



IN FOCUS

FUND MANAGER'S REPORT
JULY 2013

**A SHINING
VICTORY**



AM2
(JCR-VIS)

ABL Asset Management has been
Awarded with "High Management
Quality" Rating of AM2

INFOCUS

FUND MANAGER'S REPORT, JULY 2013

ECONOMY AND CAPITAL MARKETS UPDATE

Economic indicators continued to depict weakness in July 2013 as the menace of twin deficits continued to take its toll on the economy. Exchange rate weakness was the key dampener as PKR touched 104.5 vs. the USD in the open market due to limited central bank intervention in the FX market. However, the rupee recovered some ground as the government took administrative measures to curb the outflow of USD from the country (ban on gold import amongst the measures). FX reserves remained under pressure due to on going IMF repayments and continuous current account deficit (CAD for June 2013 was recorded at USD163mn). CPI figures, the only bright spot in recent times, also took turn for the worse as inflation clocked in at 8.26% for July 2013 (5.85% for June 2013). Quarterly adjustment in housing index coupled with full impact of increase in GST post budget and Ramazan effect (high food prices) pushed CPI by 2.02% MoM. On fiscal side tax collection fell below target with PKR130bn (+19% YoY, shortfall of approximately PKR14n) collected for July 2013. As we move ahead, recent increase in domestic oil prices along with the announced power tariff hike is expected to fuel inflation. Overall it is now fairly clear that interest rates have bottomed out, though we don't anticipate an interest rate hike in the next monetary policy statement scheduled for mid-August. Nevertheless, rate hikes seem imminent in future monetary policy announcements as inflation is expected to depict an upward trajectory while situation remains uncertain on fiscal and external account side.

Economic indicators worsen

Yields rise post IMF EEF/ CPI increase

As market frenzy towards declining interest rates faded, money markets yields settled accordingly. Uncertainties on the conditions attached with the IMF Extended Finance Facility led to an abrupt adjustment where yields on T-bills and PIBs rose as players adjusted their positions on the conservative side. Although higher T-bill maturities against monthly auction targets offered a breather to interbank liquidity and short term yields, long term yields remained unusually high. During the month PKR506 bn worth of T-bills were accepted via auctions against PKR803 bn in maturities. As a result, after a prolonged spell of OMO injections, the Central Bank at month end resorted to OMO mop ups to clear excess liquidity from the market. Cut off rates at auctions remained high and most interest was seen in short term bills. PIB auction also attracted minimal participation and that too in short maturity whereas cut off yields increased across the board. GoP Ijara Sukuk however offered some respite as secondary market yields declined due to heavy demand. After July's CPI Inflation numbers, pressure on yields across all tenors may increase further.

Equities back in business

Equities started off the new fiscal year where they left FY13 as the benchmark KSE100 index gained 10.98% MoM to close at 23,313 points. Payment of circular debt dues from the Government led to a rally in the index heavy energy chain stocks. Vibes of future hike in interest rates coupled with strong foreign interest revitalized interest in banking stocks. Foreign flows for July clocked in at USD31mn (excluding one-time sale of KAPCO shares by international power). With result season underway, the market is expected to continue its bull run although some bouts of profit taking may occur. The improved investor confidence emanating from the positive initiatives of the new Government implies that recent rerating in multiples is expected to persist. The market currently trades at FY14E P/E of 8x and offers prospective dividend yield of 6.3%.

Economic Summary

	Last Reported Month	Current Month	Previous Month	YTD
CPI Inflation	July	8.26%	5.85%	8.26%
Trade Deficit (USD mn)	June	(1,165)	(1,098)	(15,056)
Remittances (USD mn)	June	1,165	1,185	13,920
Current A/C (USD mn)	June	(163)	(346)	(2,299)
FDI (USD mn)	June	128	465	1,447
Tax Collection** (PKR bn)	July	130	250	130
M2 Growth*	July			-2.02%
FX Reserves* (USD bn)	July			10,224

Source: SBP, FBS

* Latest monthly figures

Government Securities

PKRV Yields (%)	6M	1yr	3yr	5yr	10yr
June 28, 2013	8.91	8.95	9.44	10.09	10.94
July 31, 2013	8.95	9.20	10.53	10.97	11.76
Change (bps)	04	25	1.09	88	82

Source: FMA

Equity Market Performance

	July-13	June-13	M/M	1yr Low	1yr High
KSE-100 Index	23,313	21,006	10.98%	14,577	23,776
Avg. Daily Vol. (mn)	253	354	-28.53%	38	665
Avg. Daily Val. (USD mn)	106	103	2.91%	16	183
2013E PE (x)	8.01				
2013E DY	6.3%				

Source: KSE

FUND MANAGER'S COMMENTS

ABL-IF yielded an annualized return of 5.19% for the month of July 2013, an underperformance of 389 bps against its benchmark rate of 9.08% due to mark to market adjustments in the bond portfolio. Fund size edged down by 3.62% during the month and closed at PKR 2.387 billion.

