



ABL AMC
FUNDFOCUS

FUND MANAGER'S REPORT
MAY 2014

ECONOMY AND CAPITAL MARKETS UPDATE

Economic recovery continues

Pakistan's key economic indicators continued to depict stability over May 2014 with significant improvement witnessed in the external account situation. FX reserves closed the month at USD13.4 billion (SBP reserves USD8.68 billion) on the back of receipts from 3G/4G auction (USD900 million), Coalition Support funds (USD370 million) and current account deficit tapering off (USD64 million in April vs. USD135 million in March 2014). Inflationary pressures also eased as decline in food prices coupled with moderate decline in petroleum prices, brought the CPI inflation to 8.34% for May (-0.3% MoM). On the fiscal front, tax collection picked up as we approach the fiscal year end. Tax receipts were recorded at PKR212 billion for May 2014, +20% YoY (11MFY13, Tax collection PKR1,958 billion), but were still short of the target by PKR7 billion. FY15 budget focused heavily on subsidy cuts and enhanced revenue measures which could prove to be the inflationary in coming months. Monetary authorities are expected to keep a close eye on budgetary impacts as the recent decision to maintain discount rate at 10% focused on policy vigilance and continuous monitoring of key economic indicators. Post budget inflation hike coupled with Ramadan effect could lead to monetary authorities adopting a cautious stance and delaying the much required easing by a few months.

Yields inched up post MPS

Money market yields softened during initial part of May 2014 in anticipation of discount rate cut; however, yields adjusted as SBP maintained the policy rate at 10% in MPS announcement. Market struggled for liquidity owing to excessive exuberance shown by FIs in PIB auction which pushed yields up. A PIB auction having a pre-defined target of PKR100 billion was conducted during the month where PKR242 billion was received in bids against which SBP accepted the entire amount at previous cut offs. SBP intervened several times in the form of OMO injection to keep market liquid. During the month, market sorted out an anomaly of reporting 2 year bond PKRVs which affected the yields after adjustment. T-bill auctions witnessed another month of weak participation (PKR241 billion against pre-defined auction target of PKR850 billion for the month) where investor interest remained concentrated largely in one year T-bills ignoring the 3 and 6 months tenors. With May inflation below 8.5% mark, we continue our liking for PIBs as a 50-100 bps cut in discount rate over the period of next 6 months remains a possibility amidst overall improvement in macroeconomic indicators.

Foreign flows driving equities

Equities continued their upward journey with the benchmark KSE-100 index gaining 3% MoM for the month of May 2014 to close at a peak level of 29,738 points. Significant increase in Pakistan's weight (from 3.88% to 7.02%) in the MSCI Frontier Market Index was the key highlight for May 2014 resulting in strong foreign flows (clocked in at USD70 million for the month). Four new additions in main index include K-Electric (KEL), Pakistan Tobacco (PAKT), Pakistan state oil (PSO) and Lucky cement (LUCK) while Hub power (HUBC) was removed from main index and transferred to MSCI small cap Index. Furthermore, significant success of the much awaited auction for 3G/4G licenses was also cheered by the market. Going forward, we believe overall improving economic environment, strong foreign interest, privatizations and secondary offerings of banks are expected to keep investor interest alive. However, FY15 budget was a dampener for market sentiment as the tax measures announced (Increase in CGT, increase in holding period to avoid CGT, and withholding tax on bonus share issues) will hurt volumes and investment returns. Fundamentals still look attractive and the market currently trades at 2014E P/E of 8.7x and offers prospective dividend yield of 5.2%.

ECONOMIC SUMMARY

	Last Reported Month	Current Month	Previous Month	YTD
CPI Inflation	May	8.34%	9.18%	8.66%
Trade Deficit (USD mn)	April	(1,134)	(1,229)	(13,161)
Remittances (USD mn)	April	1,312	1,337	12,895
Current A/C (USD mn)	April	(64)	(135)	(2,407)
FDI (USD mn)	April	81	64	751
Tax Collection ** (PKR bn)	May	212	167	1,958
M2 Growth*	May	-	-	8.66%
FX Reserves* (USD bn)	May	-	-	13.44

Source SBP, FBS

* Latest monthly figures

** Provisional figures

GOVERNMENT SECURITIES

PKRV Yields (%)	6 M	1 Yr	3 Yr	5 Yr	10 Yr
May 30, 2014	9.98	10.04	12.19	12.58	12.97
April 30, 2014	9.98	9.99	11.74	12.29	12.70
Change (bps)	0	5	45	29	27

Source : FMA

EQUITY MARKET PERFORMANCE

	May-14	Apr-14	M/M	1 Yr Low	1 Yr High
KSE - 100 Index	29,738	28,913	3%	21,003	29,738
Avg. Daily Vol. (mn)	166	290	-43%	62	665
Avg. Daily Val. (USD mn)	76	120	-37%	19	182
2014E PE(X)	9				
2014E DY	5%				

