

IN FOCUS

FUND MANAGER'S REPORT MAY 2013



ECONOMY AND CAPITAL MARKETS UPDATE

Dominant PML – N victory rekindles economic revival hopes

General elections took centre stage during May 2013, with PML-N posting a dominant victory. Economic revival hopes rekindled as a strong Government is expected to address the major structural issues facing Pakistan's economy such as power outages, weak revenue collection and most importantly poor law and order situation. Overall there was not much change in Pakistan's key economic indicators over the last month. Fiscal deficit target was enhanced to 7.6% of GDP as tax collection remained weak and well below target (Tax Collection 11MFY13 PKR 1,675 bn vs. Annual Target PKR 2,050 bn). Furthermore, FX Reserves remained under pressure as IMF repayments continued (USD 575 mn paid in May) intensified by weak current account balance (10MFY13 deficit at USD 1,418 mn, April deficit at USD 354 mn). On the positive side, however, a consistently low CPI led by drop in petroleum product prices and stable food prices brought inflation down to a meagre 5.13% for the Month of May. Looking ahead, all eyes are on the upcoming FY14 Federal budget and the monetary policy statement (both scheduled for Mid-June) as the new Government takes charge. The probability of a rate cut appears low as Balance of Payments issues, a probable hike in electricity tariffs, budgetary borrowing concerns and possible re-entry into the IMF programme could weigh heavily on SBP's policy stance and negate the impact of low inflation. Budget focus is expected to be tilted towards revenue collection with tax reforms expected to dominate the agenda.

Long term yields on the decline

Money market sentiments swayed towards a probable rate cut in the next MPS announcement as inflation numbers continued to drift lower. The resultant heavy demand in long bonds and T-bills swelled the weekly OMO injection amount to a monthly high of PKR 355 bn. Despite SBP jacking up the OMO rates to extreme levels, scheduled banks participated relentlessly to fund their trading positions. Interbank rates and short term PKRV yields thus shot well above the discount rate. Furthermore, SBP's discount window saw frequent visitors during the month as banks struggled to maintain their liquidity balances. Despite tormenting money market conditions, both PIB and T-bills auctions attracted heavy participation where burden of budgetary borrowing was eloquently shifted from the SBP onto scheduled banks. A PIB auction having a pre-defined target of PKR 25 billion was conducted during the month where bids totalled PKR 92 billion against which PKR 35 billion was accepted. Against a pre-defined monthly T-bill auction target of PKR 650 billion, PKR 700 billion were accepted and investor bias remained in one year T-bills.

Elections trigger an extend rally in equities

Equities rallied following the elections as the benchmark KSE100 recorded new highs on the way, eventually closing the month at 21,823 points, +15% MoM. Investors cheered the election results as the new setup is generally perceived to be more business friendly. Market participants anticipate the newly elected Government to attract foreign capital and jump start the privatization process, especially in the energy sector. Strong foreign flows were the highlight for May 2013 and net inflows clocked in at USD 271 mn for the month. As a result, index heavy weights performed vigorously with MCB Bank, OGDC and PPL contributing significantly to the index. Volumes depicted significant improvement as average daily traded value was recorded at USD 103 mn vs. USD 61 mn in April 2013. Going forward, SBP's monetary stance and the FY14 budget will be critical for market outlook. Participants expect some tough decisions in the budget but as long as the overall tone is friendly, stock market should continue to hold its current position. Overall the market trades at 2013E P/E of 8.6x and offers prospective dividend yield of 6.0%.

Economic Summary

| | Last Reported Month | Current Month | Previous Month | YTD |
|---------------------------|---------------------|---------------|----------------|----------|
| CPI Inflation | May | 5.13% | 5.80% | 7.50% |
| Trade Deficit (USD mn) | Apr | (1,243) | (1,208) | (12,541) |
| Remittances (USD mn) | Apr | 1,216 | 1,119 | 11,570 |
| Current A/C (USD mn) | Apr | (354) | (549) | (1,418) |
| FDI (USD mn) | Apr | 232 | (118) | 854 |
| Tax Collection** (PKR bn) | May | 170 | 156 | 1,675 |
| M2 Growth* | May | - | - | 10.77% |
| FX Reserves* (USD bn) | May | - | - | 11.624% |

