

## FUND'S PORTFOLIO/ INVESTMENT INFORMATION

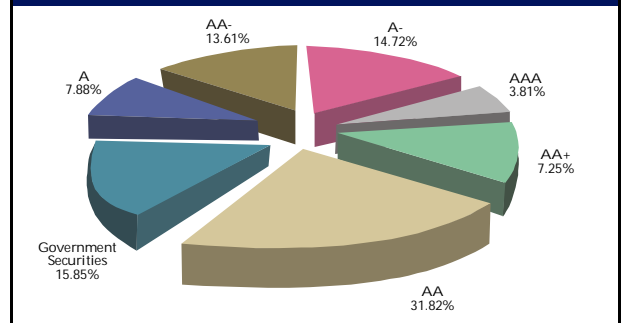
Asset Allocation (% of Assets)	Oct. 09	Nov. 09
Cash	14.81%	16.70%
Placements with Banks (TDRs)	31.84%	43.23%
Placements with DFIs (COIs)	14.24%	14.66%
Reverse Repo against Govt. Securities	8.49%	0.00%
Money Market placements	11.39%	4.50%
Treasury Bills	16.62%	15.85%
Others including receivables	2.61%	5.06%

Technical Information	ABL-IF
Leverage	NIL
Weighted average time to maturity of the net assets	81 days

Fund Returns	ABL-IF	Benchmark *
Year to date (YTD)	11.24%	12.56%
Trailing 12 months	12.95%	12.94%
Month to date (MTD)	11.62%	12.72%

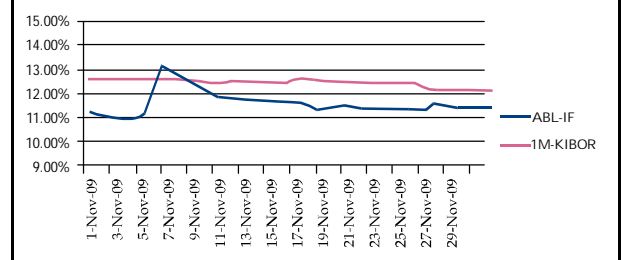
\* 1 Month Kibor Average

### Credit Quality of Portfolio (% of Assets)



\* Receivables account for 5.06% of Net Assets.

### Performance



## Fund Manager's Comments

ABL-IF yielded a monthly annualized return of 11.62%, 58 bps higher than its preceding month's return. In line with our expectations a cut in the Discount Rate of 50 bps was announced by the State Bank of Pakistan (SBP) in its Monetary Policy Statement (MPS) on November 24, 2009. This led to an increase in T-Bill prices, consequently benefiting ABL-IF's T-Bill portfolio which presently stands at 15.85% of the fund size. During the month, TDR placements increased from 31.84% to 43.23% of the fund size, due to attractive rates being offered by banks and DFIs' on account of year end crossing. Irrespective of the persistent liquidity shortage in the market and outflows on account of Eid-ul-Azha, ABL-IF's fund size grew by 4.86% over the period under review to Rs.9,206 mn.

Fiscal challenges persist due to uncertainties pertaining to foreign non-IMF financial inflows which may impede reduction in the current account deficit. Although worker's remittances have been cushioning the current account deficit, however costs associated with oil import, commodity procurement and defence expenditure are a cause of concern. Inflation has eased on a YoY basis, but with the high base effect diminished and rise in commodity and oil prices, inflation is likely to increase. On the positive front though, Large Scale Manufacturing (LSM) has shown improvement coupled with an increase in private sector credit off take. Thus, a slight cut in the discount rate by 50 bps to 12.50% seems justified.

ABL-IF is set to yield good returns in lieu of the recent cut in Discount Rate as it has locked in placements at high rates. Furthermore, with nascent government borrowing, T-Bills yields are expected to remain competitive. Considering the uncertainties surrounding both the global and local markets, ABL-IF intends to retain its conservative stance by investing with good rated counters and in short term sovereign debt instruments.

### Basic Fund Information

Fund Type	Open-end
Category	Income Scheme (Not categorized as per SECP's categorization)
Launch Date	September 20, 2008
Net Assets (PKR.)	9,206 mn as at November 30, 2009
NAV Per Unit (PKR.)	10.1957 as at November 30, 2009
Benchmark	1 Month Kibor Average
Dealing Days	As per Local Stock Exchanges
Cut-off time	4:00 pm
Pricing mechanism	Forward
Management Fee	1.5% per annum
Front-end load	NIL
Trustee	Central Depository Company of Pakistan Ltd. (CDC)
Auditor	A.F. Ferguson & Co. Chartered Accountants
Asset Manager Rating	AM3 (JCR-VIS)
Fund Stability Rating	A(f) (JCR-VIS)
Risk Profile of the Fund	Low

### Investment Objective:

The objective of ABL Income Fund is 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:

1. Sulaiman S. Mehdi – COO & Company Secretary
2. Hammad Ali Abbas – Fund Manager
3. Saqib Matin, CA – CFO

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### Disclaimer

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**ABL Asset Management**

Discover the potential