p.a   |
| Front-end Load           | 1.5%   |
| Trustee                  | Central Depository Company of Pakistan Ltd (CDC)   |
| Auditor                  | A.F. Ferguson & Co. Chartered Accountants          |
| Asset Manager Rating     | AM2 (Stable Outlook) (JCR-VIS)                     |
| Risk Profile of the Fund | Low  |
| Fund Stability Rating    | A+(f) (JCR-VIS)                                    |
| Fund Manager             | Kamran Aziz, CFA                                   |
| Listing                  | Karachi Stock Exchange                             |

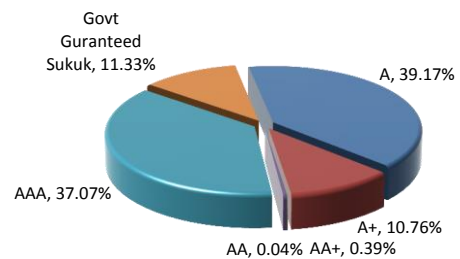
### PERFORMANCE

|          | ABL-IIF | Benchmark |
|----------|---------|-----------|
| March-14 | 8.31%   | 6.66%     |
| YTD      | 8.72%   | 6.67%     |

### ASSET ALLOCATION (% OF TOTAL ASSETS)

|                              | Feb 28th 2014 | Mar 31st 2014 |
|------------------------------|---------------|---------------|
| Cash                         | 75.37%        | 76.66%        |
| Corporate Sukuk              | 0.00%         | 10.76%        |
| Govt. Guaranteed Corp. Sukuk | 11.96%        | 11.33%        |
| Placements with Banks (TDRs) | 0.00%         | 0.00%         |
| Others Including Receivables | 12.67%        | 1.24%         |
|                              | 100.00%       | 100.00%       |

### PORTFOLIO QUALITY (% OF TOTAL ASSETS)



Other assets account for 1.24% of Total Assets

### TECHNICAL INFORMATION

|   |     |
|---|-----|
| Leverage  | NIL |
| Weighted average time to maturity of net assets | 385 |

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### FUND MANAGER'S COMMENTS

ABL-CPF increased by 1.1% in March'14 against 0.8% increase in benchmark, which reflects an outperformance of 30 basis points. Equity portfolio was invested in Cements (2.2%), Oil & Gas (2.4%), Chemicals (0.8%).

Improving macros in the form of rising foreign reserves and strengthening currency boosted local confidence. Mutual Funds emerged as big buyers in the market (MTD Net Buying: \$55 mn) aided by hefty flows in new funds. We highlighted last month that macroeconomic picture seems to be improving on back of better LSM growth, controlled inflation, improving private sector growth and government's ability to borrow large sums in recent bond auctions. Over six percent appreciation of Pak Rupee in the month of March brought about a major improvement in investor sentiment and is being marked as major economic achievement of current government. Not only will this appreciation help control inflation, it'll also contribute towards easing of circular debt and add stability to general business conditions. Pakistan is also expected to benefit from likely enhancement of its weight in MSCI Frontier Market Index as Qatar and UAE markets move on to MSCI Emerging Market Index. Overall our strategy continues to be bullish on broader market.

The scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 1.46mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0430 per unit.

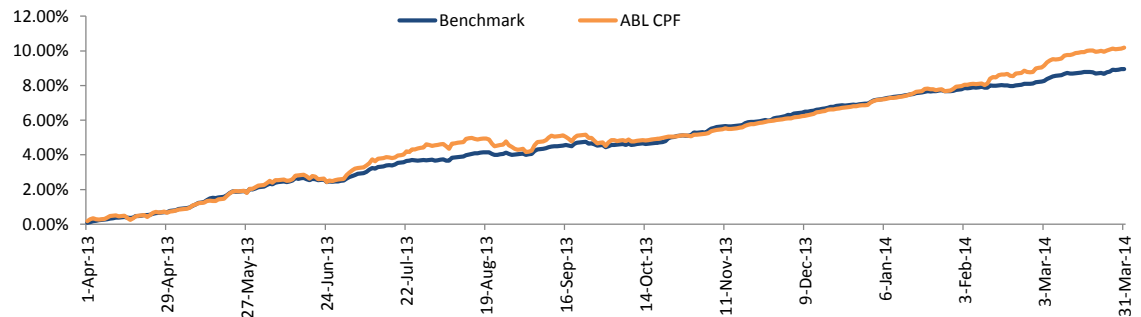
### INVESTMENT OBJECTIVE

To Protect Initial Investment Value and deliver some return with the prospect of growth in Initial Investment Value over the stipulated time period.