Source: SBP, FBS

* Latest monthly figures

** Provisional figures

Government Securities

| PKRV Yields (%) | 6M | 1yr | 3yr | 5yr | 10yr |
|-----------------|------|------|-------|-------|-------|
| Apr 30, 2013 | 9.44 | 9.50 | 10.50 | 10.96 | 11.83 |
| May 31, 2013 | 9.32 | 9.30 | 9.73 | 10.14 | 10.81 |
| Change (bps) | -12 | -2 | -77 | -82 | -102 |

Source: FMA

Equity Market Performance

| | Apr-13 | Mar-13 | M/M | 1yr Low | 1yr High |
|--------------------------|--------|--------|--------|---------|----------|
| KSE-100 Index | 21,823 | 18,982 | 14.97% | 13,369 | 21,823 |
| Avg. Daily Vol. (mn) | 341 | 176 | 93.75% | 28 | 647 |
| Avg. Daily Val. (USD mn) | 103 | 61 | 68.85% | 10 | 183 |
| 2013E PE (x) | 8.6 | | | | |
| 2013E DY | 6.0% | | | | |

Source: KSE

FUND MANAGER'S COMMENTS

ABL Income Fund generated a return of 7.36% for the month of May vs. the benchmark return of 9.60%, showing an underperformance of 224 bps. The fund's return was affected by short term valuation losses on TFCs due to non-tradability of certain issues. However, we are expecting a sharp reversal in prices over the next few weeks on account of strong demand for high quality high yielding assets. Fund size came down marginally by 3.60% during the month and closed at PKR 2.291 billion.

In view of current economic outlook, ABL IF increased its exposure to long tenure treasury bills & PIBs against cash and short term T-bills. This action enhanced fund's duration to 715 days. At month end, exposure in T-Bills & PIBs was 53.52% and 10.15% respectively of total assets, whereas exposure in Money Market placement, TDR and Cash was around 6.34%, 4.23% and 0.85% respectively. As per our strategy, we have enhanced our TFC allocation by 1.92% to 18.77% of total assets.

The fund will continue to take active positions in government securities in order to benefit from possible valuation gains on our T-bill and bond portfolio. Moreover, investors are advised to ride out short term volatility as we expect improvement in returns owing to high baseline yields in T-Bills and increased exposure to TFCs.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs.31.990 million. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.1417 per unit.

INVESTMENT OBJECTIVE

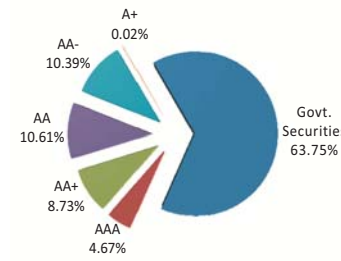
To earn superior risk adjusted rate of return by investing in a blend of short, medium and long term instruments, both within and outside Pakistan.

| TOP TFC/SUKUK HOLDINGS (% OF TOTAL ASSETS) | May 31 st , 2013 |
|--|-----------------------------|
| SCB Ltd | 4.60% |
| BAFL - V | 4.28% |
| HUBCO ST Sukuk | 4.23% |
| UBL TFC - IV | 3.82% |
| PMCL - Listed | 2.87% |
| Askari Bank - II | 1.27% |
| Askari Bank - IV | 1.94% |

| ASSET ALLOCATION (% OF TOTAL ASSETS) | April 30 th , 2013 | May 31 st , 2013 |
|--------------------------------------|-------------------------------|-----------------------------|
| Cash | 3.16% | 0.85% |
| Placements with Banks (TDRs) | 4.14% | 4.23% |
| Placements with DFIs | 8.28% | 6.34% |
| T-Bills | 52.55% | 53.52% |
| PIBs | 4.47% | 10.15% |
| GoP Ijara Sukuk | 0.08% | 0.08% |
| Short Term Sukuk | 4.14% | 4.23% |
| TFCs | 16.85% | 18.77% |
| Others Including Receivables | 6.33% | 1.83% |

| TECHNICAL INFORMATION | |
|---|-----|
| Leverage | NIL |
| Weighted average time to maturity of net assets | 715 |

CREDIT QUALITY OF PORTFOLIO



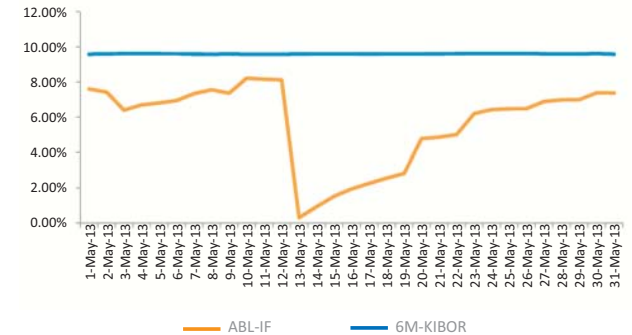
Other assets account for 1.83% of Total Assets.

