

FUND SELECT

An Investment Guide to Mutual Funds

Highlights

Market Roundup

This New Year started with a decline in the equity markets creating a downward trend; and soon there were bears everywhere in sight.

Best Performing Equity Funds

Funds under the management of JS Investments Limited have demonstrated outstanding performance during January 2008. Crosby Dragon Fund, NAFA Stock Fund and NIT respectively retained top three spots.

Top Ten Income Funds

Pak Oman Bank of Punjab (POBOP) Advantage Plus fund emerged as the best performing income fund for the month of January 2008, as the fund offered an annualized return of 12.51% which is 321bps higher than the average industry return.

Crosby Dragon Fund

During Jan 2008, the fund yielded a return of 4.07% as against a fall of 0.42% witnessed by the benchmark KSE-100 index, thus the fund has outperformed the index by a hefty 449bps.

First Habib Income Fund

Keeping in view year to date returns, the fund underperforms the average industry returns by 39bps. In our view, the key reason behind the fund's somewhat lackluster performance is: No compromise on Credit Quality.

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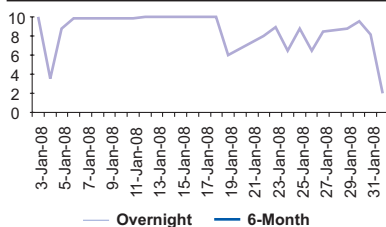
 CONTENTS

Section	Page
Market Roundup	3
Best Performing Equity Funds.....	5
Top Ten Income Funds	8
Crosby Dragon Fund	9
First Habib Income Fund.....	13
Relative Ranking.....	16
Performance Profile	17
Dividend Display	18
Rating Guide	19
Sector Snapshot	20

*"In this issue we present two randomly selected funds namely **Crosby Dragon Fund** and **Frist Habib Income Fund**. In our view, Crosby Dragon provides a good investment opportunity to young investors aiming for above average market returns, in medium to long term. On the contrary, First Habib Income Fund gives fairly decent investment option to risk averse investors aiming for steady returns with maximum protection of their capital. The idea behind this "product" is to enhance the reader's knowledge about different mutual funds. In our view, this is still a much untapped sector which provides a relatively better investment opportunity to investors. Your suggestions to add value to this product are more than welcome."*

Market Roundup

Chart 1: O/N Rate January 08



Source: IGI MMD

Money Market Review

The money market remained sufficiently liquid during January despite SBP's frequent absorptive interventions, which eventually turned into a discount rate hike by the end of the month. A desperate attempt to curb the increasing governmental borrowings and mounting inflationary pressures led the central bank to raise the primary rate up by 50bps to 10.5% and the Cash Reserve Requirement (CRR) by 100bps to 8%.

The overnight rates rollercoasted during the month, remaining mostly at the higher side but slipped whenever it was left on its own. The central bank conducted heavy mop-up OMOs during the month but was not able to overcome the PRs66.6bn excess liquidity that entered the market through the T-bills maturity on January 31. The market was flooded with liquidity near the end of the month with overnight rates plunging to 2% by the last day's closing.

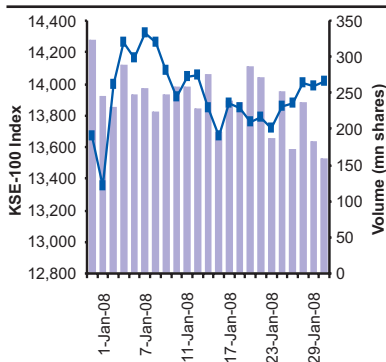
SBP planned to sell T-bills worth of PRs65bn on January 29 and 30, however, because of the uncertainty surrounding, the discount rate, only a few market players participated in the auction. SBP eventually had to reject all bids and the auction was scrapped. The central bank conducted the Pakistan Investment Bonds (PIB) auction on January 29 inviting bids for sale of 3, 5, 10, 15, and 30 years with a plan to raise PRs20bn. However, only bids amounting to a face value of PRs16.658bn were received. SBP accepted bids amounting o PRs11.45bn. The outcome of the auction can be seen in the table # 01.

Table 1: PIB Auction - 29th January 2008

	Bid Amt (Mn)	Accepted Amt (Mn)	Cut-off Yield (%)	Previous Cut-off Yield (%)	Coupon Rate (%)
Tenor					
3 Year	200	50	10.0499	9.6495	9.10
5 Year	809	450	10.0486	9.8221	9.30
10 Year	5,400	4,050	10.8503	10.2195	9.60
15 Year	2,450	1,700	11.7452	11.1597	10.00
20 Year	3,000	2,600	11.9493	11.4132	10.50
30 Year	4,800	2,600	12.1105	11.6151	11.00
Total	16,659	11,450			

Source: IGI Money Market Desk (MMD)

Chart 2: KSE - 100 Index



Source: KSE & IGI Research

Equity Market Snapshot

This New Year started with a decline in the equity markets creating a downward trend; and soon there were bears everywhere in sight. KSE100 did better than other major market of the world during January with an amazing show of resilience by the local market despite the internal and external challenges the country is faced with today.

Table 2: KSE Review January, 2008

	KSE100	KSE30	CFS Amount (PRs bn)	CFSMarket Cap (Rate %)	CFSMarket Cap (PRsbn)	Avg. Turnover Ready (mn shares)	Avg. Turnover Futures (mn shares)
31-Jan	14017.01	16695.92	52.08	10.8	4297.49	238.047	36.55
31-Dec	14075.83	16717.1	53.67	17.61	4329.91	244.35	35.65
%Chg MoM	-0.42%	-0.13%	-2.96%	-38.67%	-0.75%	-2.58%	2.52%

Source: KSE & IGI Research

Increasing terrorist attacks on urban areas of Pakistan, worsening militant situation in northern parts, widening trade deficit, rising inflation, depreciating local currency, declining foreign exchange reserves, increasing external debt, shortage of electricity, soon to be held elections, reduced support from western allies; Pakistan surely finds itself in trouble. Despite all prevailing factors, only a subset of which are enough to cripple an economy, not many realize that the KSE100 still manages to defend its ground and stands firm around the 14,000 mark! KSE100 declines slightly by just 0.42%MoM, compared to massive declines faced by other markets. In such turbulent times, an economy that is more internally driven than export driven proved to be better off than the rest; just as any optimist might tell – there is partly 'good' in every vice.

Global Bourses Highlights

Only time will tell whether or not the US housing mortgage crisis is being stretched too far as the International Monetary Fund (IMF) revised down its FY08 global GDP growth forecast to 4.1% from 4.4%. At the moment, investor fears are sufficiently severe to overcome all efforts of the Fed meant to rescue the US economy from a potential recession.

Another 50bps cut in the prime rate during January managed to temporarily support the equity markets, which after a brief pause started to tumble once again. The Dow Jones Industrial Average (DJIA) has declined by 4.63%MoM, while NASDAQ and S&P500 fell by 9.89%MoM and 6.12%MoM respectively upon the prevailing fears of recession that nothing appears to help alleviate at the moment.

Table 3: Global Bourses Highlights

Bourses	31-Jan-07	31-Dec-07	Change MoM	Trailing PE (x)	Dividend Yield (%)	Avg. Vol (mn shares)
Dow Jones	12,650.36	13,264.82	-4.63%	61.34	2.48	356.04
NASDAQ	2,389.86	2,652.28	-9.89%	33.69	0.65	1183.47
S&P 500	1,378.55	1,468.36	-6.12%	18.73	2.09	1703.61
FTSE 100	5,879.80	6,456.90	-8.94%	11.10	3.89	1639.55
CAC 40	4,869.79	5,614.08	-13.26%	10.21	3.44	217.02
DAX	6,851.75	8,067.32	-15.07%	10.71	3.35	226.02
Hang Seng	23,455.74	27,812.65	-15.67%	15.15	3.02	3070.51
Shanghai Comp	4,383.39	5,261.56	-16.69%	39.84	0.96	8483.84
Sensex 30	17,648.71	20,286.99	-13.00%	23.96	1.09	20.27
Phillipine Comp	3,266.00	3,621.60	-9.82%	13.69	3.05	303.73
Stock Exch Thai	784.23	858.01	-8.60%	18.63	3.7	1757.56
Taiwan Taiex	7,521.13	8,506.28	-11.58%	17.33	4.4	3511.37
KOSPI Index	1,624.68	1,897.13	-14.36%	14.99	1.9	288.84
Kuala Lumpur Comp	1,393.25	1,445.03	-3.58%	15.36	4.04	275.26
KSE 100	14,016.94	14,077.16	-0.42%	15.79	3.04	148.09

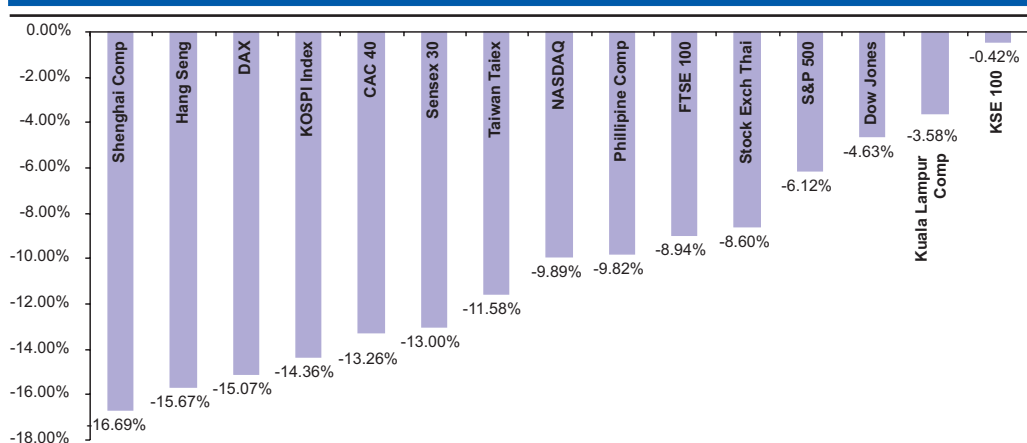
Source: Bloomberg

The fact that the US economy enjoys a mandate on the rest of the world is beyond doubt, however, in January, equity markets of its primary trade partners took huge blows. If the US falls into a recession, the major exporters would have to suffer not just reduced export volumes but also lower monetary gains because of the depreciating US dollar.

Industry driven economies suffer an additional drawback in form of increased production costs due to soaring international fuel prices. Shanghai Composite and Hang Seng both crumbled by 16.69%MoM and 15.67%MoM respectively. After a brilliant 2007, the Indian market couldn't sustain its new found glory above 20,000 points mark and came crashing down by 13%MoM. The Indian Rupee that was gaining rapid strength via the increasing exports of the country does not present a future growth as strong if the US, India's primary export partner, falls into a recession. European markets tagged along with the fall as DAX, CAC, and FTSE declined by 15.07%MoM, 13.26%MoM, and 8.94%MoM respectively.

The rate cut strategy doesn't appear to be helping much in alleviating the economic challenges of the world, or at least it did not help soon enough to save it from de-evolution during January.