Source: KSE, Bloomberg

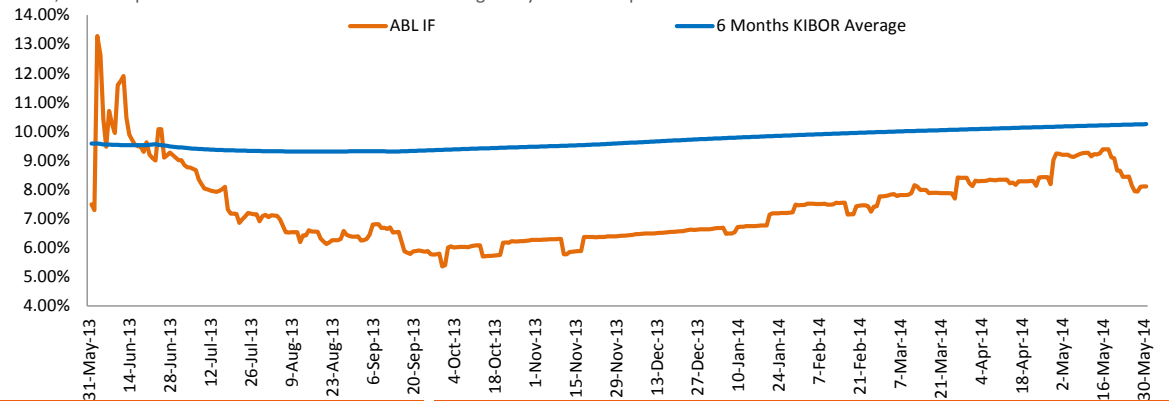
FUND MANAGER'S COMMENTS

ABL-IF delivered a return of (3.82%) for the month of May 2014 Vs the benchmark performance of 10.17%, an underperformance of 13.99%. The performance was largely affected by mark to market adjustment on bond portfolio due to unexpected decision of status quo in last monetary policy announced in mid May and removal of yield anomaly in 2 year PKRV rate. The PIB pricing issue has affected the entire financial sector and the short term impact is severe as FI's had built substantial positions due to improvement on macro front and expected decline in interest rates in FY15. On YTD basis, ABL IF posted an annualized return of 7.95% compared to its benchmark performance of 9.79%, thus showing an underperformance of 183bps.

In order to minimize return volatility, we have decreased allocation in PIBs and increased T-Bills to 36.6% and 27.44% of total assets compared to 42.53% and 19.66% in the previous month, respectively. As a result, WAM of the portfolio decreased from 979 days to 769 days. Remaining assets mainly constitute of TDR, TFCs, Govt Guaranteed Instruments and Cash assets at 14.96%, 5.44%, 4.17% and 4.72% respectively. ABL IF fund size declined marginally by 2.3% during the month and closed at PKR 1.626 billion.

Going forward, we plan to maintain the current allocation in PIBs due to better accruals and potential capital gains. Overall our view on decline in interest rates in CY14 remains intact. We suggest our investors to ignore short term volatility and stay invested for at least 6 to 12 month in order to benefit from long term investment returns.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 34.728 million, had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.2136 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 th , 2008
Net Assets	PKR 1,626.354 mn as at May 31 st , 2014
NAV	PKR 10.0043 as at May 31 st , 2014 (Ex-dividend)
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	769

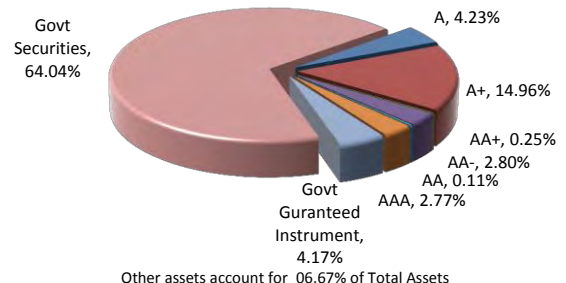
TOP TFCs / SUKUK HOLDING (% OF TOTAL ASSETS)	May 31 st , 14
WAPDA PPTFC	4.17%
BAFL TFC - V	2.75%
SCB Ltd	2.70%

PERFORMANCE

	ABL-IF	Benchmark
May-14	-3.82%	10.17%
YTD	7.95%	9.79%

ASSET ALLOCATION (% OF TOTAL ASSETS)	April 30th 2014	May 31st 2014
Cash	6.43%	4.72%
Placements with Banks (TDRs)	14.64%	14.96%
T-Bills	19.66%	27.44%
PIBs	42.53%	36.60%
GoP Ijarah Sukuk	0.03%	0.00%
GoP Guaranteed Corp. Instruments	4.10%	4.17%
TFCs	6.50%	5.44%
Spread Transactions	0.17%	0.00%
Others Including Receivables	5.95%	6.67%
	100.00%	100.00%

PORTFOLIO QUALITY (% OF TOTAL ASSETS)



Other assets account for 06.67% of Total Assets

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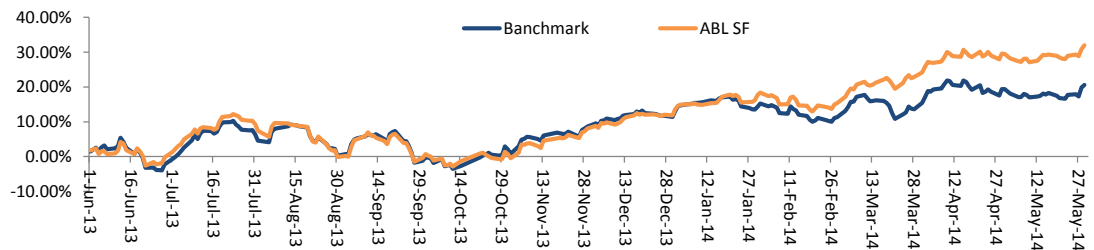
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FUND MANAGER'S COMMENTS

ABL-SF increased by 1.9% in May'14 against a 1.0% increase in KSE-30 index, which reflects an outperformance 90 basis points over the benchmark. During the month, investment in Oil & Gas sector was increased from 24.9% to 28.7% of the portfolio, exposure in Chemicals sector was increased from 15.7% to 19.1% and allocation to Construction sector was decreased from 8.3% to 8.0%. Weight in Oil and Gas sector was increased to capitalize on year end results/payouts while exposure in Chemicals was enhanced through more allocation towards Engro, which stands to benefit from strengthening rupee and expected decline in interest rates. ABL-SF, as of May 31, 2014, is 92.3% invested in equities and remaining in bank deposits.

