

FUND SELECT

An Investment Guide to Mutual Funds

Highlights

Market Roundup

In August 2007, the KSE-100 index registered a fall of 11.10%. Moreover, significant volatility was witnessed in global equity markets.

UTP-Fund of Funds (UTP-FoF)

The fund has outperformed its benchmark by 1.68% and KSE-100 index by a hefty 7.03% in August 2007.

Alfalah GHP Value Fund (AGV)

During August 2007, the fund has outperformed the KSE-100 index by a significant margin of 7.96%.

Dividend Display

Sector Snapshot

"In this issue we present two very selective funds namely UTP-Fund of Funds and Alfalah GHP Value Fund. Both these funds have some unique features which are discussed briefly in the report. Moreover, both funds were launched in last quarter of CY05 and management of both funds has been taken over by new fund managers in June 2007. Both funds have outperformed the market by significant margins in August 2007. The idea behind this "monthly bulletin" is to enhance the reader's knowledge about different mutual funds. In our view, this is still a much untapped sector which provides relatively better investment opportunity to investors. Your suggestions to add value to this product are more than welcome."

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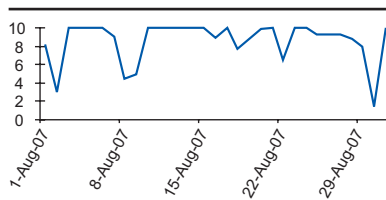
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IGI

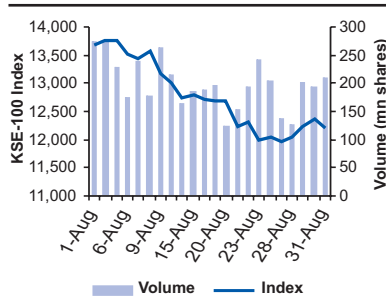
Investment Bank

Chart 1: O/N Rate August, 07



Source: IGI Research

Chart 2: KSE - 100 Index



Source: IGI Research

Market Roundup

Focus on Money Market

Throughout August 2007, significant fluctuation was witnessed in overnight rate. Average rate for the month stood at 8.65% with low and high of 1.50% and 9.95% respectively. After the 50bps hike in discount rate, 6month KIBOR increased by 13bps on month-on-month which stood at 9.59%-10.09% (bid-offer) on Aug 31st 2007. During the month, the State Bank of Pakistan did a PIB auction. The outcome of the auction can be seen in table 01.

Table 1: PIB Auction Highlights

	Accepted Bids (PRsbn)	Cut-off price (PRs)	Cut-off yield (%)	Cupon Rate (%)
3Yr	1.05	98.50	9.6881	9.1
5Yr	4.19	97.71	9.8916	9.3
10Yr	3.80	95.39	10.3509	9.6
15Yr	0.50	91.87	11.1495	10.0
20Yr	1.80	93.00	11.4016	10.5
30Yr	4.00	94.37	11.7777	11.0

Source: IGI Money Market Desk

Equity Market Snapshot

Persistent domestic political uncertainties, massive foreign selling and turbulent global equity markets took a heavy toll on domestic bourses throughout August 2007. The benchmark KSE100 index demonstrated lackluster performance and lost 1,525 points or 11.10% at 12,214 points. Significant decline was witnessed in continuous funding system (CFS) which dropped to PRs42bn from PRs54.61bn a month earlier. Moreover, a declining trend was observed in average monthly turnover at ready and futures counters.

Table 2: KSE Review August, 2007

	KSE-100 index	KSE-30 Index	CFS Amount (PRs bn)	CFS Rate (%)	Market Cap (PRs bn)	Avg Turnover Ready	Avg Turnover Futures
31-Aug-07	12,214.26	14,898.47	41.99	10.55	3,553.03	197.64	53.1
31-Jul-07	13,738.87	16,618.27	54.61	11.26	4,028.09	348.91	63.76
%Chg MoM	-11.10%	-10.35%	-23.11%	(0.71)	-11.79%	-43.36%	-16.72%

Source: IGI Research

Global Bourses Highlights

US mortgage crisis wreaked havoc in global stock markets during first couple weeks of August CY07. Nevertheless, the unexpected cut in primary interest rate by Federal Reserve from 6.25% to 5.75% facilitated nose diving US and European bourses to bounce back. All major US and EU index witnessed significant recovery during later part of the month and posted trivial change on month-on-month basis. In Asia, except for China, all major share markets demonstrated somewhat lackluster performance. The Chinese benchmark index remained almost shielded from key events in US and continued its upward journey. Shanghai Composite Index posted massive gain of 747.80 points or 16.73%MoM which is the utmost increase among major global index shown in the table below.