Chart 3: Global Bourses Performance in Jan 2008



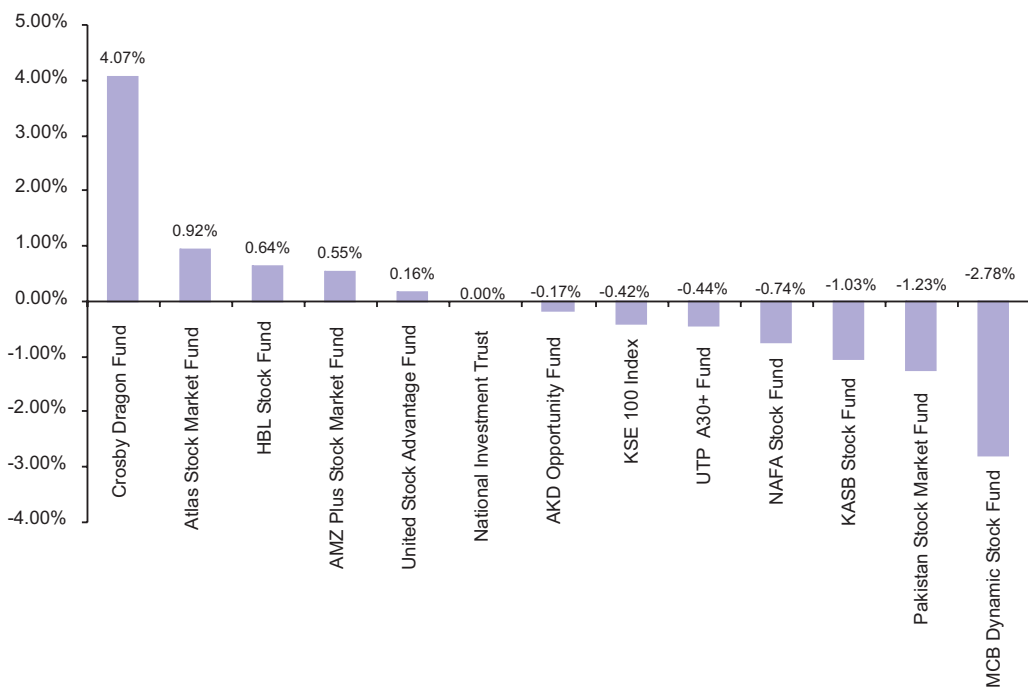
Source: Bloomberg

Best Performing Equity Funds

Pure Equity Funds

January 2008 proved out to be fairly decent month for pure equity funds. Average return of pure equity funds hover around -0.04% as against the benchmark KSE100 return of -0.42%. Seven pure equity funds managed to outperform the KSE100 index while remaining five funds under performed the index. Crosby Dragon Fund continued with its extraordinary performance and yielded a return of 4.07%, which was the highest return offered by any open end pure equity fund. Atlas Stock Market Fund proved to be the second best equity fund of the month as the fund yielded a return of 0.92% and outperformed the benchmark KSE100 index by 134bps. HBL Stock Fund continued with its relatively outstanding performance and emerged as the third best performing equity fund of the month. AMZ Plus Stock Market, United Stock Advantage, National Investment Trust (NIT) and AKD Opportunity fund also managed to outperform the benchmark KSE100 index by fairly decent margins.

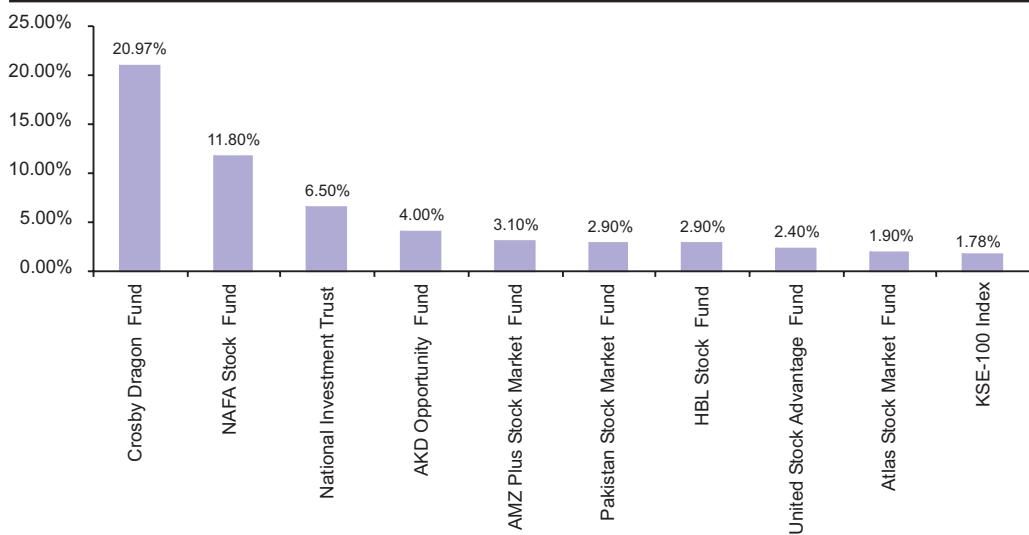
Chart 4: Equity Funds: Performance Highlights Jan 2008



Source: IGI Fund Select

Considering year-to-date returns, Crosby Dragon Fund, NAFA Stock Fund and NIT continued their dominance and respectively retained top three spots. AKD Opportunity and AMZ Plus Stock Funds moved up one spot while Pakistan Stock Market Fund dropped from fourth to sixth spot. Atlas Stock Market Fund and United Stock Advantage fund, which were underperforming the benchmark KSE-100 index till December 2007, have managed to outperform the index on year-to-date return basis.

Chart 5: Outperforming Equity Funds: Year-to-date Performance Highlights

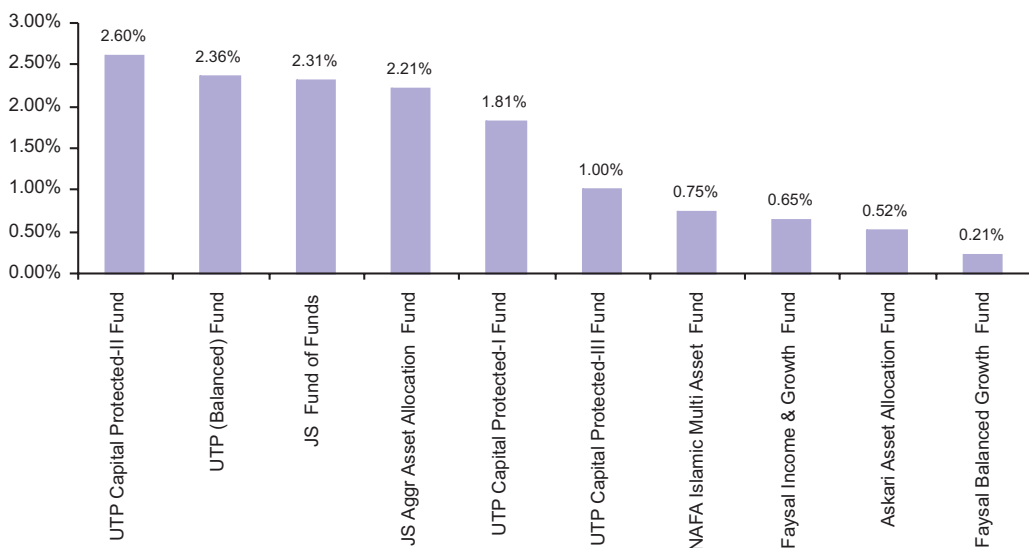


Source: IGI Fund Select

Asset Allocation, Balanced and Hybrid Funds

In this category, Funds under the management of JS Investments Limited have demonstrated outstanding performance during the month under review. UTP Capital Protected-II, UTP Balanced, JS Fund of Funds and JS Aggr Asset Allocation Fund yielded returns of over 2% during Jan 2008 while UTP Capital Protected I and UTP Capital Protected III also managed to offer fairly decent returns to unit holders.

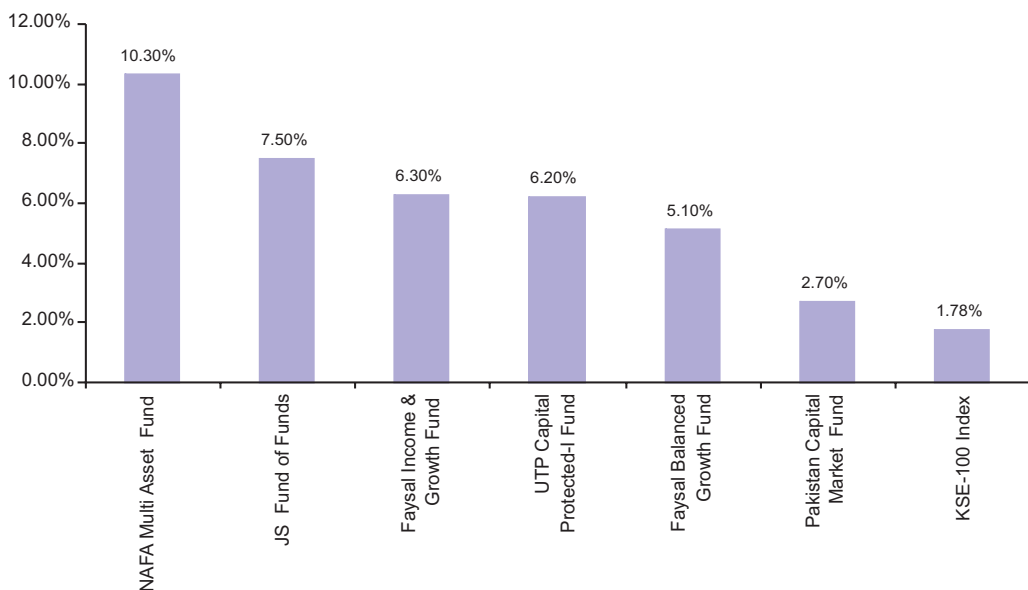
Chart 6: Best Performing Asset Allocation, Balanced and Hybrid Funds of Jan 2008



Source: IGI Fund Select

Keeping in view year-to-date returns, NAFA multi asset fund retained its top spot. JS Fund of Funds, due to its outstanding performance during Jan 2008 has further improved its year-to-date returns and clinches to second spot. Competition for the third spot is likely to intensify further in near future as gap between returns offered by Faysal Income & Growth and UTP Capital Protected-I Funds is narrowing. Moreover, Faysal Balanced Growth Fund is also a potential candidate for the third place in the near future.