KSE-100 closed at an all-time high of 29,737 points in the month of May, but CGT and budget related concerns reduced average daily turnover to US\$76mn, a M/M decline of 37%. Foreign interest was exceptionally strong during the month, particularly in the closing week (MTD FPI: US\$70mn) as Pakistan's weight in MSCI Frontier Market Index enhanced from 3.9% to 7.0%. Macro story continued to strengthen with forex reserves rising from \$12.2bn to \$13.4bn. FY15 budget, however, was a dampener for the stock market as new tax measures (increase in CGT rate, significant increase in holding period to avoid CGT and withholding tax levied on bonus shares) are expected to hurt investor sentiment. Hopes are still high on a DR cut in the next monetary policy and continued foreign interest will serve as vital impetus for the market over next one to two months. We will keep a close eye on foreign flows, key economic indicators and impact of recently announced budgetary measures and reallocate our portfolio accordingly over the next month.

The scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 15.0mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.2716 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 825.66mn as at May 31 st , 2014
NAV	Rs 14.9533 as at May 31st, 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

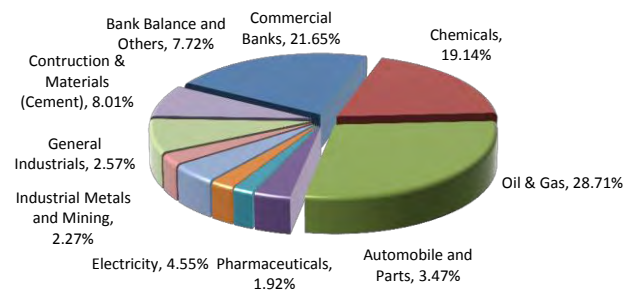
PERFORMANCE

	ABL-SF	KSE-30
Year to Date (YTD)*	34.59%	25.57%
Trailing 12 Months*	31.98%	20.57%
Month to Date (MTD)*	1.88%	1.00%

*Returns are net of management fee & all other expenses

ASSET ALLOCATION (% OF TOTAL ASSETS)	Apr 30th 2014	May 31st 2014
Stock/Equities	84.19%	92.28%
Bank Balances	8.56%	9.21%
T-Bills	6.09%	0.00%
Others	7.25%	-1.49%
Leverage	NIL	NIL

SECTOR ALLOCATION (% OF TOTAL ASSETS)



TOP TEN HOLDINGS (% OF TOTAL ASSETS) Apr 30th 2014 May 31st 2014

Company	Apr 30th 2014	May 31st 2014
Pakistan Oilfields	9.15%	8.97%
Pakistan State Oil Co.	4.71%	8.51%
Pakistan Petroleum	6.36%	6.73%
Engro Corporation	4.26%	6.63%
Arif Habib Corporation	6.53%	6.19%
MCB Bank Ltd.	4.30%	5.97%
National Bank of Pakistan	5.33%	5.90%
Maple Leaf Cement	5.11%	4.86%
Hub Power Company	4.79%	4.55%
Fatima Fertilizer.	4.69%	4.33%

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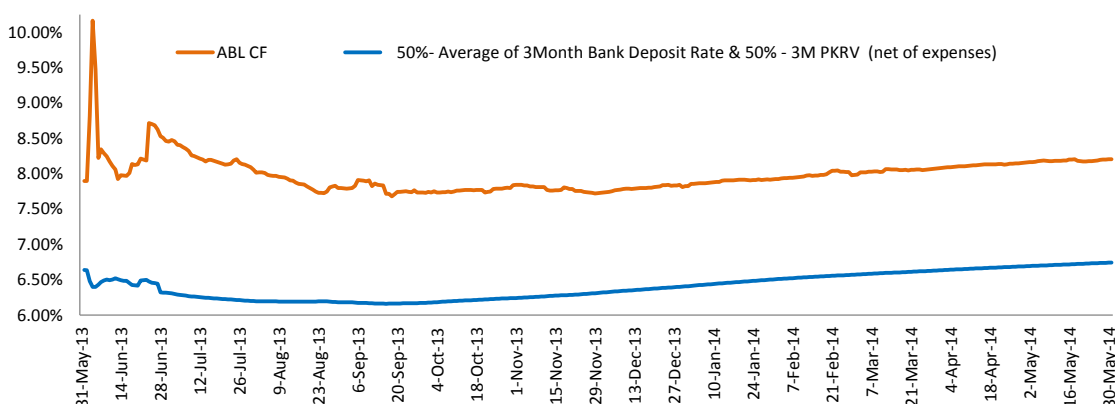
FUND MANAGER'S COMMENTS

ABL-CF yielded an annualized return of 8.12% for the month of May 2014 compared to its benchmark return of 6.88%, reflecting an outperformance of 124bps. On YTD basis, ABL CF has clocked in an annualized return of 8.12%, surpassing the benchmark return of 6.55% by 158 bps. Against our expectation of rate cut in discount rate, SBP kept the discount rate unchanged at 10% last month. Consequently, we experienced some volatility in returns throughout May 2014.