During the month, exposure to T-bills & PIB was enhanced to 31.38% and 15.43% against maturing placements (TDRs and cash balances). At month end, bank deposits and cash stood at 31.33% compared to 51.58% in the previous month. TFCs and spread transactions constituted 15.35% and 4.64% of total assets respectively. We are in process of adding high quality corporate instruments to outperform the KIBOR linked benchmark and to further diversify our TFC portfolio.

Market expectations of upward adjustment in discount rate have induced a lot of volatility in the money market. Going forward, we would remain cautious towards changes in key economic indicators and would adjust our portfolio duration accordingly.

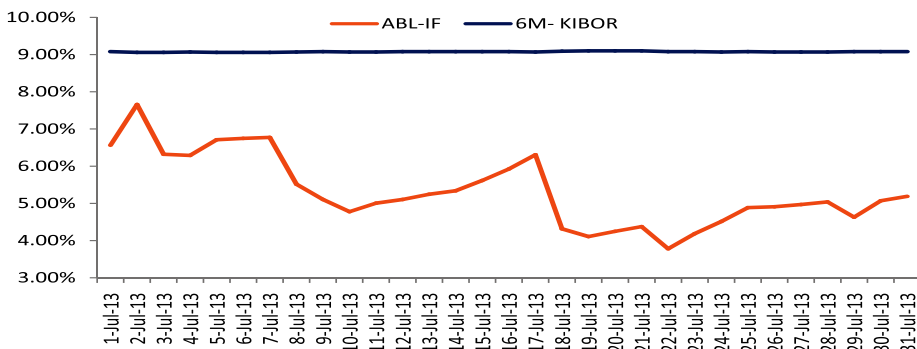
The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 32.615 million. Had the same not been made, the NAV per unit of the scheme would have been higher by Rs. 0.13735 per unit.

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
 Abid Jamal - Head of Research
 Kamran Aziz, CFA - Fund Manager
 Faizan Saleem - Fund Manager



Basic Fund Information

Fund Type	Open-end
Category	Income Scheme
Launch Date	September 20 th , 2008
Net Assets	PKR 2,387 mn as at July 31 st , 2013
NAV	PKR 10.0539 as at July 31 st , 2013
Benchmark	6 Month Kibor Average
Dealing Days	As per Banking Days
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. (CDC)
Auditor	A.F. Ferguson & Co. Chartered Accountants
Asset Manager Rating	AM2 (JCR-VIS) (Stable outlook)
Risk Profile of the Fund	Low
Fund Stability Rating	A+(f) (JCR-VIS)
Fund Manager Listing	Faizan Saleem Karachi Stock Exchange

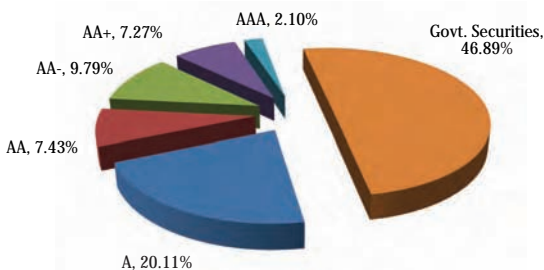
Performance

	ABL-IF	Benchmark
July-13	5.19%	9.08%
YTD	5.19%	9.08%

Asset Allocation (% Of Total Assets) June 30th, 2013 July 31st, 2013

	June 30 th , 2013	July 31 st , 2013
Cash	43.65%	27.35%
Placements with Banks (TDRs)	7.93%	3.98%
T-bills	26.14%	31.38%
PIBs	0.00%	15.43%
GoP Ijarah Sukuk	0.08%	0.08%
TFCs	10.84%	15.35%
Short Term Sukuks	3.97%	0.00%
Spread Transactions	0.00%	4.64%
Others Including Receivables	7.39%	1.78%
	100.00%	100%

Portfolio Quality (% of Total Assets)



Other assets account for 6.42% of Total Assets.

Technical Information

Leverage	Nil
Weighted Average Maturity	536

TOP TCF/SUKUK HOLDING (% TOTAL ASSETS) July 31st, 2013

BAFL - V	4.05%
UBL TFC - IV	3.57%
PMCL - Listed	2.71%
SCB Ltd	2.02%
Askari Bank - IV	1.81%
Askari Bank - II	1.20%

FUND MANAGER'S COMMENTS

ABL-SF increased by 12.42% in July'13 against 12.06% increase in the benchmark KSE-30 index, which reflects an outperformance of 36 basis points.