Chart 7: Best Performing Islamic, Asset Allocation, Balanced and Hybrid Funds of ongoing FY07-08



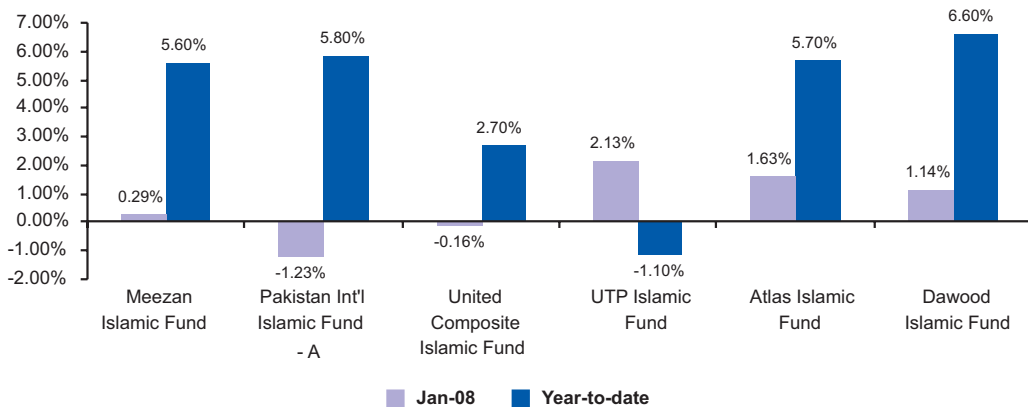
Source: IGI Fund Select

Islamic Equity Funds

During Jan 2008, average return of Islamic equity funds stood at 0.53% which is 95bps higher than that of KSE100 index. UTP Islamic fund yielded a return of 2.13% which makes it the best performing Islamic fund of the month. Atlas Islamic fund was the second best performing Islamic fund of the month which offered a return of 1.63% during the month under review.

Considering year-to-date return, Dawood Islamic Fund clinches the top spot as Pakistan International Islamic Fund slipped to second place, due to its somewhat lackluster performance during Jan 2008. Moreover, Atlas Islamic Fund moved to third place as Meezan Islamic Fund dropped to fourth position. In our view, competition among top four Islamic Equity Funds will further intensify going forward as there exists marginal differences in the returns of these funds.

Chart 8: Islamic Funds: Monthly and YTD Performance Highlights

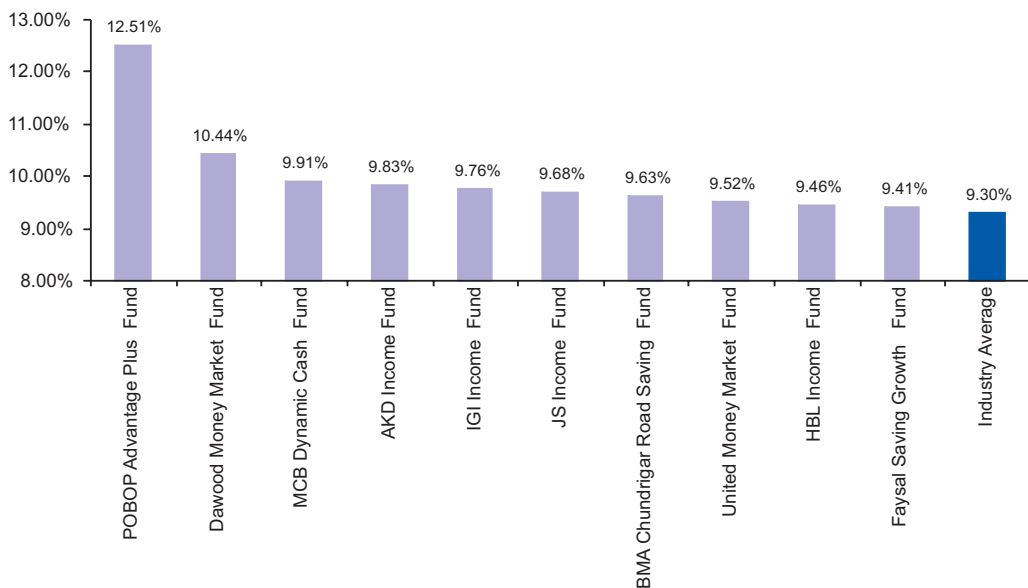


Source: IGI Fund Select

Top Ten Income Funds

January 2008 proved out to be a reasonably good month for income funds as average annualized return of Income fund improved 36bps to 9.30% from 8.94% a month earlier. Pak Oman Bank of Punjab (POBOP) Advantage Plus fund emerged as the best performing income fund for the month of January 2008, as the fund offered an annualized return of 12.51% which is 321bps higher than the average industry return. Dawood Money market and MCB Dynamic Cash Fund yielded annualized return of 10.44% and 9.91% respectively which were second and third highest in this fund category.

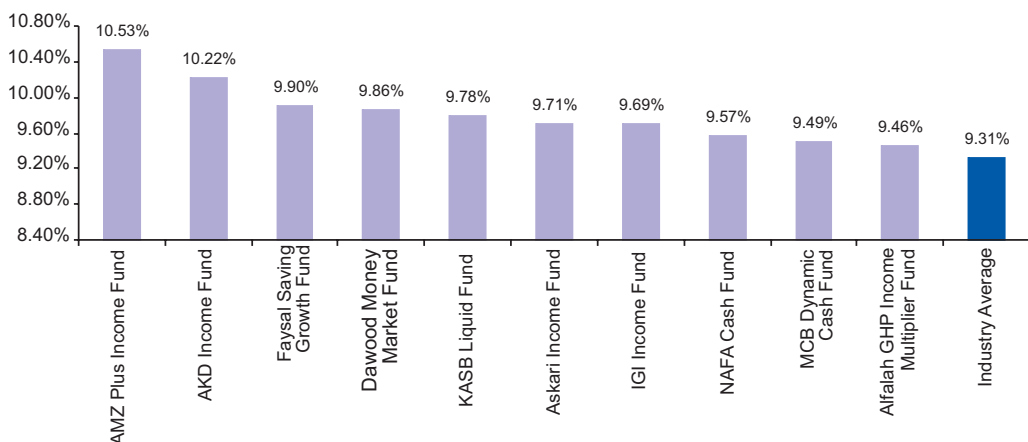
Chart 9: Top Ten Income Funds of Jan 2008



Source: IGI Fund Select

Considering year-to-date annualized return, AMZ Plus income, AKD Income and Faysal Saving Growth Fund respectively retained top three spots. Dawood Money Market Fund clinches fourth place as Askari Income fund slipped to sixth place. KASB liquid, IGI Income and NAFA cash fund retained their fifth, seventh and eighth place respectively. Nevertheless, MCB Dynamic Cash fund moved up to ninth place while Alfalah GHP Income Multiplier fund dropped to ten place. POBOP Advantage Plus and JS income funds are rapidly moving up the ladder and could make the list of top ten income funds in the near future.

Chart 10: Top Ten Income Funds: Year to date performance highlights



Source: IGI Fund Select

Crosby Dragon Fund

Company Snapshot

Crosby Asset Management (Pakistan) Limited is Pakistan's first and only 100% internationally owned asset management company. The company so far has one fund under management, the Crosby Dragon Fund. The year 2008 will see other fund launches by Crosby and a company overhaul that is currently in progress aimed at bringing the company at par with Crosby's international standards. Aggressive expansion plans are underway with particular focus on product development, systems & automation, induction of high quality human resource and improvement of company ratings amongst peers. Recently, the fund's rating has improved by one notch to 3 Star and is expected to improve further in near future.

Crosby's international asset management businesses have a consolidated Asset Under Management (AUM) of US\$ 2.5bn as at September 30, 2007 and serve over 600 clients in 55 countries.

Investment Objective

The investment objective of the Fund is to generate optimum returns for investors while keeping in view their risk appetite with a concern for safety of their capital.

Investment Methodology

The fund has been broadly divided into four major categories which are: Value Portfolio, Growth Portfolio, Income Portfolio and Technical Portfolio. In order to meet redemption requests and avail investment opportunities, the fund usually keeps 5-10% in cash or cash equivalents. Allocation into each of four portfolios is made on the basis of following grounds:

Value portfolio: Based on strong quantitative fundamentals - including earnings, dividends, book value and cash flow. Qualitative considerations are also factored in with emphasis on management credentials, philosophy and business model. Industry and competitiveness is also an important consideration. Value portfolio comprises 20-30% of the total fund.

Growth portfolio: Focuses on the future potential of a company, with less emphasis on its present price. Typically includes companies with very high earnings and within expanding industries. Growth stocks comprise 10-20% of the total fund.

Income Portfolio: Aims to pick established companies that provide a steady stream of income. Sustainability of dividends is determined by means of this portfolio. This comprises 15-25% of the entire fund.

Technical Portfolio: Takes positions in stocks with price fluctuations, story stocks, etc for short-term investments and active trading. All active scripts are screened for sound fundamentals. This occupies 20-30% weightage in the total fund.

Fund Performance

During Jan 2008, the fund yielded a return of 4.07% as against a fall of 0.42% witnessed by the benchmark KSE-100 index, thus the fund has outperformed the index by a hefty 449bps. The funds' returns surpassed the average industry returns by massive margin. This depicts that the performance of Crosby Dragon is somewhat less vulnerable to fluctuations in benchmark KSE-100 index and the fund, because of its prudent investment strategy, could yield returns significantly higher than average industry returns irrespective of the market performance.

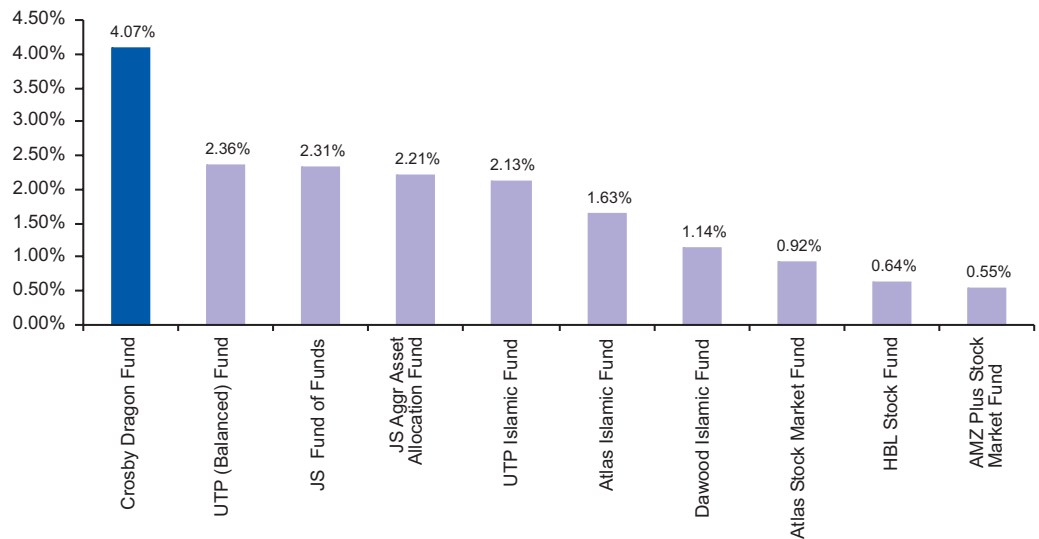
Table 4: Fact Sheet

Fund Type	Open End Equity
Launch date	Dec 15, 2003
Fund Rating	MFR 3 Star
Fund Size*	PRs1.805bn
NAV*	PRs151.8
Stock Exchange Listing	Islamabad
Par Value	PRs100
Minimum subscription	Prevalent offer price of one unit
Management Fee	2.5% maximum
Sales Load	
Front End	2%
Back End	Nil
Transfer Agent	Technology Trade (Pvt) Ltd
Legal counsel	Bawaney Partners
Auditors	Anjum Asim Shahid Rahman

