

# Lakson Outlook

- ♥ Economic and Markets Review
- ♥ FMR Lakson Money Market Fund
- ♥ FMR Lakson Income Fund
- ♥ FMR Lakson Equity Fund
- ♥ Mutual Funds Performance Comparison
- ♥ Markets Information



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## Economic Review (Monetary and Fiscal)

The Ministry of Finance ("MoF") updated the fiscal operations details for the 9MFY11 and reported a consolidated fiscal deficit of PKR 783 billion (4.5% of the GDP) compared to a fiscal deficit of PKR 626 billion (4.2% of the GDP) in the 9MFY10. In the Federal Budget for FY11, the Government targeted to curtail the fiscal deficit at 4.0% of the GDP (PKR 685 billion); however, later on it was revised upward to 5.3% of the GDP in consultation with the International Monetary Fund ("IMF"). The breakup indicates that total revenue collection was recorded at PKR 1,495 billion (8.6% of the GDP) against the expenditures of PKR 2,279 billion (13.2% of the GDP). The fiscal deficit was mainly financed through domestic resources whereas the net foreign inflows stood at only PKR 83 billion. The Federal Government borrowed PKR 574 billion for the budgetary support (PKR 303 billion from the SBP and PKR 271 billion from the commercial banks) in the 10MFY11 compared to a borrowing of PKR 375 billion in the 10MFY10. On the other hand the Provincial Governments retired PKR 107 billion to the State Bank of Pakistan ("SBP") during the 10MFY11 as the provinces posted a surplus of PKR 102 billion in the 9MFY11.

Despite fiscal slippages, Pakistan's external accounts continue to portray a better image of the economy with a surplus of USD 1.8 billion in the 9MFY11 compared to a surplus of USD 0.5 billion in the 9MFY10. The current account posted a surplus of USD 99 million in the 9MFY11 compared to a deficit of USD 3.1 billion in the 9MFY10 owing to higher remittances and lower trade and services deficit. The services deficit shrank by 36.6% during the 9MFY11, primarily due to inflows under the Coalition Support Fund ("CSF"). As against the current account, the financial account deteriorated in the 9MFY11 due to a decline in both Foreign Direct Investment ("FDI") and loans. The FDI declined by 28% YoY to USD 1.1 billion in the 9MFY11 compared to USD 1.5 billion in the 9MFY10. The trade deficit in the 10MFY11 managed to shrink by 1.9% aided by a 27.8% YoY growth in exports (credited by higher cotton and rice prices) versus a 14.7% YoY increase in the imports. Pakistan's exports crossed USD 20 billion in the 10MFY11 owing to record cotton prices in the international market. Pakistan received record remittances of USD 9.0 billion in the 10MFY11 compared to USD 7.3 billion in the 10MFY10, up 23.8% YoY. Pakistan received USD 1.0 billion in remittances in the month of April '11 which is the second highest level of monthly remittances in history.

The Federal Bureau of Statistics ("FBS") updated the Large Scale Manufacturing ("LSM") data for the 9MFY11 which depicts a growth of 1.7% in the 9MFY11. Increased production in the Textile, Pharmaceutical, Chemicals, Consumer Goods and Automobile sectors helped the LSM to post a recovery in the aftermath of devastating floods. The output of the energy sector declined by 4.2% YoY in the 9MFY11 as the inter-corporate circular debt continued to hamper the operating capacity of the entire energy chain. During the month of April '11, the headline inflation (CPI) once again rose by 1.6% MoM after witnessing an increase of 1.5% MoM during March '11. The CPI increased by 13.0% YoY in April '11 compared to an increase of 13.2% in March '11, showing a slight ease-off in inflation primarily due to high base effect. In the 10MFY11 average inflation stands at 14.1% compared to 11.5% in the 10MFY10. The Government has passed on the impact of high international oil prices to end consumers and has also notified 2.0% increase in the power tariff amid mounting political pressures. These measures were necessary to reduce the fiscal deficit however they will have a negative impact on inflation. Forex reserves of the country declined by USD 0.54 billion during the month of April '11 to stand at USD 17.11 billion.