During the month, investment in Oil & Gas sector was decreased from 34.07% to 31.94% of the portfolio, exposure in Chemicals sector was increased from 10.12% to 10.79% and allocation to Construction sector was decreased from 19.11% to 16.45%. ABL-SF as of July 31st 2013 is 86.40% invested in equities and remaining in bank deposits.

Moving ahead, focus will be on the upcoming monetary policy and fiscal measures adopted by the new economic management team. While we anticipate no change in DR in the short-run, expected uptick in CPI figures could raise doubts over medium-term sustainability of interest rates. Planned increase in power tariffs and phasing out of subsidies will be the key fiscal measures that investors will track closely. Complete payment of outstanding circular debt amount last month reflects government's resolve to tackle energy crisis. This, along with intended increase in power tariffs will go a long way to kick start energy-starved corporate Pakistan and bodes well for market in general.

After gaining 12% in July'13 and delivering an impressive 32% return this year, it is natural for the market to consolidate and indulge in some near term profit-taking. However, we remain bullish on equities in medium-long term on the back of strong foreign interest, high dividend payouts and growing local investor base. Security conditions and inflationary pressures remain the key risks and we will make tactical adjustments in the portfolio to minimize any volatility in return.

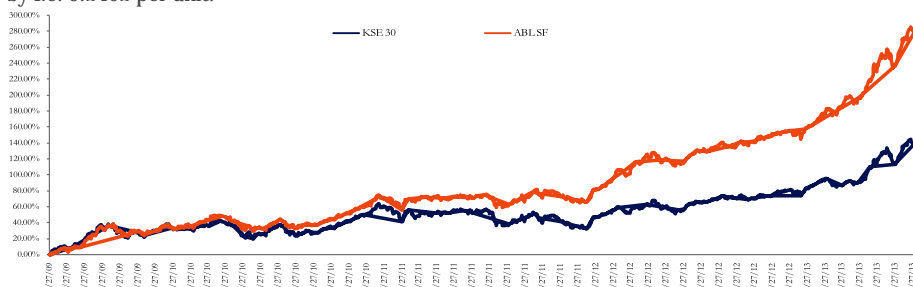
The Scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 12.42mm. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.2492 per unit.

INVESTMENT OBJECTIVE

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

Investment Committee Members:

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



Basic Fund Information

Fund Type	Open-end
Category	Equity Scheme
Launch Date	June 28, 2009
Net Assets	Rs 895.12mm as at July 31, 2013
NAV	Rs 17.9584 as at July 31, 2013
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	3%
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 4-Star (JCR VIS) (Based on Two Year weighted average ranking), MFR 4-Star (JCR VIS) (Based on Three Year weighted average ranking) for periods ended December 31, 2012.

Fund Manager
Listing
Kamran Aziz, CFA
Karachi Stock Exchange

Top Ten Holdings (% of Total Assets)	30-June-13	31-July-13
Pakistan State Oil Co.	8.70%	9.16%
Pakistan Petroleum	8.81%	8.78%
Hub Power Company	8.90%	8.51%
Pakistan Oilfields	8.67%	8.06%
D.G.K.Cement	8.21%	6.99%
Fatima Fertilizer Company	3.79%	6.70%
Nishat Mills	6.16%	6.29%
Oil & Gas Development Co.	7.90%	5.94%
Engro Corporation	5.66%	4.09%
Maple Leaf Cement	6.36%	3.96%

Performance

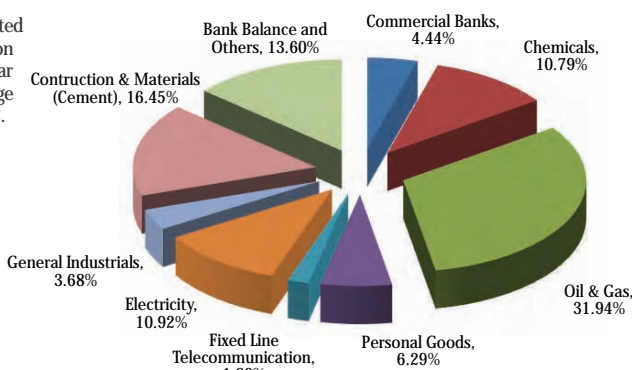
	ABL-SF	KSE-30
Year to Date (YTD)*	12.42%	12.06%
Trailing 12 months*	64.01%	44.07%
Month to Date (MTD)*	12.42%	12.06%

*Returns are net of management fee & all other expenses

Asset Allocation (% of Total Assets)

	30-June-13	31-July-13
Stock/Equities	88.5%	86.4%
Bank Balances	10.9%	13.1%
Others	0.6%	0.5%
Leverage	NIL	NIL

Sector Allocation (% of Total Assets)



INVESTMENT OBJECTIVE

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

FUND MANAGER'S COMMENTS

ABL-CF yielded an annualized return of 7.61% for the month of July 2013 against its benchmark return of 6.03%, reflecting an outperformance of 158 bps. Fund size continues to show improvement and increased by 7.66% to close the month at PKR 15.022 billion.