### Investment Committee

#### Members:

- Farid A.Khan, CFA - CEO
- Muhammad Imran - CIO
- Faizan Saleem - Fund Manager
- Kamran Aziz, CFA - Fund Manager
- Abid Jamal, CFA - Head of Research



### BASIC FUND INFORMATION

|                          |   |
|--------------------------|---|
| Fund Type                | Open-end  |
| Category                 | Capital Protected Scheme  |
| Launch Date              | 1-Jun-12  |
| Net Assets               | Rs 365.55mn as at March 31st, 2014  |
| NAV                      | Rs 10.7517 as at March 31st, 2014   |
| Benchmark                | Weightage of Capital Protected segment in fund with 2 Year Term Deposit Rate of AA- & above rated banks and weightage of Investment segment with KSE 30 Index |
| Dealing Days             | As Per Local Stock Exchanges  |
| Cutt-off time            | 4:00 PM   |
| Pricing Mechanism        | Forward   |
| Management Fees          | 1.5% p.a.   |
| Front-end Load           | 1.75%   |
| Back-end Load            | Minimum 2%  |
| Trustee                  | MCB Financial Services Limited  |
| Auditor                  | M. Yousuf Adil Saleem & Co, Chartered Accountants   |
| Asset Manager Rating     | AM2 (JCR-VIS) (Stable outlook)  |
| Risk Profile of the Fund | Low   |
| Performance Ranking      | AAA (CPF) (JCR-VIS)   |
| Fund Manager             | Kamran Aziz, CFA  |
| Listing                  | Islamabad Stock Exchange  |

### PERFORMANCE

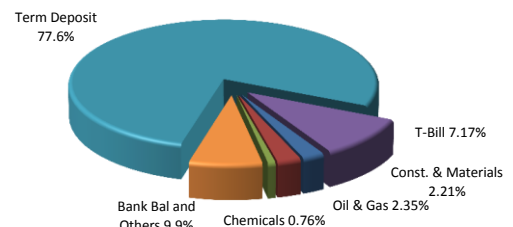
|                      | ABL-CPF | Benchmark |
|----------------------|---------|-----------|
| Year to Date (YTD)*  | 7.39%   | 6.51%     |
| Month to Date (MTD)* | 1.10%   | 0.76%     |

\*Returns are net of management fee & all other expenses

### ASSET ALLOCATION (% OF TOTAL ASSETS)

|                | Feb 28th 2014 | Mar 31st 2014 |
|----------------|---------------|---------------|
| Stock/Equities | 7.20%         | 5.32%         |
| Bank Balance   | 1.39%         | 2.43%         |
| T-Bill         | 7.07%         | 7.17%         |
| Term Deposit   | 77.12%        | 77.60%        |
| Others         | 7.22%         | 7.47%         |
| Leverage       | NIL           | NIL           |

### SECTOR ALLOCATION (% OF TOTAL ASSETS)



### TOP TEN HOLDINGS (% OF TOTAL ASSETS)

|                        | Feb 28th 2014 | Mar 31st 2014 |
|------------------------|---------------|---------------|
| Pak Oilfields          | 1.67%         | 1.25%         |
| D.G. Khan Cement       | 1.20%         | 1.12%         |
| Pakistan State Oil Co. | 1.41%         | 1.11%         |
| Maple Leaf Cement      | 0.36%         | 0.86%         |
| Engro Corporation      | 1.24%         | 0.76%         |
| Fauji Cement           | 0.22%         | 0.23%         |