During the month, ABL Cash Fund decreased its exposure in government securities to 63.33% of total assets against 89.9% in the previous month. Allocation to TDRs and money market placements increased to 14.67% and 14.32% of total assets compared to 0% and 7.65% of total assets respectively. Fund size increased marginally by 0.079% to close at P1KR 16.837bn.

As we move ahead, we will increase our allocation in TDRs and MM placements which will add stability to returns due to high deposit rates offered by banks on account of year end.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 114.888 million, had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0683 per unit.



INVESTMENT OBJECTIVE

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 th , 2010
Net Assets	PKR 16,837.90 mn as at May 31 st , 2014
NAV	PKR 10.0045 as at May 31 st , 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 Func	Low
Fund Stability Rating	AA(f) (JCR-VIS)
Fund Manager	Faizan Saleem
Listing	Karachi Stock Exchange

TECHNICAL INFORMATION

Leverage	NIL
Weighted average time to maturity of net assets	72

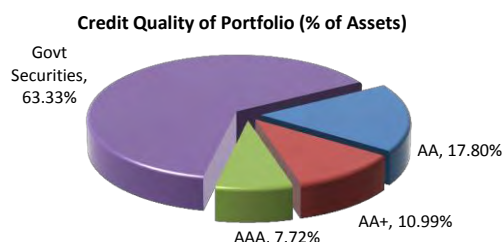
PERFORMANCE

	ABL-CF	Benchmark
May-14	8.12%	6.88%
YTD	8.12%	6.55%

*Returns are net of Management fee and all other expenses

ASSET ALLOCATION (% OF TOTAL ASSETS)	April 30th 2014	May 31st 2014
Cash	2.37%	7.53%
Placements with Banks (TDRs)	0.00%	14.67%
Money Market Placements	7.65%	14.32%
T-Bills	89.91%	63.33%
Others Including Receivables	0.07%	0.15%
	100.00%	100.00%

PORTFOLIO QUALITY (% OF TOTAL ASSETS)



Other assets account for 0.15% of Total Assets

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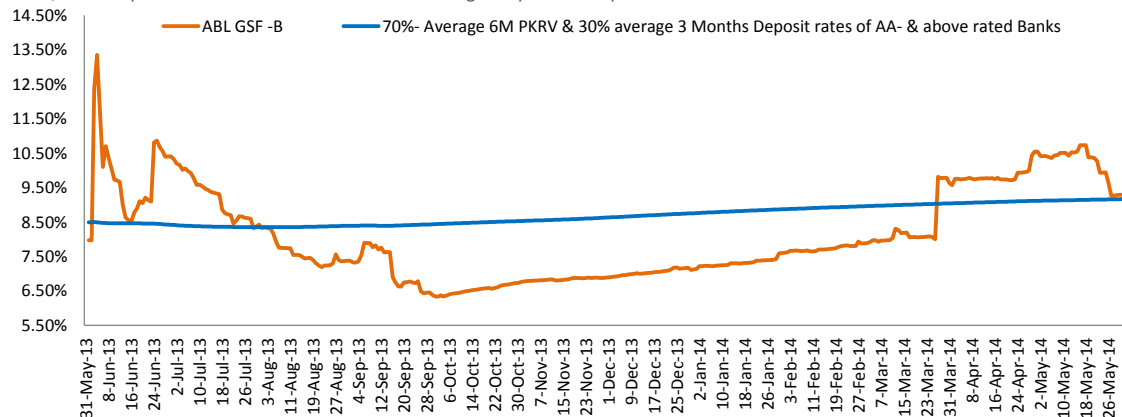
FUND MANAGER'S COMMENTS

ABL-GSF posted a decline of 3.79% in May 2014 versus benchmark performance of 8.94%. The fund underperformed its benchmark on account of reversal of unrealized gains on our bond portfolio due to unexpected decision of status quo in last monetary policy announced in mid May and removal of yield anomaly in 2 year PKRV rate. The PIB pricing issue has affected the entire financial sector and the short term impact is severe as FI's had built substantial positions due to improvement on macro front and expected decline in interest rates in FY15. Despite the mark to market adjustments and volatility, ABL GSF performed well on YTD basis posting an annualized yield of 9.12% compared to its benchmark of 8.80%, an outperformance of 32bps.

At month end, PIBs constituted 56.43% of the portfolio followed by T-bills at 40.05% and Cash at 0.96% of the total assets compared to 70.85%, 25.91% and 0.51% in previous month, respectively. Due to reduction in PIB exposure, WAM of the fund decreased from 1150 days to 939 days. Fund size continued to show improvement and increased significantly by 47.7% during the month to close at Rs.4.621 billion.

Going forward, we will maintain the current duration of the fund in anticipation of 50 to 100bps cut in the policy rate over the next 3-6 months. We suggest our investors to ignore short term volatility and stay invested for at least 6 to 12 month in order to benefit from long term investment returns.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 120.422 million, had the same not been made, the NAV per unit of the scheme would have been higher by Rs 0.2607 per unit.