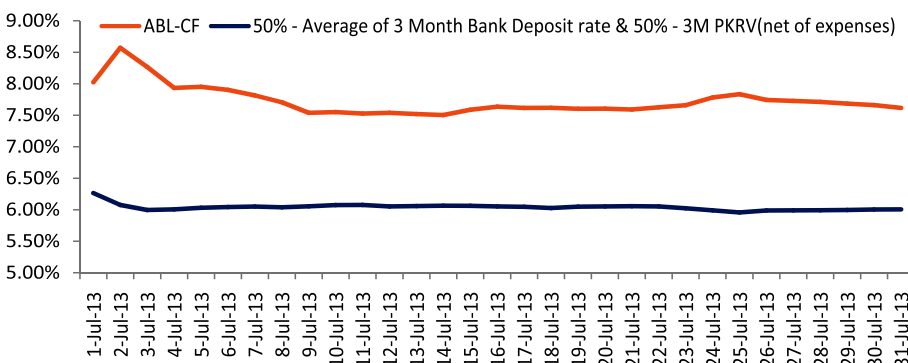
During the month under review, sizable proportion of the term deposits (plus one short term Sukuk) matured. This liquidity was channeled towards T-bills which now account for 70.13% of the portfolio compared to 39.59% in the previous month. Eid related outflows from the system created liquidity shortages which helped ABL CF to increase its allocation in money market placements from 7.55% to 11.72% of total assets.

The fund aims to maintain the current duration of the fund as we expect some inflows back into the system post Eid which may drag down short term yields. We will strategically adjust our duration to capture yield curve movements while keeping the return volatility to a minimum.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 92.35 million. Had the same not been made, the NAV per unit of the scheme would have been higher by Rs.0.0615 per unit.

Investment Committee Members:

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



Basic Fund Information

Fund Type	Open-end
Category	Money Market Scheme
Launch Date	July 30 th , 2010
Net Assets	PKR 15,022 mn as at July 31 st , 2013
NAV	PKR 10.0036 as at July 31 st , 2013 (Ex-dividend)
Benchmark	50% - Average of 3 Month 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 Fee	10% of annualized Gross Return (subject to Upper Cap of 1.25% & Lower Cap of 1%). The fee shall be calculated on daily basis.
Front-end load	Nil
Trustee	Central Depository Company of Pakistan Ltd. (CDC)
Auditor	A.F. Ferguson & Co. Chartered Accountants
Asset Manager Rating	AM2 (JCR-VIS) (Stable outlook)
Risk Profile of the Fund	Low
Fund Stability Rating	AA(f) (JCR-VIS)
Fund Manager	Faizan Saleem
Listing	Karachi Stock Exchange

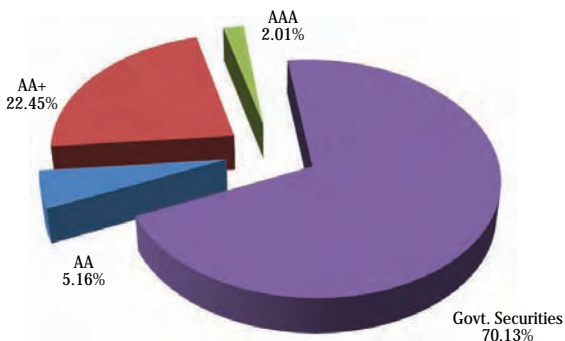
PERFORMANCE

	ABL - CF	Benchmark
Jul-13	7.61%	6.03%
YTD	7.61%	6.03%

ASSET ALLOCATION (% OF TOTAL ASSETS)

	June 30 th , 2013	July 31 st , 2013
Cash	18.39%	7.10%
Placements with Banks (TDRs)	33.47%	8.91%
Money Market Placements DFIs	7.55%	11.72%
Reverse Repo	0.00%	1.89%
T-bills	39.59%	70.13%
HUBCO Short Term Sukuk	0.70%	0.00%
Others Including Receivables	0.30%	0.25%
	100.00%	100.00%

Portfolio Quality (% of Total Assets)