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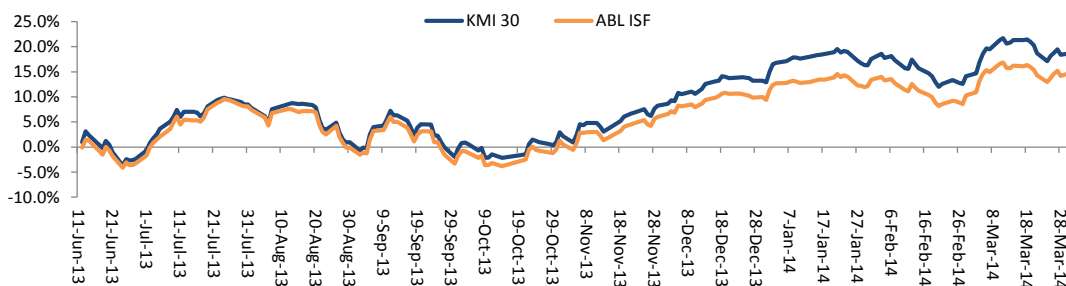


### FUND MANAGER'S COMMENTS

ABL-ISF increased by 4.1% in March '14 against 4.0% increase in the benchmark KMI-30 index, which reflects a slight outperformance of 10 basis points. During the month, exposure in Oil & Gas sector was lowered from 38.5% to 33.8% of the portfolio, exposure in Chemicals sector was decreased from 12.4% to 11.0% and allocation to Construction sector was lowered from 17.0% to 15.3%. Weights in most sectors decreased compared to last month due to large inflows towards month end which remained partly undeployed. ABL-ISF as of March 2014 was 76.9% invested in equities and remaining in bank deposits.

Improving macros in the form of rising foreign reserves and strengthening currency boosted local confidence. Mutual Funds emerged as big buyers in the market (MTD Net Buying: \$55 mn) aided by hefty flows in new funds. We highlighted last month that macroeconomic picture seems to be improving on back of better LSM growth, controlled inflation, improving private sector growth and government's ability to borrow large sums in recent bond auctions. Over six percent appreciation of Pak Rupee in the month of March brought about a major improvement in investor sentiment and is being marked as major economic achievement of current government. Not only will this appreciation help control inflation, it'll also contribute towards easing of circular debt and add stability to general business conditions. Pakistan is also expected to benefit from likely enhancement of its weight in MSCI Frontier Market Index as Qatar and UAE markets move on to MSCI Emerging Market Index. Overall our strategy continues to be bullish on broader market. However, as always, our gains will not come from chasing hot stocks but sticking to companies with strong fundamentals.

The scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 3.76mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0302 per unit.



### INVESTMENT OBJECTIVE

To provide higher risk adjusted returns over the long term by investing in a diversified Islamic portfolio of equity instruments offering capital gain and dividends.

### Investment Committee

Farid A.Khan, CFA -CEO  
Muhammad Imran - CIO  
Faizan Saleem - Fund Manager  
Kamran Aziz, CFA- Fund Manager  
Abid Jamal, CFA - Head of Research

### BASIC FUND INFORMATION

|                          |  |
|--------------------------|--|
| Fund Type                | Open-end                                     |
| Category                 | Islamic Equity Scheme                        |
| Launch Date              | June 12, 2013                                |
| Net Assets               | Rs 1,429.03mn as at March 31st, 2014         |
| NAV                      | Rs 11.4791 as at March 31st, 2014            |
| Benchmark                | KMI-30 Index                                 |
| Dealing Days             | As Per Local Stock Exchanges                 |
| Cutt-off time            | 4:00 PM                                      |
| Pricing Mechanism        | Forward                                      |
| Management Fees          | 3% p.a.                                      |
| Front -end Load          | 2%   |
| Trustee                  | MCB Financial Services Limited               |
| Auditor                  | KPMG Taseer Hadi & Co, Chartered Accountants |
| Asset Manager Rating     | AM2 (JCR-VIS) (Stable outlook)               |
| Risk Profile of the Fund | High   |
| Performance Ranking      | N/A  |
| Fund Manager             | Kamran Aziz, CFA                             |
| Listing                  | Karachi Stock Exchange                       |