INVESTMENT COMMITTEE MEMBERS

1. Farid A. Khan, CFA – CEO
2. Muhammad Imran – CIO
3. Abid Jamal – Head of Research
4. Kamran Aziz, CFA – Fund Manager
5. Faizan Saleem – Fund Manager

| FUND RETURNS* | ABL-IF | 6M-KIBOR |
|---------------------|--------|----------|
| May 2013 | 7.36% | 9.60% |
| Year to Date (FYTD) | 9.87% | 9.97% |

* Returns are net of management fee & all other expenses



BASIC FUND INFORMATION

| | |
|--------------------------|---|
| Fund Type | Open-end |
| Category | Income Scheme |
| Launch Date | September 20 th , 2008 |
| Net Assets | PKR 2,291 mn as at May 31 st , 2013 |
| NAV | PKR 10.1516 as at May 31 st , 2013 |
| Benchmark | 6 Month Kibor Average |
| Dealing Days | As per Banking Days |
| Cut-off time | 4:00 pm |
| Pricing mechanism | Forward |
| Management Fee | 1.5% p. a. |
| Front-end load | Nil |
| Trustee | Central Depository Company of Pakistan Ltd. (CDC) |
| Auditor | A.F. Ferguson & Co. Chartered Accountants |
| Asset Manager Rating | AM2- (Positive Outlook) (JCR-VIS) |
| Risk Profile of the Fund | Low |
| Fund Stability Rating | A+(f) (JCR-VIS) |
| Fund Manager | Faizan Saleem |
| Listing | Karachi Stock Exchange |

FUND MANAGER'S COMMENTS

ABL-SF increased by 15.0% in May'13 against 15.3% increase in the benchmark KSE-30 index, which reflects a slight underperformance of 30 basis points. On YTD basis, the fund has increased by 59% and has outperformed its benchmark by a hefty margin of over 1700 bps.

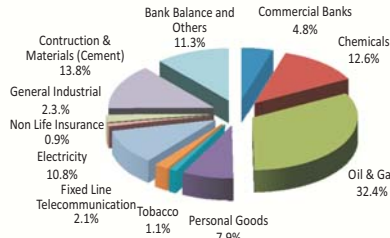
During the month, investment in Oil & Gas sector was increased from 25.8% to 32.4% of the portfolio, allocation to Construction sector was increased from 12.0% to 13.8% and exposure in Chemicals sector was decreased from 13.2% to 12.6%. ABL-SF as of May 31st 2013 is 88.7% invested in equities and remaining in bank deposits.

Equities have appreciated sharply since elections, re-rating significantly on strong expectations from the new government for a turnaround in business environment and continued influx of foreign flows. While the former theme seems to be overplayed due to lack of clarity on reform process and actual implementation of the plans, the latter is expected to keep equity markets buoyant in near term. We believe next MPS, foreign flows and FY14E budget announcement would be the key triggers for market performance in the month of June. We will maintain high exposure in equities, especially in stocks offering value and expected to benefit from new government policies/reforms.

The Scheme has maintained the provision against Workers' Welfare Fund's liability to the tune of Rs. 10.72mn. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.2010 per unit.