Other assets account for 0.25% of Total Assets

TECHNICAL INFORMATION

Leverage	Nil
Weighted Average Maturity	79.42



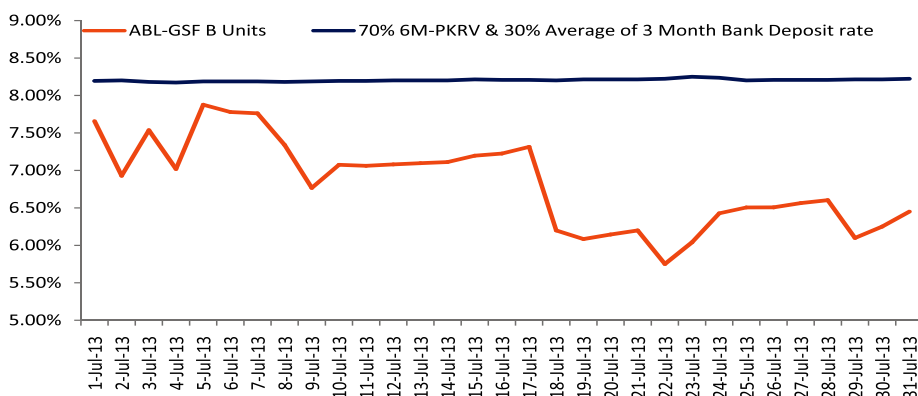
FUND MANAGER'S COMMENTS

ABL-GSF yielded an annualized return of 6.45% p.a. for the month of July 2013 vs. benchmark return of 8.19%, an underperformance of 174 bps due to valuation adjustments in T-bills and bond portfolio. Fund size increased significantly by 44.81% to close at PKR 2.663 billion.

During the month ABL GSF enhanced its allocation in Government Securities from 30.17% to 89.21%, due to which duration (WAM) of the fund increased from 117 days to 324 days. Treasury bill allocation stood at 81.97% compared to 30.17% in previous month, while we have taken fresh exposure of 7.24% in PIBs due to attractive yields. Cash balances, Placement with Banks & DFIs stood at 1.19%, 5.33% and 3.56% of total assets respectively.

Keeping in view the surprise jump in inflation (July CPI 8.26% YoY) and uncertain interest rate outlook due to reentry into the IMF program, we intend to reduce duration in order to minimize return volatility. However, we do not expect a sharp reversal in DR due to real positive interest rates. Moreover, we will readjust duration in a timely manner to benefit from yield curve movements.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 116.997 million. Had the same not been made, the NAV per unit of the scheme would have been higher by Rs. 0.0439 per unit.



INVESTMENT OBJECTIVE

To provide investors, consistent returns with a 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
- Abid Jamal - Head of Research
- Kamran Aziz, CFA - Fund Manager
- Faizan Saleem - Fund Manager

Basic Fund Information

Fund Type	Open-end
Category	Income Scheme
Launch Date	November 30 th , 2011
Net Assets	PKR 2,663 mn as at July 31 st , 2013
NAV	PKR 10.0063 as at July 31 st , 2013 (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 Fee	Class-A unit 0.25%, Class-B unit 1.25%
Front-end load	Nil
Trustee	Central Depository Company of Pakistan Ltd. (CDC)
Auditor	A.F. Ferguson & Co. Chartered Accountants
Asset Manager Rating	AM2 (ICR-VIS) (Stable outlook)
Risk Profile of the Fund	Low
Fund Stability Rating	A+(F) (ICR-VIS)
Fund Manager	Faizan Saleem
Listing	Karachi Stock Exchange

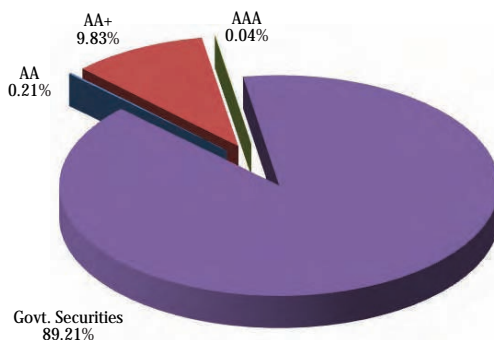
Performance

	ABL-GSF B Units	Benchmark
July-13	6.45%	8.19%
YTD	6.45%	8.19%

Asset Allocation (% Of Total Assets) June 30th, 2013 July 31st, 2013

	June 30 th , 2013	July 31 st , 2013
Cash	42.65%	1.19%
Placements with Banks (TDRs)	21.39%	5.33%
Money Market Placements DFIs	5.03%	3.56%
T-bills	30.17%	81.97%
PIBs	0.00%	7.24%
Others Including Receivables	0.76%	0.71%
	100.00%	100.00%

Portfolio Quality (% Of Total Assets)



Other assets account for 0.71% of Total Assets

Technical Information

Leverage	Nil
Weighted average time to maturity of net assets	324

FUND MANAGER'S COMMENTS

ABL-IIF yielded an annual return of 8.02% for the month of July, an improvement of 150 bps against its previous month's return. The fund continued to outperform its benchmark and was ahead by 149 bps during the month. The improvement in return performance is attributable to increased allocation to GOP Ijarah Sukuks along with active trading in the instrument which yielded decent gains. Fund size declined by 5.88%, to close at PKR 1,103 million at month end.