* as at January 31, 2008

Source: Crosby FMR

Chart 11: Top Ten Funds of January 2008

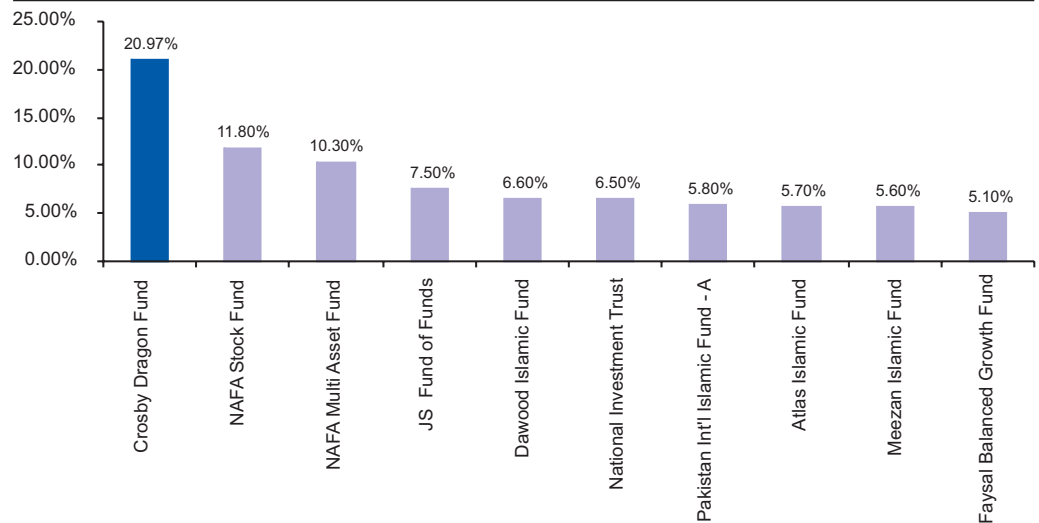


* Pure Income Funds are not included

Source: IGI Fund Select

Keeping in view year-to-date returns, Crosby Dragon once again leads the rally by significant margins. Against the index return of merely 1.78% and average industry return of 8.59%, the fund has offered a return of 20.97%. The difference between returns of top two equity funds is significantly large and there is a great likelihood that the fund is going to maintain its top spot for the remaining part of the ongoing FY07-08.

Chart 12: Top Ten Funds of July-Jan FY07-08 Criteria: YTD Returns

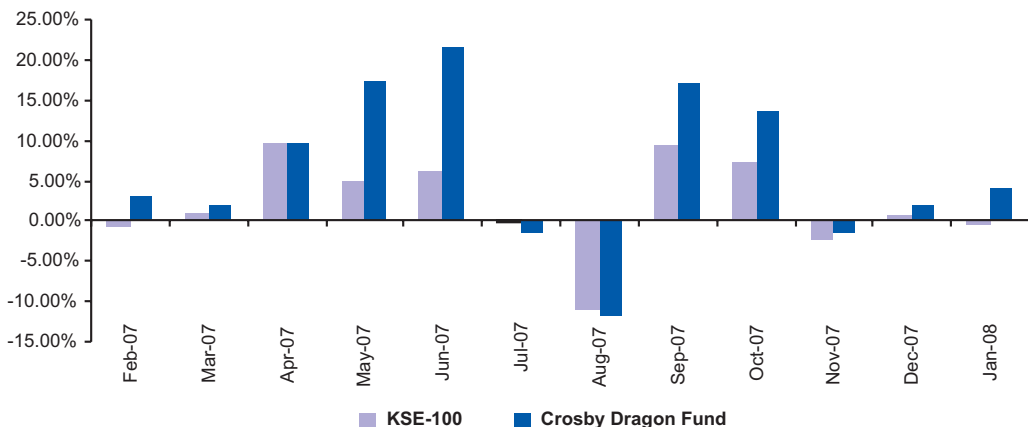


* Pure Income Funds are not included

Source: IGI Fund Select

During past 12months, the fund managed to outperform the benchmark KSE-100 index 9 times, however, in April, July and August 2007, the fund underperformed the index by merely 19bps, 120bps and 0.79bps respectively. During past 12months, the fund has offered a cumulative return of 90.39%, which means if PRs100,000 were invested in the fund on 31, Jan 2007, the principle amount would have grown to PRs190,390.

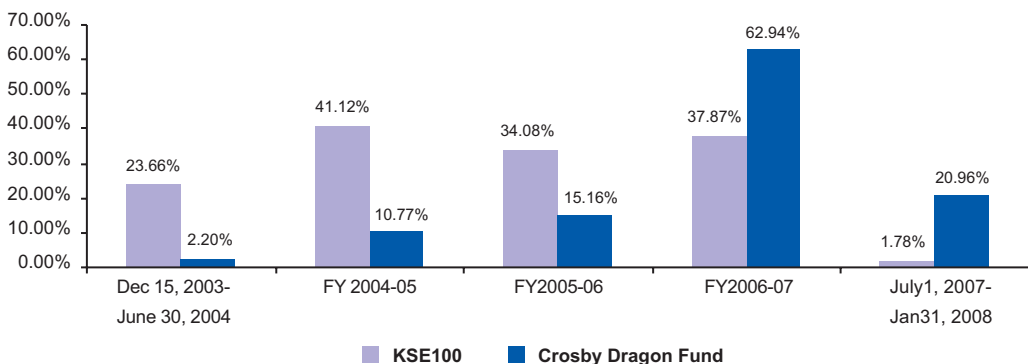
Chart 13: Crosby Dragon Fund V/S KSE-100 Index: A Relative Comparison



Source: Crosby Fund Manager Report (FMR)

Since Inception, the fund has offered a cumulative return of 112.03%, which translates into an average annual return of 27.16%. If PRs100,000 were invested in the fund at the time of inception, the principle amount would have grown to PRs212,030 on Jan 31, 2008. In the following graph it can be seen that the fund’s performance has improved remarkably from FY06-07 onwards and is likely to outperform the benchmark KSE100 index during the ongoing FY07-08.

Chart 14: KSE100 V/S Crosby Dragon Fund: A Relative Historical Performance

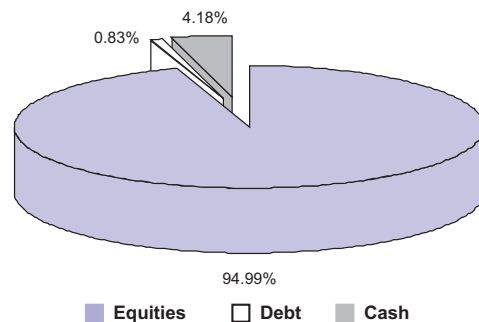


Source: Crosby Fund Manager Report (FMR)

Asset Allocation

As on Jan 31, 2008, the fund had 95% exposure towards equities which was only a percent lower than that of December 31, 2007. The fund had highest exposure in Investment banks, Investment Companies and Securities. Overall 32% of the funds were exposed to financial sector including 9.42% in commercial banks. During the month, the fund reduced its investments in insurance from 21.03% to 9.31%. Slightly over 11% were invested in Textile Composite and Fertilizer sectors each. Over the month, investments in Oil and Gas Exploration sector has reduced from 21.30% to 5.68%, nevertheless, fresh investments were made in the Cement sector.

Chart 15: Asset Allocation as on Jan 31, 2008



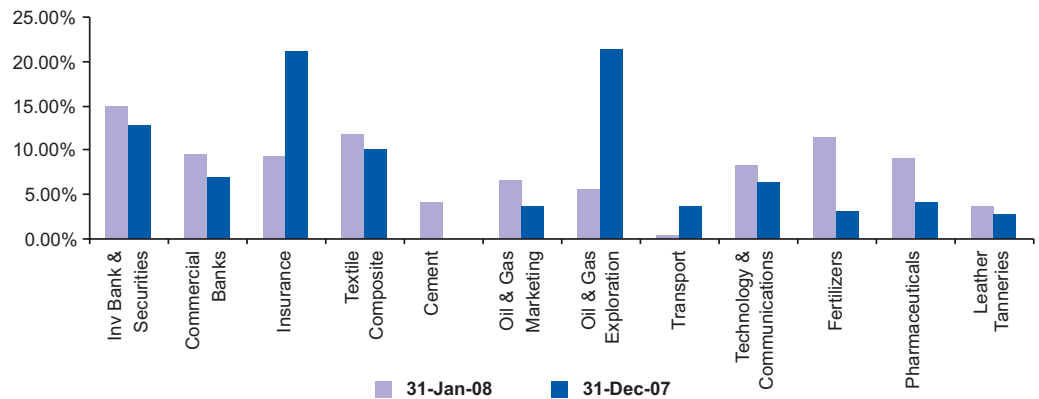
Source: Crosby Fund Manager Report (FMR)

Table 5: Top Ten Holdings as on Jan 08

1	JSCL
2	ANL
3	ENGRO
4	SEARL
5	ETNL
6	PSO
7	MCB
8	EFUG
9	PAKRI
10	PPL

Source: Crosby FMR

Chart 16: Sector Selection



Source: Crosby Fund Manager Report (FMR)

Portfolio Evaluation

Briefly analyzing the portfolio status as on Jan 31, 2008, we believe that the fund's performance would remain somewhat independent of market movement. The fund had significant exposure in sectors which are fundamentally robust and are not vulnerable to index fluctuations. Considering the ongoing political tension, mounting pressure on current account deficit and monetary tightening by the Central Bank, in our view, the market is likely to remain range bound atleast till the transition of power to the New Cabinet. In such a scenario, the fund can potentially offer fairly decent returns despite the expected lackluster performance by local bourses.

Target Market

The fund provides a promising investment opportunity to young relatively less risk averse investors aiming for above average market returns in medium to long term.

The Bottomline: An Investment Perspective

We view this fund as an aggressive robust long term growth player having potential to beat market returns on a sustainable basis.

First Habib Income Fund

Table 6: Fact Sheet

Fund Type	Open-end Income Fund
Launch Date	June 04, 2007
NAV at Launch	Rs. 101.01
Benchmark	One month KIBOR (9.62% p.a)
Net Assets	Rs. 2.56 billion
Management Fee	1.50% p.a
Sales Load	
Front-end	NIL
Back-end	NIL (0.50% if redeemed within 15 days from the date of investment)
Listing	Lahore Stock Exchange (LSE)
Trustee	Central Depository Company of Pakistan (CDC)
Registrar	Gangjees Registrar Services Private Limited
Auditors External	KPMG Taseer Hadi & Com. Chartered Accountants
Auditors Internal	A.F Ferguson & Co. Chartered Accountants
Initial Minimum	Rs. 5,000/- subsequently
Subsequent Inv.	Rs. 1,000/- per transaction
Dealing Days	Monday - Friday

Source: FHIF Fund Manager Report

Company Snapshot

Habib Asset Management Limited is an associated company of Bank Al Habib Limited. The company was incorporated on September 30, 2005 and launched First Habib Income Fund (FHIF), which is the first fund of series of funds to be launched in the foreseeable future. The company intends to launch a Stock Market Fund during ongoing CY2008. Presently the company has cumulative asset under management (AUM) of PRs2.56bn (as on Jan 31, 2008).