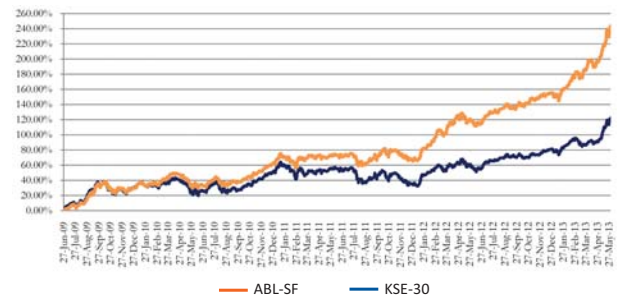
INVESTMENT OBJECTIVE

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

| TOP TEN HOLDINGS (% OF TOTAL ASSETS) | April 30 th , 2013 | May 31 st , 2013 | SECTOR ALLOCATION (% OF TOTAL ASSETS) |
|--------------------------------------|-------------------------------|-----------------------------|---|
| Oil & Gas Development Co. | 5.6% | 8.7% |  |
| Pakistan Petroleum | 8.1% | 8.7% | |
| D.G.K.Cement | 5.0% | 8.1% | |
| Pakistan Oilfields | 7.9% | 8.0% | |
| Nishat Mills | 4.8% | 7.1% | |
| Engro Corporation | 7.7% | 7.1% | |
| Hub Power Company | 7.5% | 6.7% | |
| Pakistan State Oil Co. | 2.8% | 6.0% | |
| Maple Leaf Cement | 0.0% | 4.9% | |
| Fauji Fertilizer Company | 4.8% | 3.8% | |
| ASSET ALLOCATION (% OF TOTAL ASSETS) | April 30 th , 2013 | May 31 st , 2013 | INVESTMENT COMMITTEE MEMBERS |
| Stock/Equities | 80.9% | 88.7% | <ol style="list-style-type: none"> Farid Ahmed Khan, CFA – CEO Muhammad Imran – CIO Kamran Aziz, CFA – Fund Manager Faizan Saleem – Fund Manager Abid Jamal – Head of Research |
| Bank Balances | 18.2% | 7.5% | |
| Others | 0.9% | 3.8% | |
| Leverage | NIL | NIL | |

| PERFORMANCE* | ABL-SF | KSE-30 |
|----------------------|--------|--------|
| Year to Date (YTD)* | 59.0% | 41.6% |
| Trailing 12 months* | 57.8% | 41.2% |
| Month to Date (MTD)* | 15.0% | 15.3% |

*Returns are net of management fee & all other expenses



| BASIC FUND INFORMATION | |
|--------------------------|--|
| Fund Type | Open-end |
| Category | Equity Scheme |
| Launch Date | June 28, 2009 |
| Net Assets | Rs 868.89 million as at May 31 st , 2013 |
| NAV | Rs 16.2910 as at May 31 st , 2013 |
| Benchmark | KSE-30 Index |
| Dealing Days | As Per Local Stock Exchanges |
| Cut-off Time | 4:00 PM |
| Pricing Mechanism | Forward |
| Management Fee | 3% p.a. |
| Front-end Load | 3% |
| Trustee | Central Depository Company of Pakistan Limited |
| Auditor | A.F. Ferguson & Co, Chartered Accountants |
| Asset Manager Rating | AM2- (JCR-VIS) (Positive outlook) |
| Risk Profile of the Fund | High |
| Performance Ranking | MFR 3-Star (JCR VIS) (Based on one Year weighted average ranking), MFR 4-Star (JCR VIS) (Based on Two Year weighted average ranking), MFR 4-Star (JCR VIS) (Based on Three Year weighted average ranking) for periods ended December 31, 2012. |
| Fund Manager Listing | June 30, 2012) Kamran Aziz, CFA Karachi Stock Exchange |

FUND MANAGER'S COMMENTS

ABL-CF yielded an annualized return of 7.67% for the month of May 2013 against its benchmark return of 6.53%, reflecting an outperformance of 114 bps. On YTD basis, ABL CF performance stood at 9.10% versus benchmark return of 6.64%, showing an outperformance of 246 bps. Keeping in mind the tight money market conditions, ABL CF decreased its exposure in short term government securities in favor of TDRs (13.20% of total assets) and Money Market placements (1.15% of total assets). Fund size increased significantly by 9.52% to close at Rs. 15.028 billion.

At end of the month, investment in government securities stood at 81.90% of the portfolio compared to 94.05% in previous month. Moreover, based on positive macro-economic data, the fund manager strategically shifted the T-Bill portfolio by increasing allocation to longer tenure treasury bills. As a result, weighted average maturity of the fund was increased from 40 days to 55 days.

As we move ahead, we will maintain a healthy duration level as we don't anticipate any tightening in the upcoming Monetary Policy.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 88.429 million, had the same not been made the NAV per unit of the scheme would have been higher by Re. 0.0589 per unit.