Table 3: Global Bourses Highlights

	Index as on		%Chg MoM	Trailing PE Multiple (x)	Dividend Yield (%)	Average Vol (mn shares)
	31-Aug,07	31-July,07				
Dow Jones	13,357.74	13,211.99	1.10%	16.03	2.21	271.67
NASDAQ	2,596.36	2,546.27	1.97%	36.03	0.74	1,068.66
S&P500	1,473.99	1,455.27	1.29%	16.80	1.93	1,500.56
FTSE100	6,303.30	6,360.10	-0.89%	12.46	3.8	1,957.52
CAC-40	5,662.70	5,751.08	-1.54%	14.47	3.16	169.43
DAX	7,638.17	7,584.14	0.71%	13.08	2.92	167.14
Hang Seng	23,984.14	23,184.94	3.45%	15.98	2.75	2,591.18
Shanghai Comp	5,218.83	4,471.03	16.73%	48.14	0.82	11,040.58
Sensex30	15,318.60	15,550.99	-1.49%	20.33	1.30	14.37
Philippine Comp	3,365.29	3,501.20	-3.88%	14.17	n/a	533.84
Stock Exch Thai	813.21	859.76	-5.41%	15.93	3.66	1,731.59
Taiwan Taiex	8,982.16	9,287.25	-3.29%	20.36	0.77	4,008.99
KOSPI index	1,873.24	1,933.27	-3.11%	14.84	0.66	399.05
Kuala Lumpur Comp	1,273.93	1,373.71	-7.26%	15.30	3.53	253.31
KSE100	12,214.26	13,739.53	-11.10%	13.07	3.62	151.43

Source: Bloomberg & IGI Research

Table 4: Ratings by PACRA

UTP-IF	5 star
UTP (Balanced Fund)	5 star
UTP-AAA	5 star
UTP-ISF	5 star
BSJS Balance Fund (BBF)	5 star
UTP-Large Cap Fund (UTP-LCF)	4 star

Source: IGI Fund Select

Table 5: Fact Sheet of UTP-FoF

Fund type	Open end
Fund launch date	31 October, 2005
*Net assets (PKR/US\$m)	118.41 / 1.95
*NAV (PKR/ US\$)	49.45 / 0.81
Listing	LSE
Trustee	CDC
Auditors	KPMG
Risk profile	Medium
Management fee	1.00%

*as on August 2007

Source: UTP-FoF FMR

Table 6: Rolling Returns (%)

	6M	12M	18M
Avg. return	3.33	5.10	11.89
Best return	19.96	16.71	19.24
Worst return	-13.19	-6.84	-0.72

Source: UTP-FoF FMR

UTP-Fund of Funds (UTP-FoF)

Company Snapshot

Commencing journey in February 1995, JS Investments Limited (JSIL) (formerly JS ABAMCO Ltd) is the oldest and largest private sector asset management company (AMC) in Pakistan with cumulative assets of over PKR29bn under management. JSIL is rated AM2+ by PACRA and is the first asset management company in Pakistan to be rated as such. Moreover, JSIL is among four exclusive AMCs in the country that has been selected as Pension Fund Managers by SECP. Since 1995, the company is playing a pivotal role in the development of mutual fund industry in Pakistan. JSIL fund family presently has twelve funds which are as follows:

Open-End Fund

- Unit Trust Pakistan (UTP)
- UTP- Income Fund (UTP-IF)
- UTP- Islamic Fund (UTP-ISF)
- UTP- Aggressive Asset Allocation Fund (UTP-AAAF)
- UTP- Fund of Fund (UTP-FoF)
- UTP- A30+Fund (UTP-A30+F)
- JS Pension Saving Fund (JS-PSF)
- UTP- Capital Protected Fund (UTP-CPF)
- UTP- Capital Protected Fund II (UTP-CPF II)

Closed-End Fund

- BSJS Balance Fund (BBF)
- UTP-Large Cap Fund (UTP-LCF)
- UTP-Growth Fund (UTP-GF)

The recently launched Pension Fund has three sub-funds namely Equity, Debt and Money Market Funds. The company is launching the third fund of Capital Protected Fund series namely UTP-CPFIII with 100% capital protection which will take the total funds to thirteen. With all the aforementioned funds, the AMC has presence in almost every category of the mutual funds in the country which gives a competitive advantage to the company. Moreover, the management company has launched couple of indexes in recent past namely ABAMCO 30 and Dow Jones JS Pakistan Islamic Index. The management company is actively involved in innovation and development of new products for the progress of the domestic mutual fund industry.

Differentiating Feature

Unlike other open end funds, UTP- Fund of Fund is a sector specific fund which invests primarily in the mutual fund sector. Due to its unique feature, the fund is not subject to the sector exposure limit as prescribed by SECP. Moreover, the fund can invest upto 15% in any open or closed end mutual fund. It is interesting to note that the benchmark of the fund changed in June 2007 and new benchmark is **average return of the top ten equity funds during the month**. The former benchmark was the A30 index. The new benchmark sets a new vision and destination for the fund.