INVESTMENT OBJECTIVE

To deliver optimal risk adjusted returns by investing mainly in mix of short to long term Government Securities and 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 th , 2011
Net Assets	PKR 4,621.10 mn as at May 31 st , 2014
NAV	PKR 10.0058 as at May 31 st , 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-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

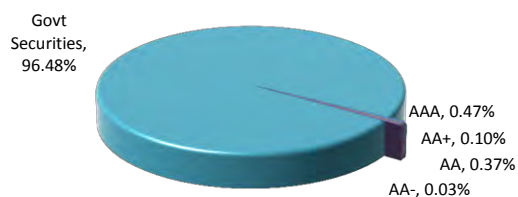
PERFORMANCE

	ABL-GSF	Benchmark
May-14	-3.79%	8.94%
YTD	9.12%	8.79%

ASSET ALLOCATION (% OF TOTAL ASSETS)

	April 30th 2014	May 31st 2014
Cash	0.51%	0.96%
Placements with Banks (TDRs)	0.00%	0.00%
Money Market Placements DFIs	0.00%	0.00%
T-Bills	25.91%	40.05%
PIBs	70.85%	56.43%
Others Including Receivables	2.72%	2.55%
	100.00%	100.00%

PORTFOLIO QUALITY (% OF TOTAL ASSETS)



Other assets account for 2.56% of Total Assets

TECHNICAL INFORMATION

Leverage	NIL
Weighted average time to maturity of net assets	939

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FUND MANAGER'S COMMENTS

ABL IIF posted an annualized return of 9.76% in the month of May 2014 against the benchmark return of 7.15%, thus showing an outperformance of 262 bps. The return was mainly attributed to trading gains on highly demanded "WAPDA Sukuk". ABL IIF performance was also impressive on YTD basis - an annualized return of 8.95% versus the benchmark yield of 6.75%, an outperformance of 220 bps.

Islamic Banking system carries ample liquidity. The dearth of investment avenues has created significant demand for Government and Corporate Islamic instruments. There is great competition to place fund at better yields and the scarcity of instruments is causing an artificial price hike in some counters. At month end, the fund comprised of Corporate Sukuk and bank deposit at 15.75% and 77.64% of assets respectively. Weightage average maturity of the fund was reduced to 112 days compared to 317 days in previous month. Fund size reduced by 8.2% to close at PKR 1,273 million.

Going ahead, we will continue to look for high yield instruments in order to place cash at decent rates along with a goal to book trading gains.

The Scheme has maintained the provisional asset against Workers' welfare Fund's Liability to the tune of Rs. 6.752 million, Had the same not been made, the NAV per unit of the scheme would have been higher by Rs. 0.0531 per unit.

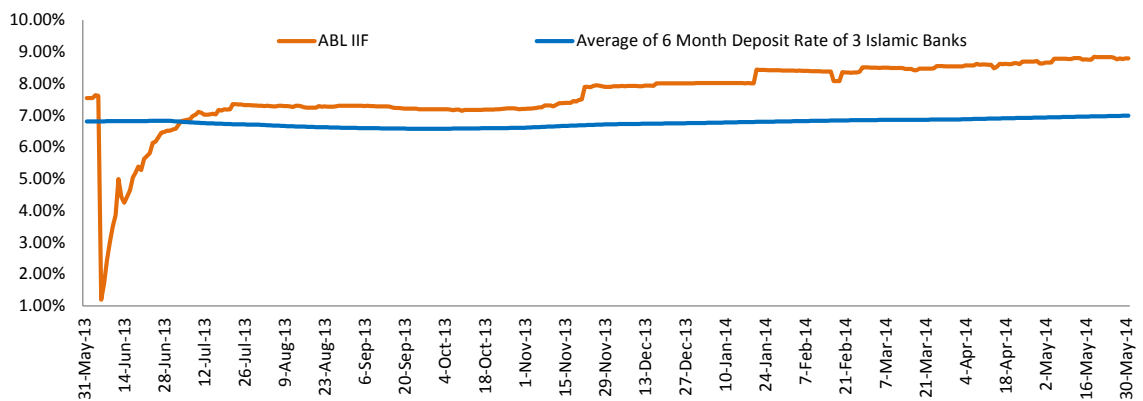
INVESTMENT OBJECTIVE

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 th , 2010
Net Assets	PKR 1,273.01 mn as at May 31 st , 2014
NAV	PKR 10.0065 as at May 31 st , 2014 (Ex-dividend)
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

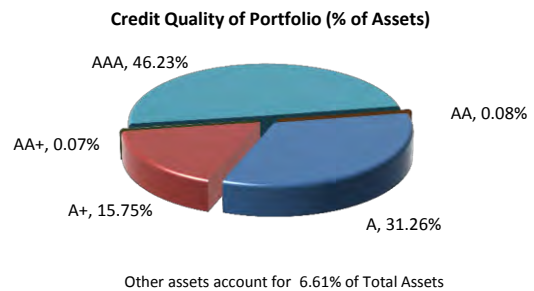
PERFORMANCE

	ABL-IIF	Benchmark
May-14	9.76%	7.15%
YTD	8.95%	6.75%

ASSET ALLOCATION (% OF TOTAL ASSETS)

	April 30th 2014	May 31st 2014
Cash	77.59%	77.64%
Corporate Sukuk	13.67%	15.75%
Govt. Guaranteed Corp. Sukuk	7.95%	0.00%
Others Including Receivables	0.78%	6.61%
	100.00%	100.00%

PORTFOLIO QUALITY (% OF TOTAL ASSETS)



TECHNICAL INFORMATION

Leverage	NIL
Weighted average time to maturity of net assets	112

TOP SUKUK HOLDING (% OF TOTAL ASSETS) May 31st, 14

K-Electric Sukuk - 03 Years	8.43%
K-Electric Sukuk - 13 Months	7.33%

FUND MANAGER'S COMMENTS

ABL-CPF increased by 0.6% in May'14 against 0.7% increase in its benchmark, which reflects a slight underperformance of 10 basis points. Fund's holding were liquidated during the month as term of the fund expired. Over the term of 2 years, ABL CPF made an absolute return of 25% despite offering full capital protection with a guaranteed return of 7% to its investors.