INVESTMENT OBJECTIVE

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

| ASSET ALLOCATION (% OF TOTAL ASSETS) | April 30 th , 2013 | May 31 st , 2013 |
|--------------------------------------|-------------------------------|-----------------------------|
| Cash | 5.17% | 2.99% |
| Placements with Banks (TDRs) | 0.00% | 13.20% |
| Placements with DFIs (MM) | 0.00% | 1.15% |
| HUBCO ST Sukuk | 0.72% | 0.66% |
| T-bills | 94.05% | 81.90% |
| Others Including Receivables | 0.06% | 0.09% |

CREDIT QUALITY OF PORTFOLIO



Other assets account for 0.10% of Total Assets

TECHNICAL INFORMATION

| | |
|---|-------|
| Leverage | NIL |
| Weighted average time to maturity of net assets | 55.05 |

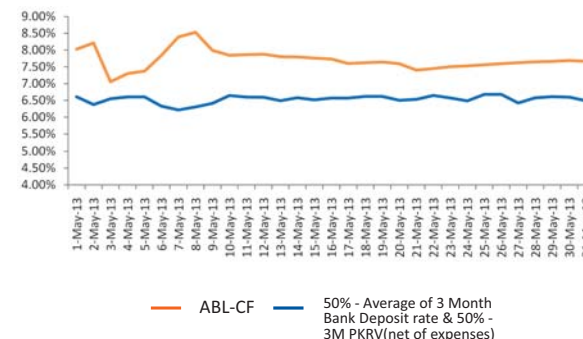
INVESTMENT COMMITTEE MEMBERS

1. Farid A. Khan, CFA – CEO
2. Muhammad Imran – CIO
3. Abid Jamal – Head of Research
4. Kamran Aziz, CFA – Fund Manager
5. Faizan Saleem – Fund Manager

FUND RETURNS*

| | ABL-CF | 50% - Average of 3 Month Bank Deposit rate & 50% - 3M PKRV(net of expenses) |
|---------------------|--------|---|
| May 2013 | 7.67% | 6.53% |
| Year to Date (FYTD) | 9.10% | 6.64% |

* Returns are net of management fee & all other expenses



BASIC FUND INFORMATION

| | |
|--------------------------|---|
| Fund Type | Open-end |
| Category | Money Market Scheme |
| Launch Date | July 30 th , 2010 |
| Net Assets | PKR 15,028mn as at May 31 st , 2013 |
| NAV | PKR 10.0042 as at May 31 st , 2013 (Ex-dividend) |
| Benchmark | 50% - Average of 3 Month Bank Deposit rate & 50% - 3M PKRV(net of expenses) |
| Dealing Days | As Per Banking Days |
| Cut-off time | 4:00 pm |
| Pricing mechanism | Backward |
| Management Fee | 10% of annualized Gross Return (subject to Upper Cap of 1.25% & Lower Cap of 1%). The fee shall be calculated on daily basis. |
| Front-end load | Nil |
| Trustee | Central Depository Company of Pakistan Ltd. (CDC) |
| Auditor | A.F. Ferguson & Co. Chartered Accountants |
| Asset Manager Rating | AM2- (Positive Outlook) (JCR-VIS) |
| Risk Profile of the Fund | Low |
| Fund Stability Rating | AA(f) (JCR-VIS) |
| Fund Manager Listing | Faizan Saleem Karachi Stock Exchange |



FUND MANAGER'S COMMENTS

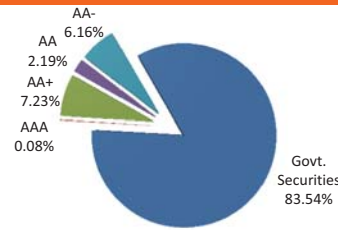
ABL GSF generated an impressive return of 9% for the month of May 2013, surpassing the benchmark yield by 44 bps. The YTD return of ABL GSF stood at 11.82% against the benchmark return of 8.88%, showing a remarkable outperformance of 294 bps. Due to persistent performance, fund size increased substantially by 30.56% during the month and closed at Rs. 1.457 billion.

During the month, ABL GSF's portfolio bias was moved towards long term government securities, due to which duration (WAM) of the fund increased from 59 days to 258 days. Keeping in mind the favorable post-election developments and expectation of lower CPI numbers, ABL GSF increased its exposure in government securities to 83.54%(treasury bills – 81.90% & PIBs – 1.64%) of assets compared to 68.45% in previous month. Bank placements, term deposits and cash constituted 6.16%, 6.16% and 3.34% of total assets respectively.