Fund Objective

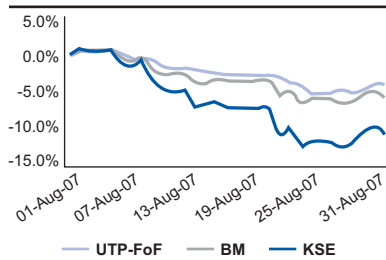
The fund aims to grow investor's capital in the long term while diversifying the asset manager risk bundled together with the benefits of an asset allocation fund. The fund operates a diverse portfolio of equity, balanced, fixed income and money market funds (both open and closed end) with the option to adjust the asset mix as equity markets rise or fall and the economy strengthens or weakens.

Investment Methodology

The management company assesses a number of factors before investing in underlying Funds. Among them are investment manager evaluation, asset allocation, quality of the funds assets and price to NAV discounts. In **investment manager evaluation**, the management company conducts a thorough due diligence on the investment manager responsible for managing the funds in question. These evaluations are done on a consistent format and highlight any qualitative differences

among investment managers in the mutual funds sector. The investment performance and returns, along with processes and controls employed by these investment managers are critiqued. In **Asset Allocation**, the investment committee conducts an in depth analysis of economy and evaluates capital market on fundamental grounds. In the third step, that is **quality of the funds assets evaluation**, the Management Company's investment valuation process carries out a comprehensive analysis of the investment portfolio of each mutual fund under consideration for investment by the Fund. The mix of securities, their cost basis and upside potential are considered while analyzing these portfolios. Furthermore, in close end mutual funds, market price to NAV discounts is also considered. Only the mutual funds that the Management Company deems likely to out perform their group are selected as investments in the UTP- Fund of Funds. The management company reserves the right to invest in JS Investments Limited (formerly JS ABAMCO Limited) funds, provided they meet the aforementioned criteria. Any cash balances may be invested in COT, Repo, margin financing or any other forms of money market instruments as may be allotted by SECP. Despite the fact that the fund can take exposure in any open-end, closed-end, equity (including hybrid), debt or income fund, presently the fund manager primarily prefers to invest in Open-End equity fund.

Chart 3: Relative Performance



Source: UTP-FoF FMR

Performance Highlights

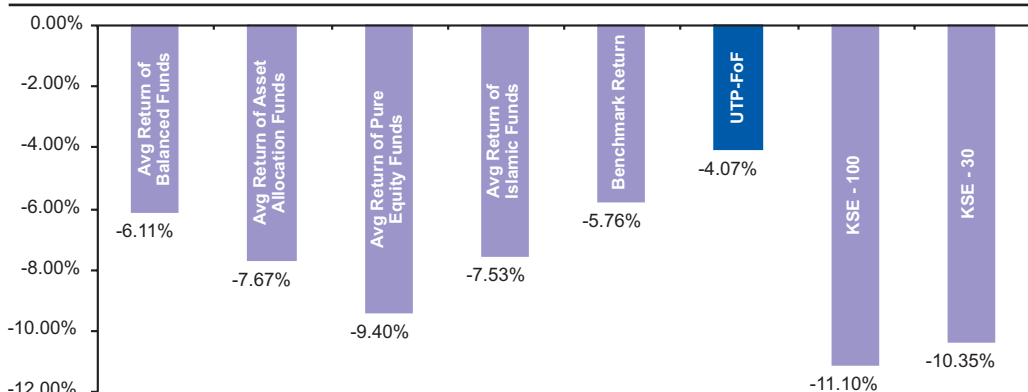
During the month of August 2007, the fund has outperformed the benchmark (average return of ten best funds) by fairly decent margin. In August CY07, the fund's NAV declined 4.07% as compared to a fall of 5.76% in average NAVs of ten best performing funds, thus the fund has **outperformed the benchmark by 1.68%**. The fund has outperformed the average return of all categories of equity funds namely balance funds, asset allocation funds, pure equity funds and Islamic funds. Moreover, the fund has **outperformed the KSE-100 index and KSE-30 index by a hefty 7.03% and 6.28% respectively**. The key reason behind the fund's outstanding performance was the timely reading of the market by the fund manager. As the KSE-100 Index surpassed the psychological barrier of 14,000 points, the fund manager commenced offloading investments. As a result of this, the fund was only 44.7% invested as on July 31, 2007 while remaining was held in cash or cash equivalent.