During the month, ABL-IIF enhanced its allocation to GoP Ijarah Sukuks against cash and maturity of short term HUBCO Sukuk. Weighted average maturity of the fund increased from 310 days to 465 days due to increased allocation to Ijarah Sukuk from 49.69% to 70.29%, whereas cash assets constituted 26.57% of total assets.

Going forward, we expect Ijarah price to appreciate as demand remains strong due to its attractive risk-return profile. Furthermore, we will continue to seek highly rated corporate Sukuks in order to diversify the portfolio and enhance returns.

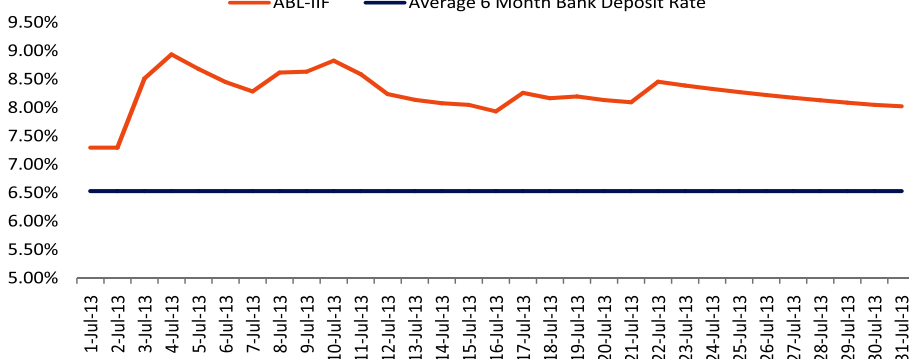
The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 5.0007 million. Had the same not been made, the NAV per unit of the scheme would have been higher by Rs. 0.0457 per unit.

INVESTMENT OBJECTIVE

To provide investors with an opportunity to earn higher income over the 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
 Abid Jamal - Head of Research
 Kamran Aziz, CFA - Fund Manager
 Faizan Saleem - Fund Manager



Basic Fund Information

Fund Type	Open-end
Category	Islamic Income Scheme
Launch Date	July 30 th , 2010
Net Assets	PKR 1,103 mn as at July 31 st , 2013
NAV	PKR 10.0768 as at July 31 st , 2013
Benchmark	Average of 6 Month Deposit rates of 3 Islamic Banks
Dealing Days	As Per Banking Days
Cut-off time	4:00 pm
Pricing mechanism	Forward
Management Fee	1.0% p. a.
Front-end load	Nil
Trustee	Central Depository Company of Pakistan Ltd. (CDC)
Auditor	A.F. Ferguson & Co. Chartered Accountants
Asset Manager Rating	AM2 (ICR-VIS) (Stable outlook)
Risk Profile of the Fund	Low
Fund Stability Rating	A+(F) (ICR-VIS)
Fund Manager	Kamran Aziz, CFA
Listing	Karachi Stock Exchange

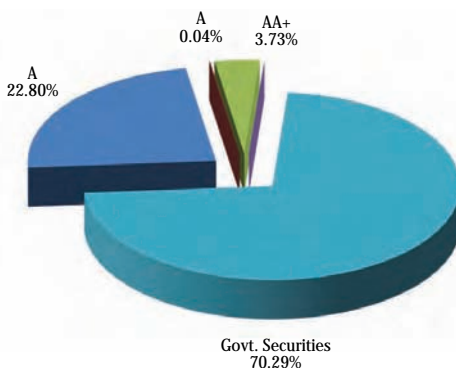
Performance

	ABL-IIF	Benchmark
July-13	8.02%	6.53%
YTD	8.02%	6.53%

Asset Allocation (% Of Total Assets)

	June 30 th , 2013	July 31 st , 2013
Cash	35.27%	26.57%
GOP Ijarah Sukuk	49.69%	70.29%
Hubco Sukuk	12.67%	0.00%
Others Including Receivables	2.37%	3.14%
	100.00%	100.00%

Portfolio Quality (% Of Total Assets)



Other assets account for 3.14% of Total Assets

Technical Information

Leverage	Nil
Weighted average time to maturity of net assets	465

FUND MANAGER'S COMMENTS

ABL-CPF increased by 1.85% in July'13 against 1.24% increase in its benchmark, which reflects an outperformance of 61 basis points. Strong equity performance as well as higher Term Deposit Rates continued to benefit the fund and compounded gains made in earlier months. Equity portion of the portfolio was mainly invested in Oil & Gas (6.45%), Personal Goods (1.22%) and Chemical (1.48%) sectors.