Investment Objective

To achieve best possible rate of return in comparison to the other available investment avenues by maintaining a diversified investment portfolio with easy entry and exit for investors.

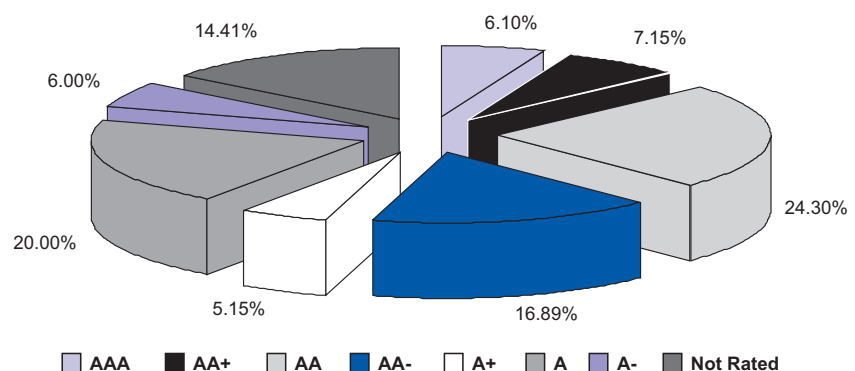
Investment Methodology

The fund stringently follows an investment policy approved by the Investment Committee. According to the policy, the fund avoids to take exposure in any instrument having credit rating below A-. Moreover, in Term Finance Certificates (TFCs), the fund does not make investments in issues having credit rating below A. As far as investments in CFS are concerned, the fund takes exposure in only 30 fundamentally sound scripts which are approved by the Investment Committee. The fund attempts to meet its investment objective by strategically investing in high quality money market instruments which can be verified from the following table and the graph. In our view, the investment policy gives a competitive advantage to the fund over its peers due to the fact that most funds do not invest so conservatively as far as credit ratings are concerned and thus have relatively better returns.

Table 7: Credit Split of Invested Instruments

	AAA	AA+	AA	AA-	A+	A	A-	NR#
TFC		16.44%	24.54%	26.19%	13.18%	2.65%		17.00%
COI				36.36%	9.09%	45.45%	9.10%	
CFS	20.85%	11.49%	23.48%	8.99%	0.23%			35.20%
TDR			75.00%				25.00%	
Spread	26.63%							73.37%
Cash			2.10%			97.89%	0.01%	

Source: First Habib Income Fund (FHIF) Fund Manager Report (FMR)

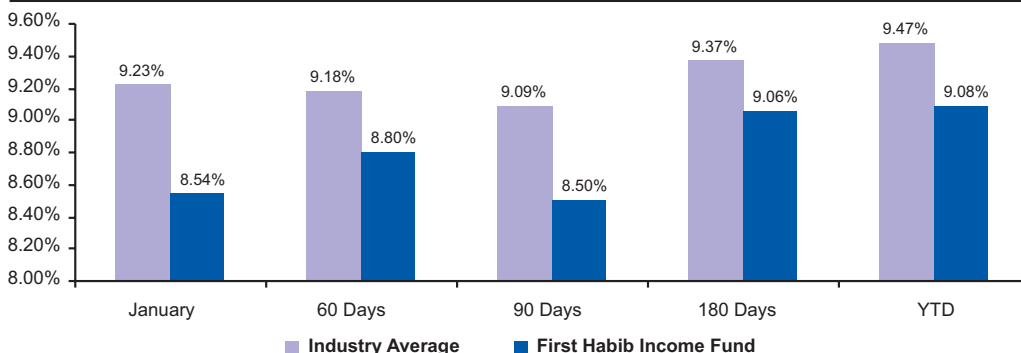
Chart 17: Credit Split of the Fund


Source: First Habib Income Fund (FHIF) Fund Manager Report (FMR)

Performance Highlights

During Jan 2008, the fund offered an annualized return of 8.54% which was almost 70bps below average industry returns. Considering the 60, 90 and 180 days returns, the fund has underperformed the average industry returns by 38bps, 59bps and 29bps respectively. Moreover, keeping in view year to date returns, the fund underperforms the average industry returns by 39bps. In our view, the key reason behind the fund's somewhat lackluster performance is: No compromise on Credit Quality. In order to ensure maximum protection to investor's principal capital, as mentioned earlier in the report, the fund does not make any investment in instruments having credit rating below A-. Due to this fact, unlike most income funds, First Habib Income Fund has to compromise on returns to some extent only. Another reason behind below average industry returns is relatively less exposure in privately held TFCs (this is explained briefly further in the report) and no investments in commercial papers.

Chart 18: First Habib Income Fund V/S Industry Average: A Relative Comparison



Source: IGI Fund Select

Table 8: Fund Performance Highlights

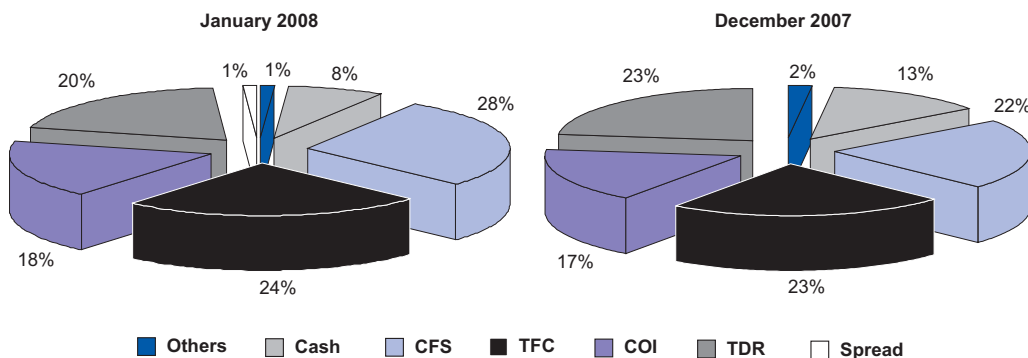
Fund's Performance	January '08	December '07	Change
NAV (Rs.)	105.53	104.77	+0.78
Month on Month	8.54%	8.83%	-0.29
Since Launch at Rs. 101.01	8.99%	9.05%	-0.06
Annual at Rs. 100.17	9.08%	9.11%	-0.03
Standard Deviation	0.82	0.88	-0.06
Sharpe Ratio	-0.26	-0.21	-0.05

Source: First Habib Income Fund (FHIF) Fund Manager Report (FMR)

Asset Allocation

During Jan 2008 the fund increased its exposure in CFS from 22% to 29%. The key reason behind increased investment in CFS was relatively better returns. Moreover, investments in TFCs and COIs increased marginally, nevertheless, exposure in TDRs reduced from 23% to 20%.

Chart 19: Asset Allocation

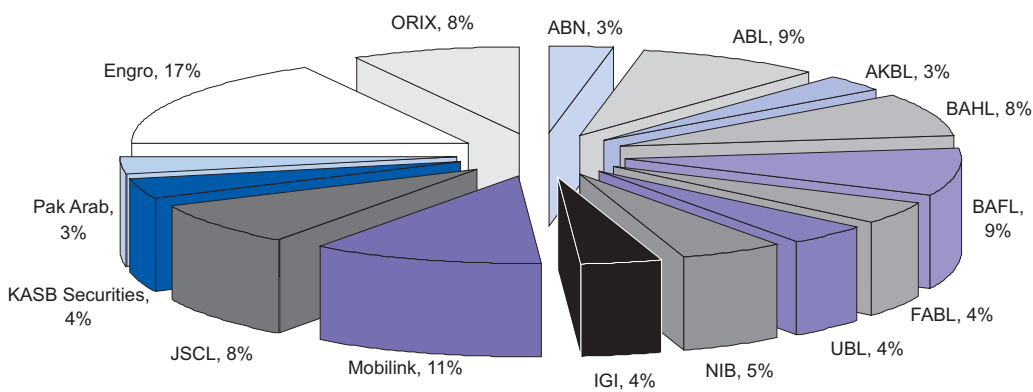


Source: First Habib Income Fund (FHIF) Fund Manager Report (FMR)

Portfolio Evaluation

Analyzing TFC portfolio, the fund has only two privately placed TFCs namely JSCL and KASB Securities. These issues have only 12% weightage in the fund's entire TFC portfolio. In light of recently issued amended NBFCs rules by SECP, it is expected that privately placed TFCs will be required to mark-to-market. In such a scenario, comparatively inferior credit quality or below average yielding TFC issues will be valued below par. The relatively lesser exposure in privately placed TFCs would not have any major impact on the fund's returns in near future.

Chart 20: TFC Portfolio Allocation



Source: First Habib Income Fund (FHIF) Fund Manager Report (FMR)

As per our analysis, the recent hike in the policy discount rates by 50bps generally bodes well for income/money market funds particularly those having massive surplus liquidity. In our view, following could be some possible impact of the recent hike in discount rates on income funds in general and liquid funds in particular.

Table 9: Money Market mutual funds primarily invest in the following instruments; probable impacts of rise in discount rate would be:

1. Bank deposits	- Positive -	With rising interest rate scenario, both lending as well as deposit rates would increase.
2. Money market instruments	- Positive -	Money market transactions are primarily linked with KIBOR and hence with increased interest rates, returns are expected to improve.
3. COIs and TDRs	- Positive -	Same as above.
4. Govt. securities	- Negative-	Govt securities provide returns at fixed rates. Investments in Govt. securities will continue to provide the same returns while yield on alternative investments would go up, thus resulting into fall in market prices of these investments. Since the fund does not have any investments in Govt securities, thus this is not going to have any negative impact on the fund.
5. CFS	- Neutral to positive-	These are more market driven. However, with rising interest rates, neutral to positive impact may be seen.
6. TFCs	- Positive -	Since most of the TFCs are KIBOR linked, returns would improve.

Source: IGI Fund Select

Target Market

In our view, the fund provides an excellent investment opportunity to retail as well as institutional investors, who wish maximum capital protection coupled with fairly decent money market returns on their saving or idle cash.

Bottom-line: An Investment Perspective

We view this fund as a defensive growth player offering steady returns with maximum protection of their capital.