Table 7: Monthly Performance

Since inception	FoF	BM	KSE100
Number	22	2	22
+ve mths	14	1	14
+ve mths (%)	64	50	64

Source: UTP-FoF FMR

Chart 4: Relative performance of UTP-FOF in August 2007



Source: IGI Research & Fund Select

Table 8: Funds Allocation (%)

	31-Aug	31-Jul	ChgMoM
UTP-ISF	13.7	8.4	5.3
PCMF	11.3	10.1	1.2
PSMF	11.0	10.1	1.0
NIT	8.2	0.0	8.2
MCB DSF	7.3	6.6	0.6
PIEF	7.0	0.0	7.0
Others	0.0	25.4	-25.4

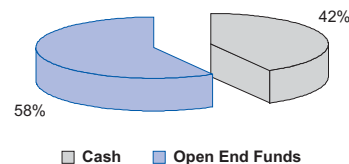
Source: UTP-FoF FMR

Since inception, the fund has offered a total return of 22% which means that if PRs100,000 were invested in UTP-Fund of Fund in November 2005, the principal amount would have grown to PRs122,000 in August 2007 translating into an annual return of 12%.

Funds Allocation

As on August 31, the UTP-Fund of Fund was 58.4% invested in different funds while remaining 41.6% were held in cash or cash equivalent. It is interesting to note that UTP-Fund of Funds has exposure in only six funds. During the month of August 2007, the fund took a fresh exposure in National Investment Trust (NIT) and Pakistan Islamic Elementary Fund. Besides these, the fund has exposure in UTP- ISF,

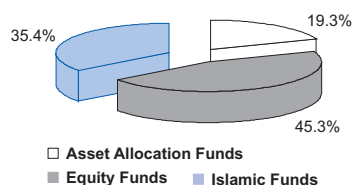
Chart 5: Asset Allocation Aug 31, 2007



Source: UTP-FoF FMR



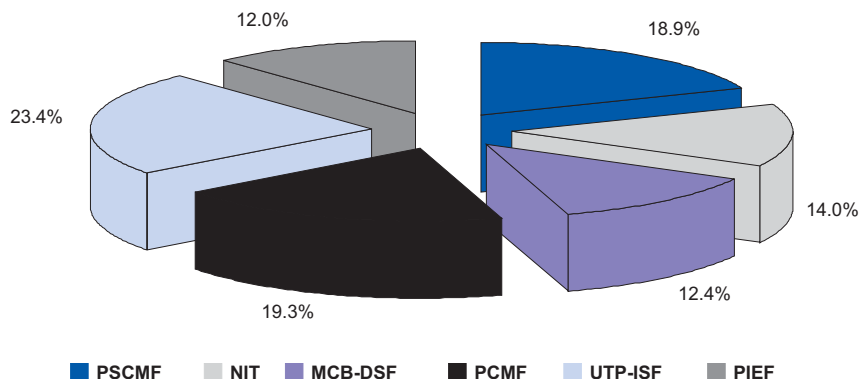
Chart 6: Open End Allocation



Source: UTP-FoF FMR

PCMF, PSMF and MCB-DSF. Moreover, of the cumulative investments, 58.6% was invested in pure equity funds while 35.4% and 19.3% were invested in open end Islamic fund and asset allocation fund respectively.

Chart 7: Funds Allocation as on Aug 31, 2007



Source: UTP-FoF FMR (Fund Manager Report)

Table 9: Drawdown Analysis

Since inception	FoF	BM	KSE100
Max DD (%)	13.38	5.76	14.84
Mths in max DD	6	1	2
Mths to recover	9	n/a	5

Source: UTP-FoF FMR

Table 10: Monthly Correlation

Since inception	Alpha	Beta	R ² (%)
KSE100	-0.22	0.56	84.45
A30	0.03	0.48	78.74
BM	0.53	0.80	100.00

Source: UTP-FoF FMR

Table 11: Risk Profile

Since inception (%)	FoF	BM	KSE100
Ann. volatility	14.87	14.63	24.23
Semi Volatility	11.67	n/a	17.54
Downside dev. [10%]	11.52	14.63	17.09
Sharpe [10%] (x)	0.11	-2.92	0.61
Sortino (x)	0.14	-2.92	0.87

Source: UTP-FoF FMR

Portfolio Evaluation

In the following paragraphs we have briefly examined each of the six funds in which the UTP-FoF had exposure as on August 31, 2007.

- Pakistan Stock Market Fund (PSMF), Pakistan Capital Market Fund (PCMF) and Pakistan International Elementary Funds (PIEF) are all managed by Arif Habib Investments Limited. All these funds have outstanding track record and have demonstrated robust performance since inception on consistent basis. During FY06-07, PSMC, PCMF and PIIF have offered a return of 29.41%, 26.54% and 23.38% respectively.
- National Investment Trust has outperformed the KSE-100 index five times during the past seven financial years. In FY06-07, the fund offered a return of 44.8% and outperformed the benchmark index by hefty margin of almost 8%.
- UTP-Islamic Fund is managed by JS Investments Limited. The fund was launched in December 2002 and has demonstrated impressive performance on consistent basis. Since inception, the fund has offered a total return of 119.65%, which means if PRs100,000 were invested in December 2002, the principal amount would have grown to PRs219,650 in August 2007, translating into an average annual return of 26.15%.
- MCB-Dynamic Stock Market Fund (MCB-DSF) was launched in February 2007. The fund has been outperforming its benchmark KSE-30 index consistently since inception.