Moving ahead, focus will be on the upcoming monetary policy and fiscal measures adopted by the new economic management team. While we anticipate no change in DR in the short-run, expected uptick in CPI figures could raise doubts over medium-term sustainability of interest rates. Planned increase in power tariffs and phasing out of subsidies will be the key fiscal measures that investors will track closely. Complete payment of outstanding circular debt amount last month reflects government's resolve to tackle energy crisis. This, along with intended increase in power tariffs will go a long way to kick start energy-starved corporate Pakistan and bodes well for market in general.

After gaining 12% in July'13 and delivering an impressive 32% return this year, it is natural for the market to consolidate and indulge in some near term profit-taking. However, we remain bullish on equities in medium-long term on the back of strong foreign interest, high dividend pay outs and growing local investor base. Security conditions and inflationary pressures remain the key risks and we will make tactical adjustments in the portfolio to minimize any volatility in return.

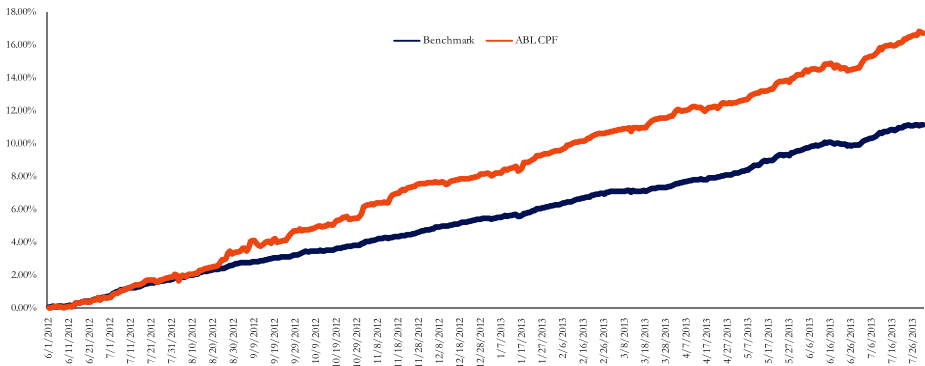
The Scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs.1.09mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0301 per unit

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 Ahmed Khan, CFA, CEO
 Muhammad Imran, CIO
 Kamran Aziz, CFA, Fund Manager
 Faizan Saleem, Fund Manager
 Abid Jamal, Head of Research



Basic Fund Information

Fund Type	Open-end
Category	Capital Protected Scheme
Launch Date	June 01, 2012
Net Assets	Rs 369.86mn as at July 31, 2013
NAV	Rs 10.1978 as at July 31, 2013
Benchmark	Weightage of Capital Protected segment in fund with 2 Year Term Deposite Rate of AA- & above rated banks and weightage of Investment segment with KSE 30 Index
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	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	N/A
Fund Manager	Kamran Aziz, CFA
Listing	Islamabad Stock Exchange

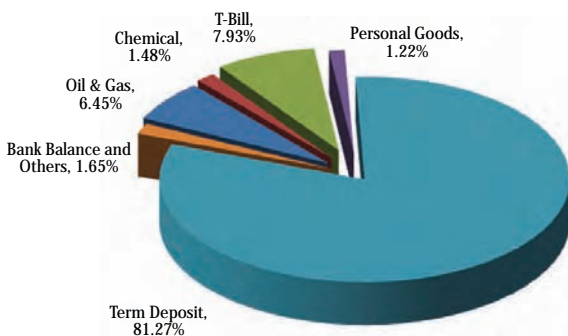
Performance

	ABL-CPF	Benchmark
Year to Date (YTD)*	1.85%	1.24%
Month to Date (MTD)*	1.85%	1.24%

*Returns are net of management fee & all other expenses

Asset Allocation (% of Total Assets)	30-June-13	31-July-13
Stock/Equities	7.83%	9.15%
Bank Balance	9.41%	0.65%
T-Bill	0.00%	7.93%
Term Deposit	81.58%	81.27%
Others	1.19%	1.00%
Leverage	NIL	NIL

Sector Allocation (% of Total Assets)



Top Ten Holdings (% of Total Assets)

Top Ten Holdings (% of Total Assets)	30-June-13	31-July-13
Pakistan Oilfields	0.00%	2.77%
Pakistan State Oil Co.	0.98%	2.69%
Fatima Fertilizer Company	0.57%	1.48%
Kohinoor Textile	0.00%	1.22%
Pakistan Petroleum	2.13%	0.99%