### PERFORMANCE

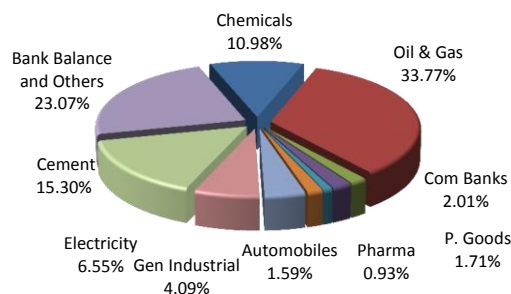
|                      |         |        |
|----------------------|---------|--------|
|                      | ABL-ISF | KMI-30 |
| Year to Date (YTD)*  | 18.63%  | 21.50% |
| Month to Date (MTD)* | 4.11%   | 4.01%  |

\*Returns are net of management fee & all other expenses

### ASSET ALLOCATION (% OF TOTAL ASSETS)

|                | Feb 28th 2014 | Mar 31st 2014 |
|----------------|---------------|---------------|
| Stock/Equities | 86.43%        | 76.93%        |
| Bank Balances  | 11.94%        | 21.68%        |
| Others         | 1.63%         | 1.39%         |
| Leverage       | NIL           | NIL           |

### SECTOR ALLOCATION (% OF TOTAL ASSETS)



### TOP TEN HOLDINGS (% OF TOTAL ASSETS)

|                           | Feb 28th 2014 | Mar 31st 2014 |
|---------------------------|---------------|---------------|
| Pakistan Oilfields        | 12.77%        | 11.97%        |
| Pakistan Petroleum        | 13.35%        | 9.04%         |
| Fauji Fertilizer Company  | 9.48%         | 8.50%         |
| Pakistan State Oil Co.    | 7.36%         | 7.27%         |
| Hub Power Company         | 7.39%         | 6.55%         |
| D.G.K.Cement              | 5.84%         | 5.46%         |
| Maple Leaf Cement         | 5.97%         | 4.98%         |
| Oil & Gas Development Co. | 3.80%         | 4.35%         |
| Packages Limited          | 3.93%         | 4.09%         |
| Lucky Cement              | 4.28%         | 4.03%         |

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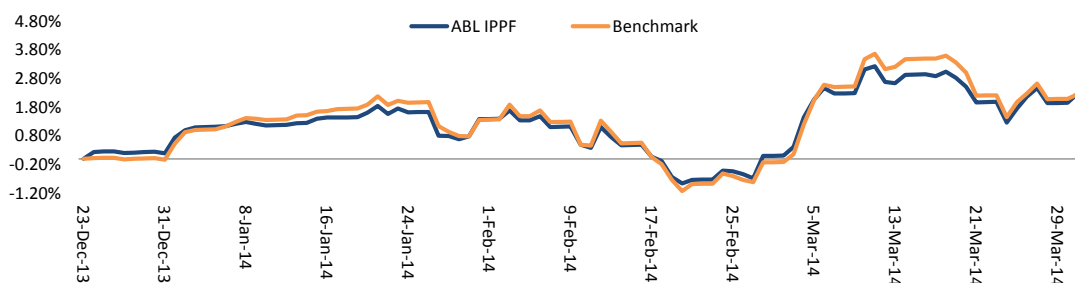
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### FUND MANAGER'S COMMENTS

The fund increased by 2.18% against benchmark return of 2.39%, which reflects a slight underperformance of 21 basis points during the period under review. Using a median gradient of 3.5 times under the CPPI methodology for principal preservation, equity allocation of the fund was set at 57.6% with rest of the funds deployed in Islamic Bank deposits.