Analyzing aforementioned funds and keeping in view key evaluation factors of UTP-Fund of Funds we believe that the Fund is likely to continue outperforming its benchmark return in near future.

Target Market for UTP-Fund of Funds

In our view, the fund offers an attractive investment opportunity to medium and long term investors who would like fairly good returns with minimizing risk through extensive diversification.

The Bottomline: An Investment Perspective

We view this fund as a defensive growth play having potential to offer returns over and above investor's expectations in medium to long term.



Alfalah GHP Value Fund (AGV)

Table 12: Rating by PACRA

Alfalah GHP	AM3
Alfalah GHP Value Fund	5 star

Source: IGI Fund Select

Company Snapshot

Bank Alfalah Limited and GHP Financial Services of Switzerland are main sponsors of the Asset Management Company (AMC). GHP Financial Services of Switzerland is a portfolio management and investment counseling company based in Switzerland. It is a member of Swiss Association of Asset Managers (SAAM). Presently, the company has three funds namely Alfalah GHP Value fund, Alfalah GHP Income Multiplier Fund and Alfalah GHP Islamic Fund with cumulatively over PRs3.6bn under management.

Differentiating Feature

Unlike plain vanilla equity or fixed income/money market funds, Alfalah GHP Value Fund is an asset allocation fund which aims to invest in a broad range of asset classes so as to diversify fund risk and to optimize potential returns. The Fund invests up to a maximum limit of 80% of its NAV in equity securities or debt / money market securities with per company and per sector limitations as prescribed in the NBFC Rules. Out of the total investment, minimum 50% of assets shall remain invested in the listed securities. Moreover, the Fund can invest up to a maximum of 25% of its NAV in the Continuous Funding System (CFS) with not more than 20% of CFS amount in any one scrip at the time of such investment.

Fund Objective

The primary investment objective of Alfalah GHP Value Fund (AGV) is to generate stable and consistent returns from a well diversified portfolio consisting of high quality equity and debt securities.

Investment Methodology

AGV follows a flexible asset allocation strategy as it believes that considerable investor returns are generated by having investments in the right asset classes. Changes in asset allocations are made from time to time in order to maximize investor returns and manage risk. Movements among key asset classes are made after comprehensive study of macro economic indicators, indepth analysis of money/debt market and extensive evaluation of equity market fundamentals. The investment committee allocates funds among following major classes of assets.

- Debt / Fixed Income Instruments including money market investments such as Reverse REPOS etc,
- Equity
- Cash and Bank Deposits
- Warrants, options (including financial options and contracts), derivatives and contracts.
- Continuous Funding System (CFS)
- Other asset classes

For taking exposure in two key asset classes namely Equity and Debt/Fixed Income Instruments including money market investments such as Reverse REPOS etc the investment committee uses different parameters. In Equity class, stocks are divided into three different categories which are: *Value Stocks, Growth Stocks and Dividend Stocks*. **Value stocks** are of those companies which are undervalued and their intrinsic share value is higher (atleast 15%) than the market quoted price of such shares. **Growth stocks** include those companies which are expected to see high growth in sales and profits in the coming years because of undergoing expansion or forecasted changes in company or industry dynamics. **Dividend stocks** are of those companies which regularly pay out high dividends from their earnings and as such provide a regular income stream to the Fund. Analyzing price volatility, market capitalization, average daily turnover of past 12 months and potential return of stocks falling under different categories, the investment committee takes exposure in different stocks. In second key asset class that is Debt / Fixed Income Instruments including money market investments such as Reverse REPOS etc, the investment committee critically evaluates different investment instruments on different benchmarks which includes sponsor of the issue, strength of financial & ability to repay, industry fundamentals & future outlook and rate of return offered.

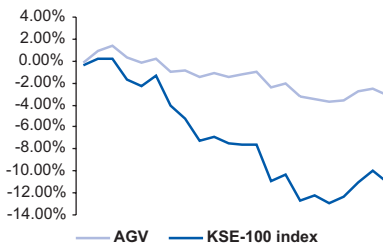
Table 13: Fact Sheet of AGV Fund

Type	Open End
Category	Asset Allocation
Inception Date	28-29 Oct 2005
Inception Price	PRs 50 per unit
Trustee	CDC Pakistan
Custodian	CDC Pakistan
Management Fee	2.50%
Sales Load	2.50%
Rating	5 star by PACRA
Minimum Investment	PRs 5,000
*Net Assets	PRs 709mn
*NAV	PRs 54.84 per unit
Benchmark	KSE-100 index