Going forward, the fund will maintain a healthy exposure in long to medium term securities to benefit from possible valuation gains due to shift in the yield curve. The fund manager will closely monitor macro-economic changes to adjust the portfolio allocation accordingly.

The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs. 116.392 million. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.7994 per unit.

| ASSET ALLOCATION (% OF TOTAL ASSETS) | April 30 th , 2013 | May 31 st , 2013 |
|--------------------------------------|-------------------------------|-----------------------------|
| Cash | 10.71% | 3.34% |
| Placements with Banks (TDRs) | 7.92% | 6.16% |
| Money Market Placements | 7.92% | 6.16% |
| T-bills | 68.45% | 81.90% |
| PIBs | 0.00% | 1.64% |
| Others Assets Including Receivables | 5.01% | 0.79% |



Other assets account for 0.80% of Total Assets

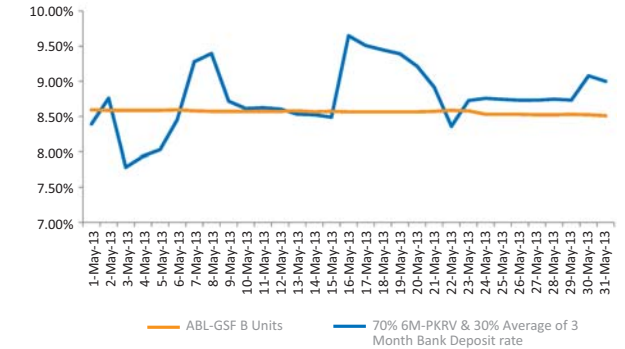
| TECHNICAL INFORMATION | |
|---|-----|
| Leverage | Nil |
| Weighted average time to maturity of net assets | 258 |

INVESTMENT COMMITTEE MEMBERS

1. Farid A. Khan, CFA – CEO
2. Muhammad Imran – CIO
3. Abid Jamal – Head of Research
4. Kamran Aziz, CFA – Fund Manager
5. Faizan Saleem – Fund Manager

| FUND RETURNS* | ABL-GSF B Units | 6M-PKRIV & Average of 3 Month Bank Deposit rate |
|---------------------|-----------------|---|
| May 2013 | 9.00% | 8.56% |
| Year to Date (FYTD) | 11.82% | 8.88% |

* Returns are net of management fee & all other expenses



BASIC FUND INFORMATION

| | |
|--------------------------|--|
| Fund Type | Open-end |
| Category | Income Scheme |
| Launch Date | November 30 th , 2011 |
| Net Assets | PKR 1,457 million as at May 31 st , 2013 |
| NAV | Class - B units 10.0070 as at May 31 st , 2013 (Ex-dividend) |
| Benchmark | 70% average 6m-PKRIV & 30% average 3 Months - deposit rates of AA- & above rated banks |
| Dealing Days | As per Banking Days |
| Cut-off time | 4:00 pm |
| Pricing mechanism | Forward |
| Management Fee | Class-A unit 0.25%, Class-B unit 1.25% |
| Front-end load | Nil |
| Trustee | Central Depository Company of Pakistan Ltd. (CDC) |
| Auditor | A.F. Ferguson & Co. Chartered Accountants |
| Asset Manager Rating | AM2- (Positive Outlook) (JCR-VIS) |
| Risk Profile of the Fund | Low |
| Fund Stability Rating | A+(F) (JCR-VIS) |
| Fund Manager Listing | Faizan Saleem Karachi Stock Exchange |

INVESTMENT OBJECTIVE

The objective of the scheme is to deliver optimal risk adjusted returns by investing mainly in mix of short to long term Government Securities and other debt Instruments.

FUND MANAGER'S COMMENTS

During the month, ABL IIF yielded an annualized return of 7.48% an improvement of 34 bps compared to previous month. On YTD basis ABL IIF performance stood at 9.41% surpassing the benchmark return of 6.61% and showing an outperformance of 279 bps. Fund size reduced by 5.36% during the month and closed at PKR 1.110 billion.

As per our strategy, we have reshuffled our exposure to Ijarah Sukuks to reduce volatility in returns as we expect selling pressure from Islamic institutions to continue due to shortage of liquidity in the call market. During the month, ABL IIF reduced its exposure in Ijarah Sukuk to 44.56% to total assets compared to 63.06% in the previous month, which brought the weighted average maturity of the fund down to 299 days. Moreover, around 13.40% and 40.26% of the fund was invested in high rated short term Sukuks and cash holdings.