Relative Ranking

Open End Income/Money Market Funds								
Income/ Money Market Funds		YTD Annualized Returns	Income Funds		Standard Deviation	Income Funds	Sharpe Ratio	
1	AMZ Plus Income Fund	10.53%	1	IGI Income Fund	0.27%	1	IGI Income Fund	0.96
2	AKD Income Fund	10.22%	2	KASB Liquid Fund	0.30%	2	KASB Liquid Fund	0.86
3	Faysal Saving Growth Fund	9.90%	3	Atlas Income Fund	0.32%	3	AMZ Plus Income Fund	0.50
4	Dawood Money Market Fund	9.86%	4	NAFA Cash Fund	0.32%	4	Askari Income Fund	0.36
5	KASB Liquid Fund	9.78%	5	Alfalah GHP Income Multiplier Fund	0.33%	5	Faysal Saving Growth Fund	0.32
6	Askari Income Fund	9.71%	6	United Money Market Fund	0.39%	6	Dawood Money Market Fund	0.30
7	IGI Income Fund	9.69%	7	HBL Income Fund	0.55%	7	AKD Income Fund	0.18
8	NAFA Cash Fund	9.57%	8	MCB Dynamic Cash Fund	0.55%	8	MCB Dynamic Cash Fund	0.02
9	MCB Dynamic Cash Fund	9.49%	9	JS Income Fund	0.57%	9	NAFA Cash Fund	(0.13)
10	Alfalah GHP Income Multiplier Fund	9.46%	10	Reliance Income Fund	0.61%	10	JS Income Fund	(0.15)
11	JS Income Fund	9.31%	11	United Growth & Income Fund	0.69%	11	Alfalah GHP Income Multiplier Fund	(0.17)
12	United Growth & Income Fund	9.17%	12	Dawood Money Market Fund	0.70%	12	First Habib Income Funds	(0.29)
13	Atlas Income Fund	9.15%	13	Askari Income Fund	0.74%	13	United Growth & Income Fund	(0.47)
14	United Money Market Fund	9.14%	14	First Habib Income Funds	0.83%	14	Pakistan Income Fund	(0.50)
15	Reliance Income Fund	9.13%	15	Pakistan Income Fund	0.88%	15	Meezan Islamic Income Fund	(0.51)
16	First Habib Income Funds	9.08%	16	Faysal Saving Growth Fund	0.92%	16	Reliance Income Fund	(0.56)
17	Pakistan Income Fund	9.06%	17	Meezan Islamic Income Fund	0.96%	17	HBL Income Fund	(0.63)
18	HBL Income Fund	9.02%	18	AMZ Plus Income Fund	1.89%	18	Atlas Income Fund	(0.89)
19	Meezan Islamic Income Fund	8.72%	19	AKD Income Fund	3.00%	19	United Money Market Fund	(0.93)
Asset Allocation and Balanced Funds		YTD Returns	Asset Allocation and Balanced Funds		Standard Deviation	Asset Allocation and Balanced Funds	Sharpe Ratio	
1	NAFA Multi Asset Fund	10.30%	1	Alfalah GHP Value Fund	3.24%	1	NAFA Multi Asset Fund	0.19
2	Faysal Balanced Growth Fund	5.10%	2	Faysal Balanced Growth Fund	3.68%	2	Faysal Balanced Growth Fund	(0.00)
3	Pakistan Capital Market Fund	2.70%	3	UTP (Balanced Fund)	4.09%	3	Pakistan Capital Market Fund	(0.08)
4	UTP (Balanced Fund)	0.50%	4	NAFA Multi Asset Fund	4.45%	4	UTP (Balanced Fund)	(0.15)
5	Alfalah GHP Value Fund	0.10%	5	JS Aggr Asset Alloc Fund	5.08%	5	Alfalah GHP Value Fund	(0.20)
6	JS Aggr Asset Alloc Fund	-11.10%	6	Pakistan Capital Market Fund	6.69%	6	JS Aggr Asset Alloc Fund	(0.44)
Sector Specific and Hybrid Funds		YTD Returns	Sector Specific and Hybrid Funds		Standard Deviation	Sector Specific and Hybrid Funds	Sharpe Ratio	
1	JS Fund of Funds	7.50%	1	Faysal Income & Growth Fund	0.18%	1	JS Fund of Funds	(0.16)
2	Faysal Income & Growth Fund	6.30%	2	UTP Capital Protected Fund-I	0.89%	2	Faysal Income & Growth Fund	0.62
3	UTP Capital Protected Fund-I	6.20%	3	JS Fund of Funds	3.70%	3	UTP Capital Protected Fund-I	0.11
Islamic Funds		YTD Returns	Islamic Funds		Standard Deviation	Islamic Funds	Sharpe Ratio	
1	Pakistan Int'l Islamic Fund - A	5.80%	1	United Composite Islamic Fund	4.24%	1	Meezan Islamic Fund	0.03
2	Atlas Islamic Fund	5.70%	2	Atlas Islamic Fund	5.11%	2	Pakistan Int'l Islamic Fund - A	(0.02)
3	Meezan Islamic Fund	5.60%	3	Pakistan Int'l Islamic Fund - A	6.52%	3	Atlas Islamic Fund	(0.02)
4	United Composite Islamic Fund	2.70%	4	UTP Islamic Fund	6.54%	4	United Composite Islamic Fund	(0.07)
5	UTP Islamic Fund	-1.10%	5	Meezan Islamic Fund	6.72%	5	UTP Islamic Fund	(0.11)
Equity Funds		YTD Returns	Equity Funds		Standard Deviation	Equity Funds	Sharpe Ratio	
1	Crosby Dragon Fund	20.97%	1	KASB Stock Fund	5.04%	1	Crosby Dragon Fund	0.22
2	NAFA Stock Fund	11.80%	2	United Stock Advantage Fund	5.55%	2	NAFA Stock Fund	0.16
3	National Investment Trust	6.50%	3	Atlas Stock Market Fund	5.74%	3	KASB Stock Fund	0.07
4	AKD Opportunity Fund	4.00%	4	MCB Dynamic Stock Fund	6.50%	4	AKD Opportunity Fund	0.00
5	AMZ Plus Stock Market Fund	3.10%	5	AMZ Plus Stock Market Fund	6.61%	5	Pakistan Stock Market Fund	(0.02)
6	Pakistan Stock Market Fund	2.90%	6	AKD Opportunity Fund	6.65%	6	AMZ Plus Stock Market Fund	(0.02)
7	United Stock Advantage Fund	2.40%	7	National Investment Trust	6.65%	7	United Stock Advantage Fund	(0.05)
8	Atlas Stock Market Fund	1.90%	8	Pakistan Stock Market Fund	6.99%	8	Atlas Stock Market Fund	(0.06)
9	KASB Stock Fund	-1.90%	9	UTP A30+ Fund	7.04%	9	UTP A30+ Fund	(0.15)
10	MCB Dynamic Stock Fund	-3.10%	10	NAFA Stock Fund	7.63%	10	MCB Dynamic Stock Fund	(0.15)
11	UTP A30+ Fund	-4.10%	11	Crosby Dragon Fund	9.76%	11	National Investment Trust	(0.16)

Please Note: Funds launched after June 2007 are not included in the above table.

Standard Deviation and Sharpe Ratio are calculated on monthly returns during July 2007 - January 2008.

6 months T-Bill rates have been used as a risk rate for calculating Sharpe Ratio.

Performance Profile

Annualized Month on Month Returns July 2007- January 2008

	July	August	September	October	November	December	January	YTD
Income/Money Market Fund	Ann. Return	Ann. Return	Ann. Return	Ann. Return	Ann. Return	Ann. Return	Ann. Return	Ann. Return
AMZ Plus Income Fund	11.80%	13.71%	10.04%	9.90%	8.42%	8.96%	8.92%	10.53%
Askari Income Fund	10.17%	10.09%	10.20%	9.72%	9.00%	8.87%	8.36%	9.71%
Atlas Income Fund	8.57%	8.53%	9.35%	9.28%	9.07%	8.98%	8.96%	9.15%
Dawood Money Market Fund	9.52%	9.65%	8.81%	8.49%	10.15%	9.13%	10.44%	9.86%
KASB Liquid Fund	9.39%	10.01%	9.75%	9.27%	9.15%	9.58%	9.39%	9.78%
NAFA Cash Fund	9.88%	9.53%	9.30%	9.56%	8.98%	9.13%	9.10%	9.57%
Pakistan Income Fund	8.91%	10.47%	8.63%	8.70%	7.99%	9.26%	7.84%	9.06%
United Growth & Income Fund	9.77%	9.69%	7.88%	8.90%	8.34%	8.69%	9.20%	9.17%
United Money Market Fund	8.98%	9.13%	8.57%	8.87%	8.31%	8.85%	9.52%	9.14%
JS Income Fund	9.52%	9.26%	9.21%	9.62%	8.53%	8.18%	9.68%	9.31%
Reliance Income Fund	9.02%	7.88%	9.08%	9.91%	8.98%	8.86%	9.33%	9.13%
Meezan Islamic Income Fund	10.59%	7.46%	8.27%	9.22%	8.51%	8.63%	8.80%	8.72%
MCB Dynamic Cash Fund	9.76%	9.77%	9.01%	8.90%	8.43%	9.08%	9.91%	9.49%
HBL Income Fund	9.53%	8.75%	8.05%	9.03%	8.50%	8.39%	9.46%	9.02%
AKD Income Fund	11.32%	14.37%	4.29%	9.93%	9.56%	10.45%	9.83%	10.22%
IGI Income Fund	9.36%	9.92%	9.29%	9.27%	9.22%	9.49%	9.76%	9.69%
Faysal Saving Growth Fund	11.29%	10.25%	10.10%	9.62%	9.28%	8.34%	9.41%	9.90%
First Habib Income Funds	8.70%	10.50%	9.35%	8.49%	7.89%	8.83%	8.54%	9.08%
Alfalah GHP Income Multiplier Fund	9.20%	9.17%	9.26%	9.32%	9.08%	9.91%	8.84%	9.46%
BMA Chundrigar Road Saving Fund	N/L	-	-	9.10%	7.47%	8.92%	9.63%	8.92%
NAFA Islamic Income Fund	N/L	-	-	-	6.87%	7.64%	7.90%	7.43%
POBOP Advantage Plus Fund	N/L	-	-	-	7.28%	8.87%	12.51%	9.44%
United Islamic Income Fund	N/L	-	-	5.62%	8.67%	8.47%	8.57%	8.40%