*as on August 31, 2007

Source: AGV FMR

Chart 8: Rel Performance during Aug 07



Source: AGV FMR

Performance Highlights

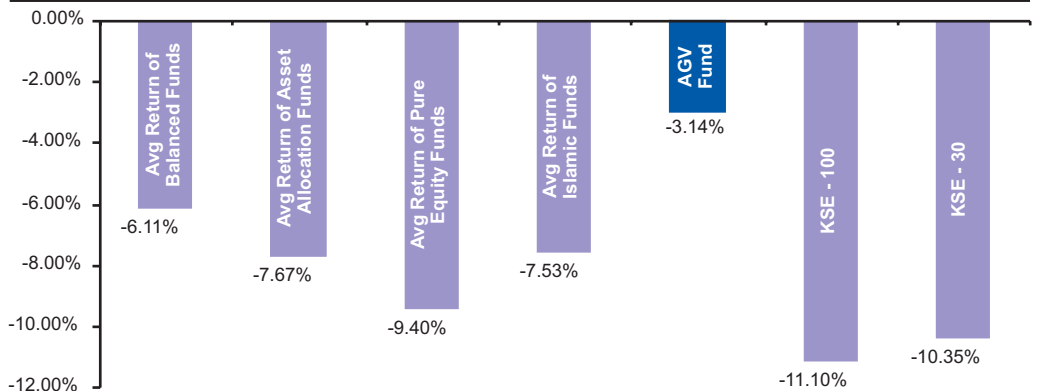
In the month of August 2007, the fund's NAV declined by 3.14% as compared to a fall of 11.10% in the benchmark KSE-100 index, thus the fund **out performed the index by a hefty 7.96%**. Major reason behind the out performance is the fund manager's prudent asset allocation strategy. As on July 31, the fund had only 42% exposure in equity market as compared to 51% a month earlier. Moreover, the fund's differentiating feature facilitated the fund manager to make such a prudent move. In CY06, the fund outperformed the benchmark KSE-100 index by a significant margin of 7.65% as the fund offered a return of 12.71% as compared to index return of 5.06%. Since inception, the fund has offered a total return of 32.35% which means that if PRs100,000 were invested in the fund in November 2005, the principal amount would have grown to PRs132,350 on Aug 31, 2007. This translates into an average annual return of 17.64%.

Table 14: FY06-07 Performance

Earning Per Unit (PRs) (FY06-07)	7.94
PE Ratio (x)	7.20
Payout Ratio	62.97%
Dividend Yield	8.74%

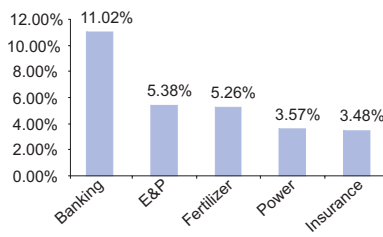
Source: AGV FMR

Chart 10: Relative Performance of AGV Fund in August 2007



Source: IGI Research & Fund Select

Chart 9: Sector Allocation Aug 31, 2007

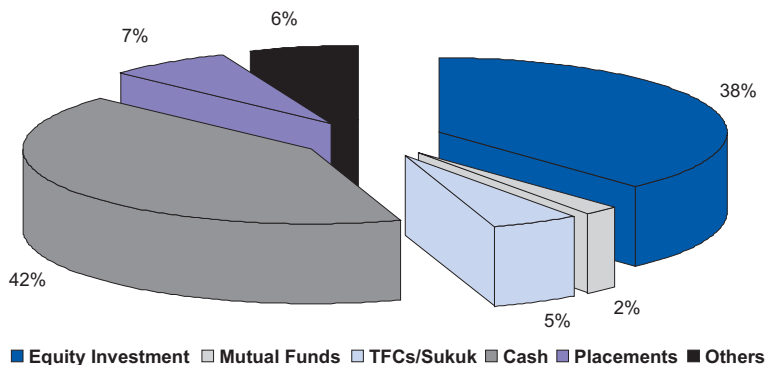


Source: AGV FMR

Funds Allocation

As on August 31st 2007, the fund was only 38% invested in stocks while a hefty 42% were held in cash or cash equivalents. During August, the fund increased its exposure in the banking sector to 11.02% from 7.42% a month earlier. Investments in fertilizer sector reduced marginally from 6.79% in July to 5.26% in August CY07. Exposure in Paper and Power sectors increased while investment in E&P sector reduced marginally.