Going forward, we will closely monitor macro-environment to reallocate assets in a timely manner.

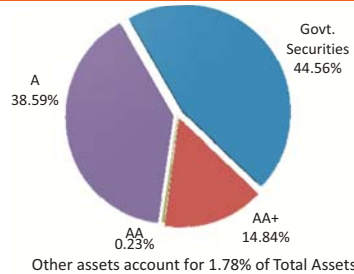
The Scheme has maintained the provision against Workers' Welfare Fund's Liability to the tune of Rs.4.744 million. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.0433 per unit.

INVESTMENT OBJECTIVE

To provide investors with an opportunity to earn higher income over the medium to long-term by investing in a diversified portfolio consisting of different money market and debt instruments permissible under the Shariah principles.

| ASSET ALLOCATION (% OF TOTAL ASSETS) | April 30 th , 2013 | May 31 st , 2013 |
|--------------------------------------|-------------------------------|-----------------------------|
| Cash | 22.53% | 40.26% |
| GoP Ijara Sukuk | 63.06% | 44.56% |
| HUBCO ST Sukuk | 12.61% | 13.40% |
| Others Including Receivables | 1.80% | 1.79% |

CREDIT QUALITY OF PORTFOLIO



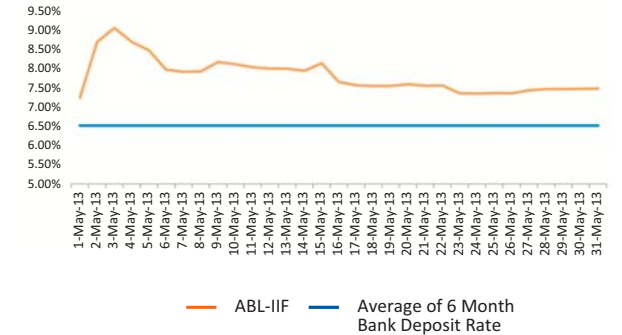
| TECHNICAL INFORMATION | |
|---|-----|
| Leverage | NIL |
| Weighted average time to maturity of net assets | 299 |

INVESTMENT COMMITTEE MEMBERS

1. Farid A. Khan, CFA – CEO
2. Muhammad Imran – CIO
3. Abid Jamal – Head of Research
4. Kamran Aziz, CFA – Fund Manager
5. Faizan Saleem – Fund Manager

| FUND RETURNS* | ABL-IIF | Average of 6 Month Bank Deposit Rate |
|---------------------|---------|--------------------------------------|
| May 2013 | 7.48% | 6.52% |
| Year to Date (FYTD) | 9.41% | 6.61% |

* Returns are net of management fee & all other expenses



BASIC FUND INFORMATION

| | |
|--------------------------|---|
| Fund Type | Open-end |
| Category | Islamic Income Scheme |
| Launch Date | July 30 th , 2010 |
| Net Assets | PKR 1,110.257 mn as at May 31 st , 2013 |
| NAV | PKR 10.1379 as at May 31 st , 2013 |
| Benchmark | Average of 6 Month Deposit rates of 3 Islamic Banks |
| Dealing Days | As Per Banking Days |
| Cut-off time | 4:00 pm |
| Pricing mechanism | Forward |
| Management Fee | 1.0% p. a. |
| Front-end load | Nil |
| Trustee | Central Depository Company of Pakistan Ltd. (CDC) |
| Auditor | A.F. Ferguson & Co. Chartered Accountants |
| Asset Manager Rating | AM2- (Positive Outlook) (JCR-VIS) |
| Risk Profile of the Fund | Low |
| Fund Stability Rating | A+(F) (JCR-VIS) |
| Fund Manager Listing | Kamran Aziz, CFA Karachi Stock Exchange |

FUND MANAGER'S COMMENTS

ABL-CPF increased by 1.5% in May '13 against a 1.4% increase in its benchmark, which reflects an outperformance of 10 basis points. Strong equity performance as well as high Term Deposit Rates continues to benefit the fund. Equity portion of the portfolio was mainly invested in Oil and Gas (1.5%), Personal Goods (1.0%), Telecommunication (0.6%), Chemicals (1.0%), Non-Life Insurance (0.7%) and Cement (0.6%) sectors.