KSE-100 closed at an all-time high of 29,737 points in the month of May, but CGT and budget related concerns reduced average daily turnover to US\$76mn, a M/M decline of 37%. Foreign interest was exceptionally strong during the month, particularly in the closing week (MTD FIPI: US\$70mn) as Pakistan's weight in MSCI Frontier Market Index enhanced from 3.9% to 7.0%. Macro story continued to strengthen with forex reserves rising from \$12.2bn to \$13.4bn. FY15 budget, however, was a dampener for the stock market as new tax measures (increase in CGT rate, significant increase in holding period to avoid CGT and withholding tax levied on bonus shares) are expected to hurt investor sentiment. Hopes are still high on a DR cut in the next monetary policy and continued foreign interest will serve as vital impetus for the market over next one to two months.

The scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 1.58mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0425 per unit.

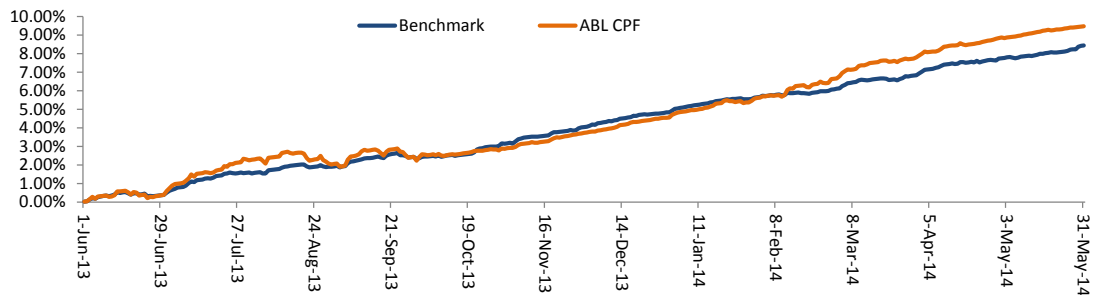
INVESTMENT OBJECTIVE

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 371.22mn as at May 31st, 2014
NAV	Rs 10.0032 as at May 31st, 2014 (Ex-Dividend)
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.
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

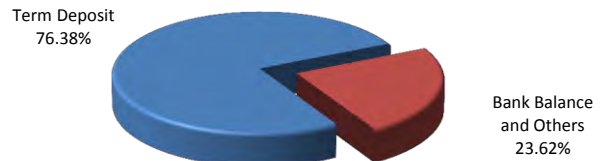
PERFORMANCE

	ABL-CPF	Benchmark
Year to Date (YTD)*	9.1%	8.2%
Month to Date (MTD)*	0.6%	0.7%

*Returns are net of management fee & all other expenses

ASSET ALLOCATION (% OF TOTAL ASSETS)	Apr 30th 2014	May 31st 2014
Bank Balance	0.85%	15.18%
Term Deposit	76.84%	76.38%
Others	8.51%	8.44%
Leverage	NIL	NIL

ALLOCATION (% OF TOTAL ASSETS)

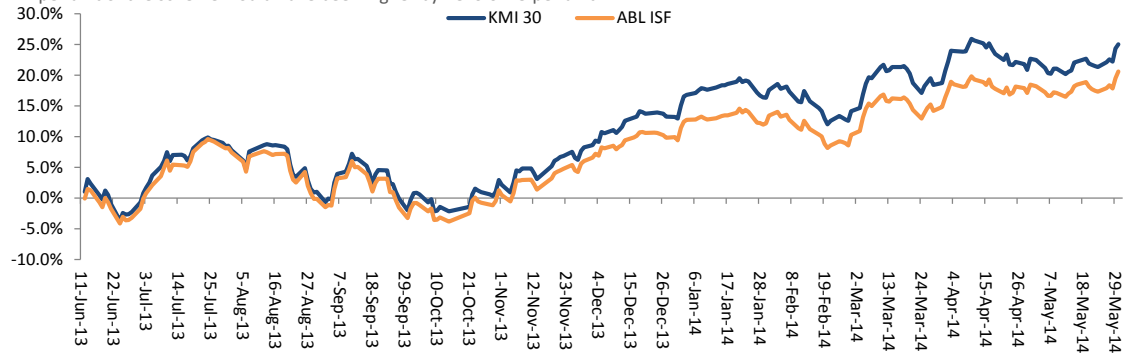


FUND MANAGER'S COMMENTS

ABL-ISF increased by 1.8% in May'14 against 1.9% increase in the benchmark KMI-30 index, which reflects a slight underperformance of 10 basis points. During the month, exposure in Oil & Gas sector was increased from 36.6% to 37.6% of the portfolio, exposure in Chemicals sector increased from 12.4% to 14.1% and allocation to Construction sector was decreased from 18.1% to 17.8%. ABL-ISF as of May 2014 was 92.1% invested in equities and remaining in bank deposits.