Chart 11: Asset Allocation as on Aug 31, 2007



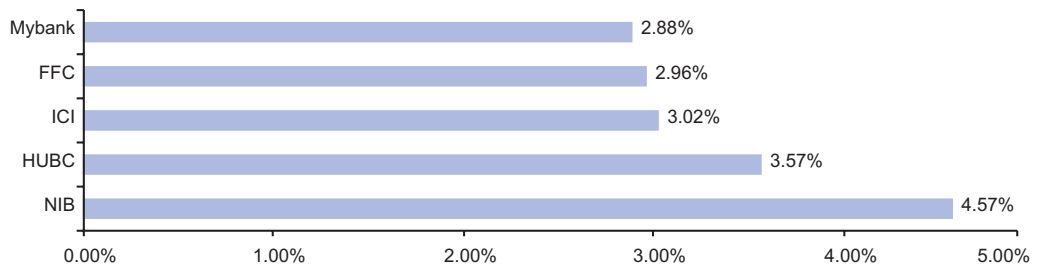
Source: AGV FMR



Portfolio Evaluation

In our view, having ample liquidity would provide outstanding opportunity to take advantage of recent massive correction at domestic bourses. Increased exposure in banking sector is a prudent move as the sector has witnessed significant drop in share prices in recent correction and the probability of the sector to outperform the index in the near future is highly likely. Nevertheless, the recent amendments in provisioning requirements could keep the sector somewhat under pressure in short term only.

Chart 12: Top Five Holdings as on Aug 31, 2007



Source: AGV FMR (Fund Manager Report)

Table 15: Risk Profile

Beta	0.41%
Standard dev.	0.52%
Sharpe Ratio	0.10

Source: Al-Falah GHP

Moreover, E&P stocks are trading at very attractive levels and going forward we believe the sector has the significant potential to offer lucrative returns both in form of dividend yield and capital gains. Furthermore, the sufficient liquidity would provide good opportunity to take advantage from the recent hike in primary discount rate. A number of Term Finance Certificate (TFC) issues are in the pipeline. TFCs offer an attractive rate of return coupled with financial soundness of the issuer. Analyzing the aforementioned funds allocation strategy, in our view, the fund has potential to offer better returns in near future.

Target Market for Alfalah GHP Value Fund

In our view, the fund offers an attractive investment opportunity to medium to long term investors who prefer risk diversification coupled with fairly good returns.

The Bottomline: An Investment Perspective

We view this fund as a consistent growth player which offers fairly good returns and minimizes risk through diversification.

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	UTP-Capital Protected Fund	21-Feb-07	-	-	-	-	4.50%	4.50
2	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	Faysal Income & Growth Fund	10-Oct-05	-	-	-	5.50%	12.75%	12.75
8	Meezan Islamic Income Fund	15-Jan-07	-	-	-	-	4.40%	2.20
9	MCB Dynamic Cash Fund	1-Mar-07	-	-	-	-	3.38%	3.38
10	HBL Income Fund	19-Mar-07	-	-	-	-	2.65%	2.65
11	AKD Income Fund	1-Mar-07	-	-	-	-	3.19%	1.59
12	IGI Income Fund	16-Apr-07	-	-	-	-	1.95%	1.944 bonus units per 100 units
13	Faysal Saving Growth fund	14-May-07	-	-	-	-	1.25%	1.25
14	First Habib Income Fund	30-May-07	-	-	-	-	1.50%	1.5 bonus units per 100 units