Equities have appreciated sharply since elections, re-rating significantly on strong expectations from the new government for a turnaround in business environment and continued influx of foreign flows. While the former theme seems to be overplayed due to lack of clarity on reform process and actual implementation of the plans, the latter is expected to keep equity markets buoyant in near term. We believe next MPS, foreign flows and FY14E budget announcement would be the key triggers for market performance in the month of June. We will maintain high exposure in equities, especially in stocks offering value and expected to benefit from new government policies/reforms.

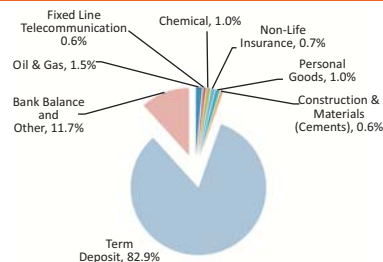
The Scheme has not made provision amounting to Rs. 0.2910 Million against Workers' Welfare Fund's liability. Had the same been made, the NAV per unit of the scheme would have been lowered by Re. 0.0090 per unit. However the scheme has maintained provision of Rs. 0.6767 Million against Workers' Welfare Fund's liability. Had the same not been made, the NAV per unit of the scheme would have been higher by Re. 0.2104 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.

| Top Holdings (% OF TOTAL ASSETS) | April 30 th , 2013 | May 31 st , 2013 |
|----------------------------------|-------------------------------|-----------------------------|
| Nishat Mills | 1.1% | 1.0% |
| Engro Corporation | 1.1% | 1.0% |
| Pakistan Petroleum | 0.0% | 0.9% |
| Adamjee Insurance | 0.0% | 0.7% |
| P.T.C.L. | 0.0% | 0.6% |
| Fauji Cement | 1.0% | 0.6% |
| Pakistan State Oil Co. | 0.0% | 0.6% |

SECTOR ALLOCATION (% OF TOTAL ASSETS)



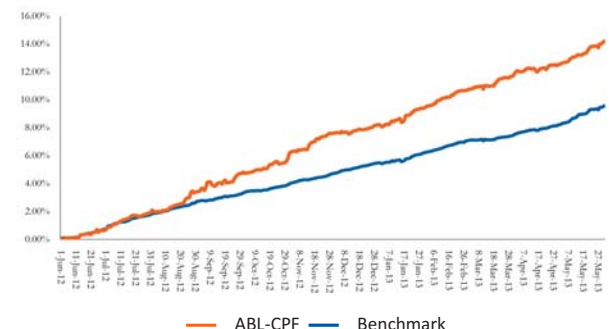
| ASSET ALLOCATION (% OF TOTAL ASSETS) | April 30 th , 2013 | May 31 st , 2013 |
|--------------------------------------|-------------------------------|-----------------------------|
| Stock/Equities | 6.1% | 5.4% |
| Bank Balance | 0.8% | 2.5% |
| Term Deposit | 84.6% | 82.9% |
| Others | 8.5% | 9.2% |
| Leverage | NIL | NIL |

INVESTMENT COMMITTEE MEMBERS

1. Farid Ahmed Khan, CFA – CEO
2. Muhammad Imran – CIO
3. Kamran Aziz, CFA – Fund Manager
4. Faizan Saleem – Fund Manager
5. Abid Jamal – Head of Research

| PERFORMANCE | ABL-CPF | Benchmark |
|----------------------|---------|-----------|
| Year to Date (YTD)* | 13.4% | 9.3% |
| Month to Date (MTD)* | 1.5% | 1.4% |

* Returns are net of management fee & all other expenses



BASIC FUND INFORMATION

| | |
|---------------------------------|---|
| Fund Type | Open-end |
| Category | Capital Protected Scheme |
| Launch Date | June 01, 2012 |
| Net Assets | Rs 365.98 million as at May 31 st , 2013 |
| NAV | Rs 11.3795 as at May 31 st , 2013 |
| 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 |
| Cut-off Time | 4:00 PM |
| Pricing Mechanism | Forward |
| Management Fee | 1.5% p.a. |
| Front-end Load | 1.75% |
| Back-end Load | Minimum 2% |
| Trustee | MCB Financial Services Limited |
| Auditor | M. Yousuf Adil Saleem & Co. |
| Asset Manager Rating | AM2- (JCR-VIS) (Positive outlook) |
| Risk Profile of the Fund | Low |
| Performance Ranking | N/A |
| Fund Manager | Kamran Aziz, CFA |
| Listing | Islamabad Stock Exchange |