Improving macros in the form of rising foreign reserves and strengthening currency boosted local confidence. Mutual Funds emerged as big buyers in the market (MTD Net Buying: \$55 mn) aided by hefty flows in new funds. We highlighted last month that macroeconomic picture seems to be improving on back of better LSM growth, controlled inflation, improving private sector growth and government's ability to borrow large sums in recent bond auctions. Over six percent appreciation of Pak Rupee in the month of March brought about a major improvement in investor sentiment and is being marked as major economic achievement of current government. Not only will this appreciation help control inflation, it'll also contribute towards easing of circular debt and add stability to general business conditions. Pakistan is also expected to benefit from likely enhancement of its weight in MSCI Frontier Market Index as Qatar and UAE markets move on to MSCI Emerging Market Index. Overall our strategy continues to be bullish on broader market.

The scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 0.4675mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0047 per unit.



### INVESTMENT OBJECTIVE

To provide higher risk adjusted return through dynamic asset allocation between Shariah Compliant Equity & Income/Money Market Scheme while preserving the principal at maturity.

### Investment Committee

#### Members:

- Farid A.Khan, CFA - CEO
- Muhammad Imran - CIO
- Faizan Saleem - Fund Manager
- Kamran Aziz, CFA - Fund Manager
- Abid Jamal, CFA - Head of Research

### BASIC FUND INFORMATION

|                          |  |
|--------------------------|--|
| Fund Type                | Open-end   |
| Category                 | Shariah Compliant Fund of Funds Scheme   |
| Launch Date              | 24-Dec-13  |
| Net Assets               | Rs 1,027.79mn as at March 31st, 2014   |
| NAV                      | Rs 10.2280 as at March 31st, 2014  |
| Benchmark                | Weighted Average Daily Return of KMI - 30 Index and 3M Deposit Rates of AA- & above rated Islamic Banks based on Fund's actual participation in Equity & Income/Money Market Component |
| Dealing Days             | As per Local Stock Exchange/ Banking Days  |
| Cutt-off time            | 4:00 PM  |
| Pricing Mechanism        | Forward  |
| Management Fees          | Nil (1% Management Fee p.a. Applicable on investments made in funds managed by other AMCs)   |
| Front-end Load           | 0%-2%  |
| Back-end Load            | Maximum 2%   |
| Trustee                  | MCB Financial Services Limited   |
| Auditors                 | M/S. A.F. Ferguson & Co, Chartered Accountants   |
| Asset Manager Rating     | AM2 (JCR-VIS) (Stable outlook)   |
| Risk Profile of the Fund | Low  |
| Performance Ranking      | N/A  |
| Fund Manager             | Muhammad Imran   |
| Listing                  | Islamabad Stock exchange   |

### PERFORMANCE

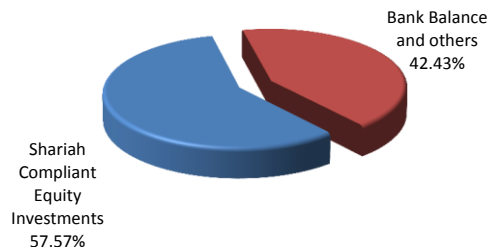
|                      | ABL-IPPF | Benchmark |
|----------------------|----------|-----------|
| Year to Date (YTD)*  | 2.28%    | 2.26%     |
| Month to Date (MTD)* | 2.18%    | 2.39%     |

\*Returns are net of management fee & all other expenses

### ASSET ALLOCATION (% OF TOTAL ASSETS)

|                                 | Feb 28th 2014 | Mar 31st 2014 |
|---------------------------------|---------------|---------------|
| Shariah Compliant Equity Scheme | 49.83%        | 57.57%        |
| Bank Balances                   | 49.21%        | 41.96%        |
| Others                          | 0.96%         | 0.48%         |
| Leverage                        | NIL           | NIL           |

### SECTOR ALLOCATION (% OF TOTAL ASSETS)



### TOP HOLDINGS (% OF TOTAL ASSETS)

|                        | Feb 28th 2014 | Mar 31st 2014 |
|------------------------|---------------|---------------|
| ABL Islamic Stock Fund | 49.83%        | 57.57%        |

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