

UNIT PRICE as on 31st May 2009: Rs. 10.2143

ABOUT

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.

FUND MANAGER'S COMMENTS - ABL INCOME FUND

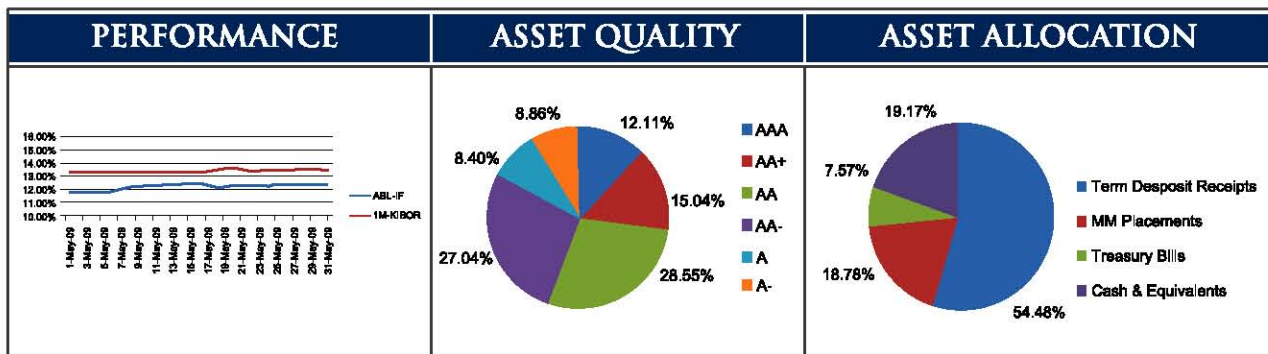
ABL-IF yielded an annualized return of 12.16% for the month. The fund is primarily invested in Term Deposit Receipts (TDRs) and Money Market Placements where returns have reduced due to a cut in the discount rate during the previous month with the expectation of a further cut in the Discount Rate going forward. In this scenario, we think it is most appropriate to lock in the current rates, thus ABL-IF is investing in longer term TDRs as well as T-Bills. During the month the fund size grew by 21% to Rs.5,746 million coherent to consistent investment practices.

Due to receding interest rates the latest PIB auction cut off yields decreased across the board by 20-61bps contrary to Treasury Bill cut off rates that remained stagnant during the month. Equivalently short term rates were higher than long term rates due to liquidity pressures in the shorter term. Frequent Open Market Operations were conducted by the SBP in order to curtail money market rates from spiraling upwards. Inflows in monetary terms are expected due to donations and assistance being received on account of IDPs. Thus Macroeconomic indicators are expected to improve with the increasing foreign assistance barring any unfortunate development on the law and order front. However, the 3rd tranche of IMF funding has been delayed due to certain budgetary targets not being met.

Short term liquidity pressure in the money market is likely to persist supported by frequent Open Market Operations by the SBP which would result in your fund delivering consistent yields in the near future.

PERFORMANCE				
ABL Income Fund	Since Launch	3QFY09	Apr 2009	May 2009
Annualized Performance (%) *	14.80%	15.07%	12.93%	12.16%
Benchmark: (Average 1-Month KIBOR%)	13.49%	12.68%	13.32%	13.47%
Profit on Rs. 100,000 invested**	10,081	Rs.3,522	1,005	980
Dividend %	7.627%	3.462%		

* Returns are net of management fee & all other expenses
** Represents cumulative profit for the respective periods



GENERAL INFORMATION

Launch Date	September 20 th , 2008
Fund Size	Rs. 5,746 million
Type	Open end, Fixed Income Fund
Fund Rating	A(f) - JCR-VIS
Risk Level	Low
Fund Manager	Hammad Ali Abbas
Listing	Karachi Stock Exchange
Custodian & Trustee	Central Depository Company (CDC)
Front/Back end Load	0%
Management Fee	1.5% per annum
Auditors	A.F. Ferguson & Co
Benchmark	1-Month KIBOR Average
Minimum Subscription	Growth Unit : Rs. 5,000/- Income Unit : Rs. 50,000/-

TECHNICAL INFORMATION

Duration	105 days
Standard Deviation	1.61%
Sharpe Ratio***	1.28

***3M PKRV used as Risk free rate of return

TOPIC OF THE MONTH

A PIB auction was conducted during the month where the cut off rates decreased by 20-61 bps thereby contemplating expectations of a further cut in the Discount Rate.

CONTACT US:

Helpline 0800 ABL-AM (0800 225 26)
UAN: (021) 111-ABL-AMC (111-225-262)
Email: contactus@ablamc.com
Website: www.ablamc.com