FUND MANAGER'S COMMENTS

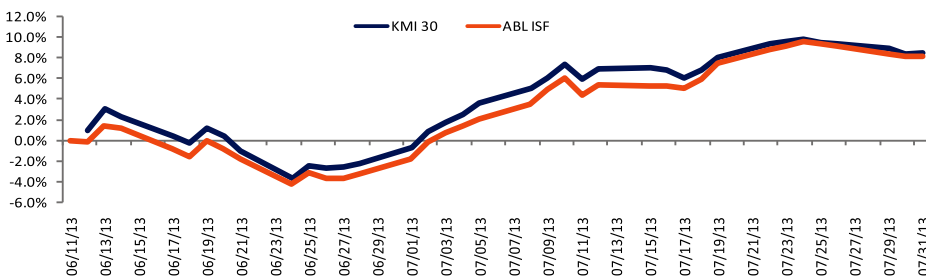
ABL-ISF increased by 11.74% in July '13 against 11.06% increase in the benchmark KMI-30 index, which reflects an outperformance of 68 basis points. Since inception, the fund has increased by 8.12%. Fund size also jumped by 9.3% to Rs 703mn.

ABL-ISF reduced market exposure by 2.35% as of July 31st 2013 and was 86.05% invested in equities and remaining in bank deposits. The additional cash was raised by lowering chemical sector's weight to 4.5%, construction to 18.8% while maintaining exposure in Oil & Gas sector at 38.1% of the portfolio.

Moving ahead, focus will be on the upcoming monetary policy and fiscal measures adopted by the new economic management team. While we anticipate no change in DR in the short-run, expected uptick in CPI figures could raise doubts over medium-term sustainability of interest rates. Planned increase in power tariffs and phasing out of subsidies will be the key fiscal measures that investors will track closely. Complete payment of outstanding circular debt amount last month reflects government's resolve to tackle energy crisis. This, along with intended increase in power tariffs will go a long way to kick start energy-starved corporate Pakistan and bodes well for market in general.

After gaining 12% in July '13 and delivering an impressive 32% return this year, it is natural for the market to consolidate and indulge in some near term profit-taking. However, we remain bullish on equities in medium-long term on the back of strong foreign interest, high dividend pay outs and growing local investor base. Security conditions and inflationary pressures remain the key risks and we will make tactical adjustments in the portfolio to minimize any volatility in return.

The Scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs.1.08mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0166 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 gains and dividends.

Investment Committee Members:

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

Basic Fund Information

Fund Type	Open-end
Category	Islamic Equity Scheme
Launch Date	June 12, 2013
Net Assets	Rs 703.54mn as at July 31, 2013
NAV	Rs 10.8121 as at July 31, 2013
Benchmark	KMI-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	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
Fund Manager	Kamran Aziz, CFA
Listing	Karachi Stock Exchange

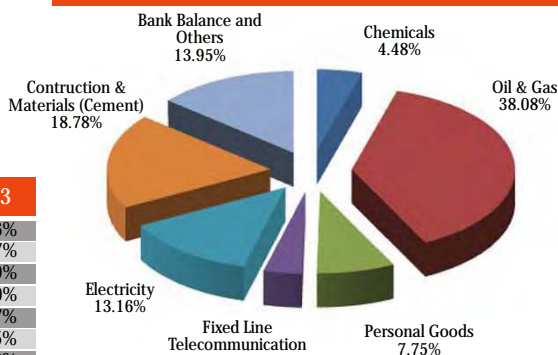
Performance

	ABL-ISF	KMI-30
Year to Date (YTD)*	11.74%	11.06%
Month to Date (MTD)*	11.74%	11.06%

*Returns are net of management fee & all other expenses

Asset Allocation (% of Total Assets)	30-Jun-13	31-July-13
Stock/Equities	88.42%	86.05%
Bank Balances	10.15%	12.74%
Others	1.50%	1.21%
Leverage	NIL	NIL

Sector Allocation (% of Total Assets)



Top Ten Holdings (% of Total Assets)	30-Jun-13	31-July-13
Hub Power Company	12.30%	13.16%
Pakistan Petroleum	11.78%	11.57%
Pakistan Oilfields	10.64%	11.29%
Pakistan State Oil Co.	9.53%	10.50%
D.G.K.Cement	10.10%	8.87%
Nishat Mills	8.15%	7.75%
Lucky Cement	3.95%	6.82%
Oil & Gas Development Co.	6.18%	4.72%
P.T.C.L	2.63%	3.80%
Maple Leaf Cement	6.17%	3.09%



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