

UNIT PRICE as on 31st March 2009: Rs. 10.0146 (Rs. 10.3608 including dividend)

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 earned an annualized return of 13.91% for the month, 1.08% lower than the previous month, concurrent to a decline in interest rates. However, your fund still managed to outperform its average benchmark i.e. 1-Month KIBOR by 1.84%. On March 31st, ABL-IF also declared a dividend of 3.462%, translating into a 100% dividend payout for the quarter. This, in addition to the 4.165% paid in December 2008, has brought the total dividend payout to 7.627%, since its inception. The fund size during the month grew by 15.62% to Rs.3,531 million. The fund remains invested in TDRs and Money Market Placements with sound entities earning superior risk adjusted returns.

Although there has been a gradual improvement in most of the macroeconomic indicators, high inflationary pressures still persist. Furthermore, the global recession is likely to result in further slowdown in the economy of the country which is already facing tough challenges due to the worsening law and order situation. Thus, rates are expected to remain volatile in the short term; however the trend is still downwards. Money markets remained tight during the last week of the month primarily on account of quarter end payments. Short term KIBOR enhanced and a reverse trend was experienced in the last T-Bill auction where fewer bids were received and cut offs subsequently increased. Such a scenario is likely to persist in the short term as T-Bill and PIB auctions are to take place next month. The cut in NSS rates by the Government is perhaps an indicator of the discount rates being cut in April's Monetary Policy Statement – however we do not expect the cut to be more than 100 basis points. ABL-IF intends to invest in both short and long term liquid instruments whilst offering competitive returns. We continue to hold no Term Finance Certificates in our portfolio.

PERFORMANCE					
ABL Income Fund	Since Launch	Jan 2009	Feb 2009	Mar 2009	3QFY09
Annualized Performance (%) *	15.52%	16.32%	14.99%	13.91%	15.07%
Benchmark: (Average 1-Month KIBOR%)	13.53%	13.46%	12.50%	12.07%	12.68%
Profit on Rs. 100,000 invested ^{***}	Rs. 7,929	Rs. 1,292	Rs. 1,077	Rs. 1,113	Rs.3,522
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. 3,531 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	54 days
Standard Deviation	1.05%
Sharpe Ratio***	2.66

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

TOPIC OF THE MONTH

ABL-IF announced an interim dividend of Rs.0.3462 per unit (3.462% of the par value of Rs. 10) for the quarter ended 31st March 2009. This is in addition to 4.165% paid in December, thereby resulting in a cumulative dividend payout of 7.627%. During the period ABL-IF distributed 100% of the profits earned to its unit holders.

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ABL Asset Management

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