Month on Month Returns July 2007- January 2008

Asset Allocation and Balanced Funds	July	August	September	October	November	December	January	YTD
Alfalah GHP Value Fund	-1.82%	-3.14%	4.92%	4.40%	-1.50%	-1.92%	-0.60%	0.10%
Faysal Balanced Growth Fund	1.14%	-5.68%	4.70%	5.29%	-1.10%	0.83%	0.21%	5.10%
NAFA Multi Asset Fund	5.32%	-5.05%	5.95%	6.84%	0.50%	-0.71%	-1.23%	10.30%
UTP (Balanced Fund)	-1.87%	-7.59%	5.21%	2.43%	-0.40%	0.75%	2.36%	0.50%
Pakistan Capital Market Fund	1.21%	-8.01%	9.73%	8.28%	-1.60%	-5.57%	-2.54%	2.70%
JS Aggr Asset Alloc Fund	-3.46%	-11.86%	2.88%	0.63%	-2.10%	0.88%	2.21%	-11.10%
Askari Asset Allocation fund	N/L	-	-	0.05%	-1.50%	-0.96%	0.52%	0.90%
Sector Specific and Hybrid Funds								
JS Fund of Funds	-5.80%	-4.07%	4.27%	2.58%	1.37%	0.34%	2.31%	7.50%
Faysal Income & Growth Fund	0.88%	0.63%	1.08%	1.03%	0.84%	1.00%	0.65%	6.30%
UTP Capital Protected Fund-I	1.07%	-0.92%	1.04%	1.56%	0.94%	0.55%	1.81%	6.20%
UTP Capital Protected Fund-II	N/L	-	-	-	0.26%	2.88%	2.60%	0.74%
UTP Capital Protected Fund-III	N/L	-	-	-	0.94%	0.60%	1.00%	4.98%
Islamic Funds								
Meezan Islamic Fund	1.54%	-8.65%	10.68%	8.38%	-1.80%	-3.62%	0.29%	5.60%
Pakistan Int'l Islamic Fund - A	2.63%	-7.13%	9.27%	8.75%	-2.50%	-5.44%	-1.23%	5.80%
United Composite Islamic Fund	1.40%	-6.40%	5.95%	5.21%	-1.50%	-1.28%	-0.16%	2.70%
UTP Islamic Fund	1.45%	-12.99%	6.36%	5.60%	0.60%	-2.99%	2.13%	-1.10%
Atlas Islamic Fund	1.10%	-8.30%	6.46%	6.38%	-1.90%	-0.82%	1.63%	5.70%
Dawood Islamic Fund	-	-	2.70%	1.77%	0.70%	0.37%	1.15%	6.60%
NAFA Islamic Multi Asset Fund	N/L	N/L	N/L	N/L	-0.40%	-2.15%	0.75%	-1.90%
Pure Equity Funds								
AKD Opportunity Fund	1.65%	-10.14%	9.77%	7.87%	-1.00%	-2.35%	-0.17%	4.00%
AMZ Plus Stock Market Fund	0.61%	-10.73%	9.39%	7.47%	-1.00%	-1.98%	0.55%	3.10%
Atlas Stock Market Fund	-0.72%	-8.60%	8.11%	7.06%	-1.20%	-2.61%	0.92%	1.90%
Crosby Dragon Fund	-1.44%	-11.89%	17.13%	13.48%	-1.36%	2.07%	4.07%	15.60%
KASB Stock Fund	-1.40%	-1.40%	8.45%	8.36%	-3.70%	-1.33%	-1.03%	-1.90%
MCB Dynamic Stock Fund	-1.80%	-9.20%	10.17%	6.56%	-2.40%	-2.51%	-2.78%	-3.10%
National Investment Trust	-8.62%	-9.03%	7.27%	7.59%	-0.50%	0.34%	0.00%	6.50%
NAFA Stock Fund	6.79%	-10.21%	9.90%	11.38%	-0.50%	-1.69%	-0.74%	11.80%
Pakistan Stock Market Fund	0.75%	-9.22%	11.16%	8.22%	-1.50%	-3.84%	-1.23%	2.90%
United Stock Advantage Fund	-0.84%	-7.73%	8.17%	7.14%	-0.80%	-2.76%	0.16%	2.40%
UTP A30+ Fund	-4.16%	-11.36%	10.13%	6.32%	-3.10%	0.02%	-0.44%	-4.10%
HBL Stock Fund	N/L	N/L	-	4.96%	-2.20%	-2.43%	0.64%	2.90%

N/L = Not Launched

Source: IGI Fund Select

Dividend Display

S #	Mutual Fund	Inception Date	2002-03	2003-04	2004-05	2005-06	2006-07	Dividend Detail 2006-07 (PRs Per Unit)
Equity Funds								
1	Atlas Stock Market Fund	22-Nov-04	-	-	12.50%	25.00%	20.00%	100.00
2	Crosby Dragon Fund	24-Dec-03	-	2%	10.5%	15.00%	38.00%	38.00
3	National Investment Trust	12-Nov-62	17.50%	25.50%	33.00%	58.00%	62.00%	6.20
4	Pakistan Stock Market Fund	12-Mar-02	40.00%	60.00%	70.00%	60.00%	50.00%	25.00
5	AMZ Plus Stock Fund	24-Jul-06	-	-	-	-	19.00%	13.00 Cash + 6 bonus units per 100 units
6	AKD Opportunity Fund	1-Mar-06	-	-	-	0.00%	10.00%	5.00
7	KASB Stock Fund	22-Mar-07	-	-	-	-	9.74%	4.87
8	MCB Dynamic Stock Fund	1-Mar-07	-	-	-	-	25.00%	20.00 Cash + 5.00 Bonus = 25.00
9	United Stock Advantage Fund	4-Aug-06	-	-	-	-	22.30%	22.30
10	UTP-A30+ Fund	29-May-06	-	-	-	0.50%	25.00%	7.50 Interim + 5.00 Final = 12.50
11	NAFA Stock Fund	22-Jan-07	-	-	-	-	22.60%	2.26
Islamic Funds								
1	Meezan Islamic Fund	8-Aug-03	-	15.00%	35.00%	35.00%	31.20%	15.60
2	UTP Islamic Fund	27-Dec-02	8.00%	17.00%	10.00%	37.50%	29.73%	148.63
3	Pakistan Int'l Islamic Elmnt. Fund	2-May-06	-	-	-	-	17.50%	8.75
4	Atlas Islamic Fund	15-Jan-07	-	-	-	-	3.00%	15.00
5	United Composite Islamic Fund	24-Dec-06	-	-	-	-	10.35%	10.35
Hybrid Funds								
1	Faysal Income & Growth Fund	10-Oct-05	-	-	-	5.50%	12.75%	12.75
2	UTP-Capital Protected Fund	21-Feb-07	-	-	-	-	4.50%	4.50
3	UTP-Capital Protected Fund II	18-Jun-07	-	-	-	-	0.20%	0.20
Funds of Funds								
1	UTP - Fund of funds	31-Oct-05	-	-	-	8.00%	15.10%	7.55
Asset Allocation								
1	Pakistan Capital Market Fund	31-Jan-04	-	8.25%	30.00%	30.00%	30.00%	3.00
2	UTP Aggr Asset Alloc Fund	28-Jun-05	-	-	-	65.00%	26.72%	13.36
3	Alfalah GHP Value Fund	28-Oct-05	-	-	-	1.00%	10.44%	5.22 Interim
Balanced Funds								
1	Faysal Balanced Growth Fund	17-May-04	-	-	12.50%	26.00%	18.00%	18.00
2	UTP (Balanced Fund)	27-Oct-97	25.00%	30.00%	20.00%	40.00%	40.21%	2,010.70
3	NAFA Multi Asset Fund	22-Jan-07	-	-	-	-	16.40%	1.64
Money Market Funds								
1	Dawood Money Market Fund	11-May-03	1.10%	7.00%	9.70%	11.50%	10.91%	10.91 bonus units per 100 units
2	United Money Market Fund	7-Aug-02	10.00%	4.85%	4.08%	10.00%	10.10%	10.10
3	KASB Liquid Fund	9-May-06	-	-	-	1.40%	10.72%	10.72
4	NAFA Cash Fund	21-Apr-06	-	-	-	1.90%	10.50%	1.05
Income Funds								
1	Atlas Income Fund	22-Mar-04	-	-	9.75%	11.50%	10.00%	50.00
2	AMZ Plus Income Fund	25-Feb-06	-	-	-	4.14%	11.60%	11.6 bonus units per 100 units
3	Askari Income Fund	16-Mar-06	-	-	-	4.49%	11.06%	11.06
4	Pakistan Income Fund	12-Mar-02	12.00%	9.00%	9.60%	10.00%	10.50%	5.25
5	United Growth & Income Fund	3-Mar-06	-	-	-	9.25%	11.40%	11.40
6	UTP Income Fund	26-Aug-02	9.50%	6.20%	10.25%	12.10%	10.66%	53.30
7	Meezan Islamic Income Fund	15-Jan-07	-	-	-	-	4.40%	2.20
8	MCB Dynamic Cash Fund	1-Mar-07	-	-	-	-	3.38%	3.38
9	HBL Income Fund	19-Mar-07	-	-	-	-	2.65%	2.65
10	AKD Income Fund	1-Mar-07	-	-	-	-	3.19%	1.59
11	IGI Income Fund	16-Apr-07	-	-	-	-	1.95%	1.944 bonus units per 100 units
12	Faysal Saving Growth fund	14-May-07	-	-	-	-	1.25%	1.25
13	First Habib Income Fund	30-May-07	-	-	-	-	1.50%	1.5 bonus units per 100 units