KSE-100 closed at an all-time high of 29,737 points in the month of May, but CGT and budget related concerns reduced average daily turnover to US\$76mn, a M/M decline of 37%. Foreign interest was exceptionally strong during the month, particularly in the closing week (MTD FPI: US\$70mn) as Pakistan's weight in MSCI Frontier Market Index enhanced from 3.9% to 7.0%. Macro story continued to strengthen with forex reserves rising from \$12.2bn to \$13.4bn. FY15 budget, however, was a dampener for the stock market as new tax measures (increase in CGT rate, significant increase in holding period to avoid CGT and withholding tax levied on bonus shares) are expected to hurt investor sentiment. Hopes are still high on a DR cut in the next monetary policy and continued foreign interest will serve as vital impetus for the market over next one to two months. We will keep a close eye on foreign flows, key economic indicators and impact of recently announced budgetary measures and reallocate our portfolio accordingly over the next month.

The scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 5.19mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0419 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 1,491.06mn as at May 31st, 2014
NAV	Rs 12.0564 as at May 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

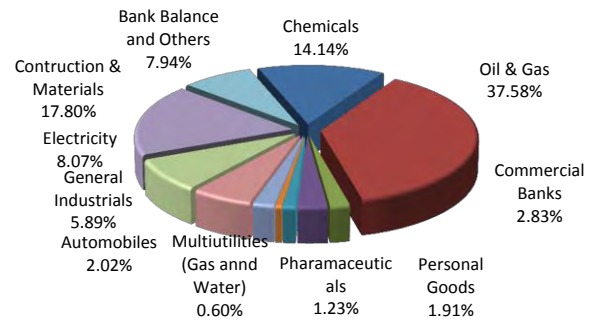
	ABL-ISF	KMI-30
Year to Date (YTD)*	24.60%	27.98%
Month to Date (MTD)*	1.77%	1.93%

*Returns are net of management fee & all other expenses

ASSET ALLOCATION (% OF TOTAL ASSETS)

	Apr 30th 2014	May 31st 2014
Stock/Equities	88.93%	92.06%
Bank Balances	9.04%	9.27%
Others	2.03%	-1.33%
Leverage	NIL	NIL

SECTOR ALLOCATION (% OF TOTAL ASSETS)



TOP TEN HOLDINGS (% OF TOTAL ASSETS)

	Apr 30th 2014	May 31st 2014
Pakistan Oilfields	13.13%	12.56%
Pakistan State Oil Co.	6.64%	9.54%
Pakistan Petroleum	9.40%	8.84%
Hub Power Company	8.94%	8.07%
Fauji Fertilizer Company	6.44%	7.09%
Packages Limited	4.35%	5.89%
D.G.K.Cement	5.76%	5.82%
Maple Leaf Cement	5.72%	5.24%
Lucky Cement	5.01%	5.17%
Fatima Fertilizer Company	3.85%	5.06%

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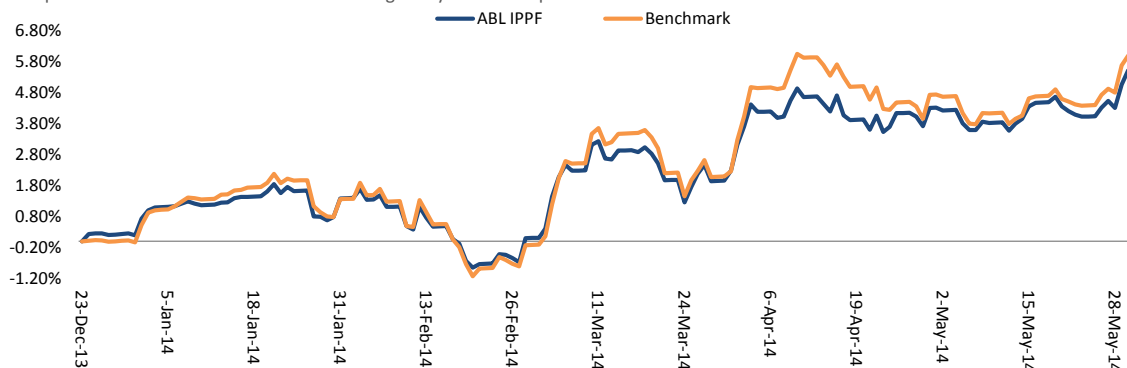
Disclaimer: This publication is for informational purposes only and nothing here in should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns there on are dependant 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 IPPF increased by 1.2% during the month, in line with benchmark 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 50.1% with rest of the funds deployed in Islamic Bank deposits.

KSE-100 closed at an all-time high of 29,737 points in the month of May, but CGT and budget related concerns reduced average daily turnover to US\$76mn, a M/M decline of 37%. Foreign interest was exceptionally strong during the month, particularly in the closing week (MTD FIPI: US\$70mn) as Pakistan's weight in MSCI Frontier Market Index enhanced from 3.9% to 7.0%. Macro story continued to strengthen with forex reserves rising from \$12.2bn to \$13.4bn. FY15 budget, however, was a dampener for the stock market as new tax measures (increase in CGT rate, significant increase in holding period to avoid CGT and withholding tax levied on bonus shares) are expected to hurt investor sentiment. Hopes are still high on a DR cut in the next monetary policy and continued foreign interest will serve as vital impetus for the market over next one to two months. We will keep a close eye on foreign flows, key economic indicators and impact of recently announced budgetary measures and reallocate our portfolio accordingly over the next month.

The scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 1.12mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0112 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 1,052.71mn as at May 31st, 2014
NAV	Rs 10.5527 as at May 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)
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

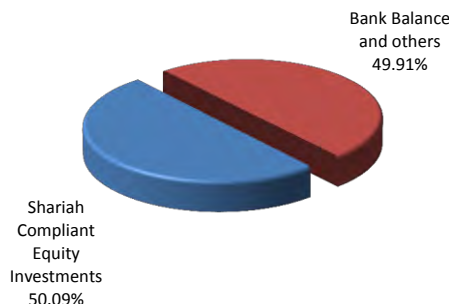
	ABL-IPPF	Benchmark
Year to Date (YTD)*	5.53%	6.01%
Month to Date (MTD)*	1.16%	1.21%

*Returns are net of management fee & all other expenses

ASSET ALLOCATION (% OF TOTAL ASSETS)

	Apr 30th 2014	May 31st 2014
Shariah Compliant Equity Scheme	49.60%	50.09%
Bank Balances	49.66%	48.83%
Others	0.73%	1.08%
Leverage	NIL	NIL

SECTOR ALLOCATION (% OF TOTAL ASSETS)



TOP HOLDINGS (% OF TOTAL ASSETS)

	Apr 30th 2014	May 31st 2014
ABL Islamic Stock Fund	49.60%	50.09%

FUND MANAGER'S COMMENTS

The fund increased by 1.1% in May'14 against 1.2% increases in its benchmark, which reflects a slight underperformance of 10 basis points. Using a median gradient of 3.0 times under the CPPI methodology for principal preservation, equity allocation of the fund was set at 51.3% with rest of the funds deployed in Islamic Bank deposits.

KSE-100 closed at an all-time high of 29,737 points in the month of May, but CGT and budget related concerns reduced average daily turnover to US\$76mn, a M/M decline of 37%. Foreign interest was exceptionally strong during the month, particularly in the closing week (MTD FPI: US\$70mn) as Pakistan's weight in MSCI Frontier Market Index enhanced from 3.9% to 7.0%. Macro story continued to strengthen with forex reserves rising from \$12.2bn to \$13.4bn. FY15 budget, however, was a dampener for the stock market as new tax measures (increase in CGT rate, significant increase in holding period to avoid CGT and withholding tax levied on bonus shares) are expected to hurt investor sentiment. Hopes are still high on a DR cut in the next monetary policy and continued foreign interest will serve as vital impetus for the market over next one to two months. We will keep a close eye on foreign flows, key economic indicators and impact of recently announced budgetary measures and reallocate our portfolio accordingly over the next month.

The scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 0.3635mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0051 per unit.

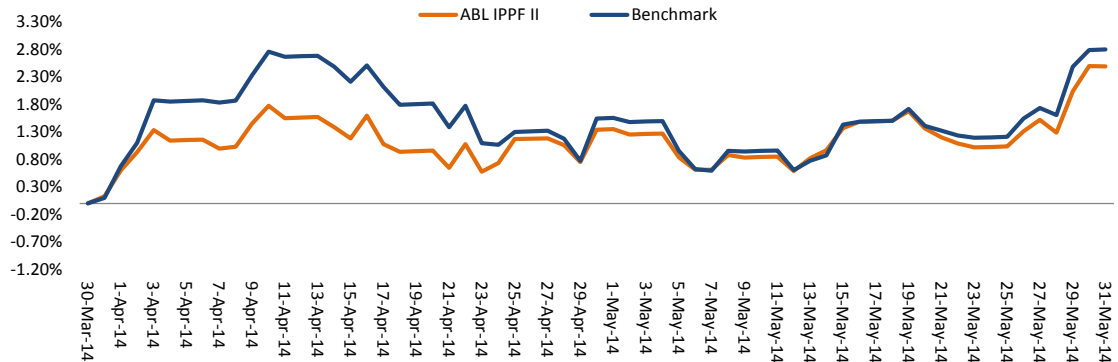
INVESTMENT OBJECTIVE

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	31-Mar-14
Net Assets	Rs 734.21mn as at May 31st, 2014
NAV	Rs 10.2494 as at May 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)
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

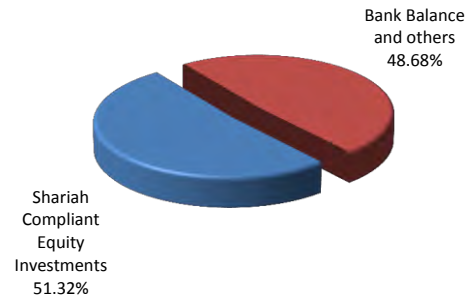
PERFORMANCE

	ABL-IPPF	Benchmark
Year to Date (YTD)*	2.49%	2.80%
Month to Date (MTD)*	1.14%	1.23%

*Returns are net of management fee & all other expenses

ASSET ALLOCATION (% OF TOTAL ASSETS)	Apr 30th 2014	May 31st 2014
Shariah Compliant Equity Scheme	51.02%	51.32%
Bank Balances	47.82%	47.21%
Others	1.15%	1.48%
Leverage	NIL	NIL

SECTOR ALLOCATION (% OF TOTAL ASSETS)



TOP HOLDINGS (% OF TOTAL ASSETS)	Apr 30th 2014	May 31st 2014
ABL Islamic Stock Fund	51.02%	51.32%

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