Source: IGI Fund Select

Sector Snapshot

	Face Value (PRs)	AMC Rating	Fund Rating	Fund Sizes as on July 31, 2007 (PRs bn)	Offer Price (PRs)	Repurchase Price (PRs)	Validity Date
Open End Income Funds							
AKD Income Fund	50	AM3+	JCR-VIS	<i>Not rated as yet</i>	2.33	51.77	51.26 7-Sep-07
Alfalah GHP Income Multiplier Fund	50	AM3	PACRA	<i>Not rated as yet</i>	2.76	51.08	51.08 8-Sep-07
AMZ Plus Income Fund	100	AM3+	JCR-VIS	A(F) JCR-VIS	4.65	104.29	103.00 10-Sep-07
Askari Income Fund	100	AM3	PACRA & JCR-VIS	A(F) JCR-VIS	10.20	102.70	102.70 8-Sep-07
Atlas Income Fund	500	AM3+	PACRA	5 Star PACRA	4.16	520.36	510.16 10-Sep-07
Dawood Money Market Fund	100	AM3	PACRA	5 Star PACRA	3.33	103.33	102.31 8-Sep-07
Faysal Income & Growth Fund	100	AM3	JCR-VIS	A+ JCR-VIS	2.51	102.92	101.89 7-Sep-07
Faysal Saving Growth Fund	100	AM3	JCR-VIS	<i>Not rated as yet</i>	0.98	102.21	102.21 10-Sep-07
First Habib Income Fund	100			<i>Not rated as yet</i>	1.20	101.99	101.99 7-Sep-07
HBL Income Fund	100			<i>Not rated as yet</i>	6.20	101.83	101.83 8-Sep-07
IGI Income Fund	100	AM3-	PACRA	<i>Not rated as yet</i>	1.94	101.92	101.92 7-Sep-07
KASB Liquid Fund	100	AM3+	PACRA	<i>Not rated as yet</i>	7.04	102.26	102.26 10-Sep-07
MCB Dynamic Cash Fund	100	AM3	PACRA	<i>Not rated as yet</i>	9.86	101.83	101.83 8-Sep-07
Meezan Islamic Income Fund	50	AM2	PACRA	<i>Not rated as yet</i>	3.31	51.14	50.88 8-Sep-07
NAFA Cash Fund	10	AM2	JCR-VIS	A(F) JCR-VIS	18.80	10.21	10.21 7-Sep-07
Pakistan Income Fund	50	AM2	PACRA	4 Star PACRA	8.97	51.86	51.16 10-Sep-07
Reliance Income Fund	50			<i>Not rated as yet</i>	-	51.70	50.94 7-Sep-07
United Growth & Income Fund	100	AM2-	JCR-VIS	A JCR-VIS	12.04	102.08	99.02 10-Sep-07
United Money Market Fund	100	AM2-	JCR-VIS	A+ JCR-VIS	10.54	101.97	101.97 10-Sep-07
UTP Income Fund	500	AM2+	PACRA	5 Star PACRA	8.38	525.17	514.87 7-Sep-07
Open End Equity Funds							
AMZ Plus Stock Fund	100	AM3+	JCR-VIS	<i>Not rated as yet</i>	0.68	98.39	95.53 7-Sep-07
AKD Opportunity Fund	50	AM3+	JCR-VIS	<i>Not rated as yet</i>	0.97	55.20	53.55 7-Sep-07
Alfalah GHP Value Fund	50	AM3	PACRA	5 Star PACRA	0.68	56.64	55.26 8-Sep-07
Atlas Islamic Fund	500	AM3+	PACRA	<i>Not rated as yet</i>	0.52	478.40	466.56 7-Sep-07
Atlas Stock Market Fund	500	AM3+	PACRA	5 Star PACRA	1.50	558.78	547.82 7-Sep-07
Crosby Dragon Fund	100	AM4-	JCR-VIS	1 Star JCR-VIS	-	116.25	113.90 10-Sep-07
Faysal Balanced Growth Fund	100	AM3	JCR-VIS	3 Star JCR-VIS	1.09	101.44	99.20 7-Sep-07
KASB Stock Fund	50	AM3+	PACRA	<i>Not rated as yet</i>	0.38	50.38	49.12 7-Sep-07
MCB Dynamic Stock Fund	100	AM3	PACRA	<i>Not rated as yet</i>	0.97	99.26	96.77 8-Sep-07
Meezan Islamic Fund	50	AM2	PACRA	5 Star PACRA	3.86	57.63	56.33 7-Sep-07
NAFA Multi Asset Fund	10	AM2	JCR-VIS	<i>Not rated as yet</i>	1.68	11.53	11.20 7-Sep-07
NAFA Stock Fund	10	AM2	JCR-VIS	<i>Not rated as yet</i>	1.32	11.78	11.43 7-Sep-07
National Investment Trust	10	AM2-	PACRA	4 Star PACRA	103.00	53.40	51.50 7-Sep-07
Pakistan Capital Market Fund	10	AM2	PACRA	3 Star PACRA	1.08	11.22	10.94 7-Sep-07
Pakistan Int'l Islamic Fund	50	AM2	PACRA	<i>Not rated as yet</i>	1.29	49.91	48.66 7-Sep-07
Pakistan Stock Market Fund	50	AM2	PACRA	5 Star PACRA	3.29	80.04	78.04 7-Sep-07
United Composite Islamic Fund	100	AM2-	JCR-VIS	<i>Not rated as yet</i>	1.01	102.30	99.81 8-Sep-07
United Stock Adv. Fund	100	AM2-	JCR-VIS	<i>Not rated as yet</i>	1.30	102.29	99.80 8-Sep-07
UTP - A30+ Fund	50	AM2+	PACRA	<i>Not rated as yet</i>	0.33	50.06	49.07 7-Sep-07
UTP - Fund of Funds	50	AM2+	PACRA	<i>Not rated as yet</i>	0.14	50.79	49.79 7-Sep-07
UTP (Balanced Fund)	5000	AM2+	PACRA	5 Star PACRA	3.91	6,998.81	6,794.95 7-Sep-07
UTP Aggr Asset Alloc Fund	50	AM2+	PACRA	5 Star PACRA	0.80	49.86	48.40 7-Sep-07
UTP Islamic Fund	500	AM2+	PACRA	5 Star PACRA	0.92	532.38	516.86 7-Sep-07

Source: IGI Fund Select

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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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