Source: IGI Fund Select

Rating Guide

Open End Mutual Fund	Inception dates	Bench Mark	AMC Rating		Fund Rating
AKD Income Fund	Mar-07	6 M KIBOR	AM3+	JCR-VIS	Not rated as yet
AMZ Plus Income Fund	25-Feb-06	1 M KIBOR	AM3+	JCR-VIS	A(F) JCR-VIS
Askari Income Fund	16-Mar-06	3 M KIBOR	AM3	PACRA & JCR-VIS	A(F) JCR-VIS & 5 Star PACRA
Atlas Income Fund	22-Mar-04	3 M KIBOR	AM3+	PACRA	5 Star PACRA
Dawood Money Market Fund	18-Apr-03	1 M KIBOR	AM3	PACRA	5 Star PACRA
Faysal Income & Growth Fund	10-Oct-05	6 M KIBOR	AM3	JCR-VIS	A+ JCR-VIS
HBL Income Fund	19-Mar-07	1 M KIBOR			Not rated as yet
KASB Liquid Fund	9-May-06	1 M KIBOR	AM3+	PACRA	Not rated as yet
MCB Dynamic Cash Fund	1-Mar-07	1 M KIBOR	AM3	PACRA	Not rated as yet
Meezan Islamic Income Fund	15-Jan-07		AM2	PACRA	Not rated as yet
NAFA Cash Fund	22-Apr-06	3 M T BILLS	AM2	JCR-VIS	A(F) JCR-VIS
Pakistan Income Fund	11-Mar-02	6 M KIBOR	AM2	PACRA	4 Star PACRA
Reliance Income Fund	19-Oct-06	6 M KIBOR			Not rated as yet
United Growth & Income Fund	2-Mar-06	1 & 3 Yr. KIBOR	AM2-	JCR-VIS	A JCR-VIS
United Money Market Fund	5-Nov-02	1 M KIBOR	AM2-	JCR-VIS	A+ JCR-VIS
JS Income Fund	26-Aug-02	1 M KIBOR	AM2+	PACRA	5 Star PACRA
IGI Income Fund	16-Apr-07	1 M KIBOR	AM3-	PACRA	Not rated as yet
Faysal Savings Growth Fund	14-May-07	1 M KIBOR	AM3	JCR-VIS	Not rated as yet
First Habib Income Funds	30-May-07	1 M KIBOR	AM3-	PACRA	Not rated as yet
Alfalah GHP Income Multiplier Fund	15-Jun-07	1 M KIBOR	AM3	PACRA	Not rated as yet
BMA Chundrigar Road Saving Fund	23-Aug-07	1 M KIBOR			Not rated as yet
NAFA Islamic Income Fund	29-Oct-07	Avg. 1 M Deposit Rate of 4 Islamic Bank	AM2	JCR-VIS	Not rated as yet
POBOP Advantage Plus Fund	25-Oct-07	3 M KIBOR			Not rated as yet
AMZ Plus Stock Fund	24-Jul-06	KSE 100	AM3+	JCR-VIS	Not rated as yet
AKD Opportunity Fund	Mar-06	KSE 100	AM3+	JCR-VIS	Not rated as yet
AKD Index Tracker Fund	Oct-05	KSE 100			
Alfalah GHP Value Fund	28-Oct-05	KSE 100	AM3	PACRA	5 Star PACRA
Alfalah GHP Islamic Fund	3-Sep-07		AM3	PACRA	Not rated as yet
Atlas Islamic Fund	15-Jan-07	KSE 100	AM3+	PACRA	Not rated as yet
Atlas Stock Market Fund	23-Nov-04	KSE 100	AM3+	PACRA	5 Star PACRA
Askari Asset Allocation Fund	10-Sep-07	KSE 100	AM3	PACRA & JCR-VIS	Not rated as yet
Crosby Dragon Fund	Dec-03	KSE 100	AM4-	JCR-VIS	
Dawood Islamic Fund	14-Jul-07	KSE 100	AM3	PACRA	Not rated as yet
Faysal Balanced Growth Fund	14-Apr-04	KSE 100	AM3	JCR-VIS	3 Star JCR-VIS
HBL Stock Fund	1-Sep-07	KSE 100			Not rated as yet
KASB Stock Fund	22-Mar-07	KSE 100	AM3+	PACRA	Not rated as yet
MCB Dynamic Stock Fund	1-Mar-07	KSE 30	AM3	PACRA	Not rated as yet
Meezan Islamic Fund	8-Aug-03	KSE 100	AM2	PACRA	5 Star PACRA
NAFA Multi Asset Fund	22-Jan-07	50% KSE & 50% 1 M KIBOR	AM2	JCR-VIS	Not rated as yet
NAFA Stock Fund	22-Jan-07	KSE 30	AM2	JCR-VIS	Not rated as yet
NAFA Islamic Multi Asset Fund	29-Oct-07	50% Dow Jones Islamic Pakistan Index & 50% Avg. 1 M Deposit rate of 4 Islamic Bank	AM2	JCR-VIS	Not rated as yet
National Investment Trust	12-Nov-62		AM2-	PACRA	3 Star PACRA
Pakistan Capital Market Fund	24-Jan-04	KSE 100	AM2	PACRA	Not rated as yet
Pakistan Int'l Islamic Fund	2-May-06	KSE 100	AM2	PACRA	5 Star PACRA
Pakistan Stock Market Fund	11-Mar-02	KSE 100	AM2	PACRA	Not rated as yet
United Composite Islamic Fund	24-Dec-06	KSE 100	AM2-	JCR-VIS	Not rated as yet
United Stock Adv. Fund	4-Aug-06	KSE 100	AM2-	JCR-VIS	Not rated as yet
UTP - A30+ Fund	29-May-06	A 30 index	AM2+	PACRA	Not rated as yet
UTP - Fund of Funds	31-Oct-05	Composite BM of Top 10 open end funds with equal weightage	AM2+	PACRA	5 Star PACRA
UTP (Balanced Fund)	27-Oct-97	30% 6 M KIBOR % 70% KSE 30	AM2+	PACRA	5 Star PACRA
UTP Aggr Asset Alloc Fund	28-Jun-05	Higher of KSE 30 or 6 M KIBOR	AM2+	PACRA	Not rated as yet
UTP Islamic Fund	27-Dec-02	Dow Jones Islamic Market Index	AM2+	PACRA	Not rated as yet
UTP-CPF I	21-Feb-07	Higher of KSE 30 or 6 M KIBOR	AM2+	PACRA	Not rated as yet
UTP-CPF II	18-Jun-07	Higher of KSE 30 or 6 M KIBOR	AM2+	PACRA	Not rated as yet
UTP-CPF III	28-Sep-07	Higher of KSE 30 or 6 M KIBOR	AM2+	PACRA	Not rated as yet

Source: IGI Fund Select

Sector Snapshot

Open End Mutual Fund	Fund Sizes as at 31 December, 07 (PRsbn)	Fund Sizes as at 31 January, 08 (PRsbn)	MoM % Growth in Fund Size	Front-end Load	Back-end Load	Mgt Fee
AKD Income Fund	4.840	5.632	16.36%	1.00%	Nil	1.10%
AMZ Plus Income Fund	6.050	5.800	-4.13%	1.25%	Nil	1.25%
Askari Income Fund	13.20	13.90	5.30%	Nil	0.25% ¹	1.50%
Atlas Income Fund	4.50	4.313	-4.16%	2.00%	Nil	1.00%
Dawood Money Market Fund	3.40	3.48	2.29%	1.00%	Nil	1.00%
Faysal Income & Growth Fund	2.64	3.18	20.27%	1.00%	2% ²	1.25%
HBL Income Fund	6.11	6.23	1.98%	Nil	Nil	1.50%
KASB Liquid Fund	9.50	9.30	-2.11%	Nil	Nil ³	1.30%
MCB Dynamic Cash Fund	11.530	13.177	14.28%	Nil	Nil	1.50%
Meezan Islamic Income Fund	6.800	7.331	7.81%	0.50%	1% ⁴	1.00%
NAFA Cash Fund	23.07	24.20	4.90%	Nil	Nil	1.50%
Pakistan Income Fund	9.26	9.59	3.56%	1.35%	Nil	1.50%
Reliance Income Fund	1.25	1.23	-1.84%	1.50%	Nil	1.50%
United Growth & Income Fund	17.620	16.365	-7.12%	1.50%	Nil ⁵	1.50%
United Money Market Fund	10.510	11.235	6.90%	Nil	Nil	1.50%
JS Income Fund	11.24	11.90	5.87%	1.50%	Nil	1.50%
IGI Income Fund	3.00	3.13	4.33%	Nil	Nil	1.25%
Faysal Savings Growth Fund	3.54	4.12	16.41%	Nil	Nil	1.50%
First Habib Income Funds	2.63	2.56	-2.66%	Nil	Nil ⁶	1.50%
Alfalah GHP Income Multiplier Fund	3.800	4.078	7.31%	Nil	Nil	1.25%
BMA Chundrigar Road Saving Fund	2.40	3.25	35.28%	1.00%	Nil	1.50%
NAFA Islamic Income Fund	0.91	0.957	5.16%	1.00%	Nil	1.50%
POBOP Advantage Plus Fund	2.43	2.40	-1.40%	1.00%	Nil	1.50%
United Islamic Income Fund	1.606	1.653	2.93%	1% ⁹	1% ¹⁰	1.25%
Totals	161.84	169.00	4.42%			
AMZ Plus Stock Fund	0.521	0.601	15.36%	3.00%	Nil	3.00%
AKD Opportunity Fund	1.380	1.490	7.97%	3.00%	Nil	3.00%
AKD Index Tracker Fund	0.584	0.520	-10.96%	1.00%	2% ⁷	0.75%
Alfalah GHP Value Fund	0.561	0.579	3.26%	2.50%	Nil	2.50%
Alfalah GHP Islamic Fund	0.561	0.342	-39.04%	2.50%	Nil	2.25%
Atlas Islamic Fund	0.734	0.747	1.77%	1.00%	1.5% ⁸	3.00%
Atlas Stock Market Fund	1.600	1.597	-0.19%	2.00%	Nil	3.00%
Askari Asset Allocation Fund	0.700	0.731	4.43%	2.50%	Nil	3.00%
Crosby Dragon Fund	1.856	1.805	-2.75%	2.00%	Nil	2.50%
Dawood Islamic Fund	0.350	0.527	50.62%	1.00%	Nil	1.50%
Faysal Balanced Growth Fund	1.120	1.083	-3.30%	2.25%	Nil	2.25%
HBL Stock Fund	1.824	1.912	4.82%	2.50%	Nil	3.00%
KASB Stock Fund	0.404	0.401	-0.74%	2.50%	Nil	3.00%
KASB Balanced Fund	0.973	1.057	8.63%	2.00%	Nil	2.00%
MCB Dynamic Stock Fund	0.977	0.959	-1.84%	2.50%	Nil	3.00%
Meezan Islamic Fund	4.600	5.238	13.87%	2.00%	Nil	3.00%
NAFA Multi Asset Fund	1.572	2.099	33.52%	3.00%	Nil	2.50%
NAFA Stock Fund	1.840	2.263	22.99%	3.00%	Nil	3.00%
NAFA Islamic Multi Asset Fund	1.840	0.825	-55.16%	3.00%	Nil	2.50%
National Investment Trust	99.000	100.000	1.01%	2.50%	1.00%	1.00%
Pakistan Capital Market Fund	1.143	1.090	-4.64%	2.50%	Nil	3.00%
Pakistan Int'l Islamic Fund	1.046	0.970	-7.27%	*	**	***
Pakistan Stock Market Fund	3.709	3.390	-8.60%	2.50%	Nil	2.00%
United Composite Islamic Fund	1.054	1.093	3.70%	2.50%	Nil	3.00%
United Stock Adv. Fund	2.189	2.309	5.48%	2.50%	Nil	3.00%
UTP - A30+ Fund	0.425	0.340	-20.00%	3.00%	Nil	1.50%
UTP - Fund of Funds	0.158	0.160	1.27%	3.00%	Nil	1.00%
UTP (Balanced Fund)	4.660	4.830	3.65%	3.00%	Nil	2.00%
UTP Aggr Asset Alloc Fund	0.647	0.640	-1.08%	3.00%	Nil	3.00%
UTP Islamic Fund	0.878	0.890	1.37%	3.00%	Nil	3.00%
UTP-CPF I	1.119	1.130	0.98%	3.00%	5.00%	1.25%
UTP-CPF II	1.566	1.600	2.17%	2.00%	5.00%	1.50%
UTP-CPF III	1.386	1.399	0.94%	2.00%	5.00%	1.50%
Totals	142.98	144.62	1.15%			

Source: IGI Fund Select

Load

- 0.25% if redeemed within 2 month
- If redeem within a year and 1% if redeem in the 2nd year of investment and 1% if redeem in the 3rd year of investment and after that no load
- 0.5% if redeemed within 15 days
- If redeem within 6 month and after that .5% load
- Back end load charge on Growth fund: 1 yr 3%, yr 2 2% and yr 1%
- 0.5% if redeemed within 15 days
- Only for seed investors
- If redeem within a year and 1% if redeem in the 2nd year of investment and .5% if redeem in the 3rd year of investment and after that no load
- 1% Front End load on Income Fund, No. load on Growth
- No Back End load on Income, and on Growth, if redeem < 6 month 1% if redeem = 1 year 0.5%, after that no load
- Type A 2.5% and Type B, C and D None
- Type A None and B, C, D: 1 yr 3%, yr 2 2% and yr 3 1%
- Type A & B: 3% and Type C&D: 2%

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I, **Tahir Hussein Ali**, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject, securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report.

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