## Fixed Income Markets Review

The money market witnessed very tight liquidity situation at the start of the month however liquidity started improving in the second half of the month as the overnight repo rates averaged 12.7% in April '11 compared to 13.4% in March '11. Financial institutions had to borrow funds from the discount window of the SBP on five occasions to meet their daily liquidity requirements while the market hit floor on nine occasions during the month. The SBP conducted seven Open Market Operations ("OMO") at regular intervals and mopped up PKR 164 billion from the market on net basis during the month. Market yields on T-Bills witnessed a downward trend as the SBP maintained a status quo in its Monetary Policy stance in March '11 and the market liquidity also improved. T-Bills yields on average declined by 36bps however larger decline was seen on the short dated T-Bills. Market yields on PIBs, however, went up by 2bps on average on different tenures. The 6-month KIBOR (benchmark lending rate) averaged 13.73% in April '11 compared to an average of 13.74% in March '11. The SBP conducted two T-Bill auctions during the month and raised PKR 485 billion against a target of PKR 425 billion while no major change was seen in the cut-off yields. A total participation of PKR 682 billion was seen in the T-Bill auctions and the highest participation of PKR 426 billion was seen in 6-month T-Bills. The SBP also conducted a PIB auction with a target of PKR 20 billion and raised PKR 26 billion out of which PKR 16 billion was raised against 10-year PIB.

## Equity Market Review

The market continued its recovery in April '11 and posted a return of 2.1% during April '11 as the KSE-100 index was range bound between 11,566 to 12,136; closing at 12,058. The market witnessed selling pressure whenever the KSE-100 index approached the 12,000 level but eventually the market was able to overcome the selling pressure to close above 12,000. The investors' participation also remained lackluster, as the daily volumes nosedived by 24.7% to average at 76 million shares, as against average daily trading of 101 million shares during the preceding month. The result season was in full swing during April '11 as all the companies announced their quarterly results wherein the blue-chips posted decent earnings growth. Sector wise performance of the major sectors depicts that 'Construction & Materials' sector posted a gain of 5.6%, followed by 'Oil & Gas' and 'Automobile and Parts' sectors witnessing positive returns of 4.6% and 3.9% respectively. On the other hand, 'Financials Services' and 'Life Insurance' sectors were down by 17.1% and 6.2% respectively. Activity through the Margin Trading System ("MTS") improved during the month despite a decline in volumes in the market. As on April 30, 2011 open position in the MTS stands at PKR 332 million at an average lending rate of 16.6% and 41% of the financing has been availed against Engro Corporation Limited. Foreign investors were once again net sellers in the market with a net selling of USD 7.3 million.

## International Markets and Economies

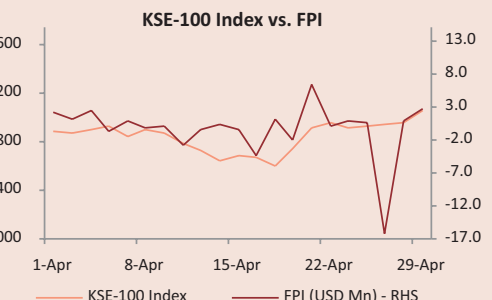
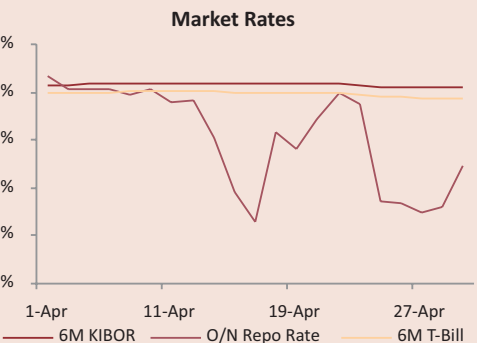
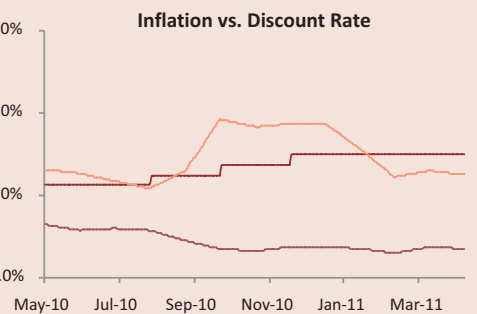
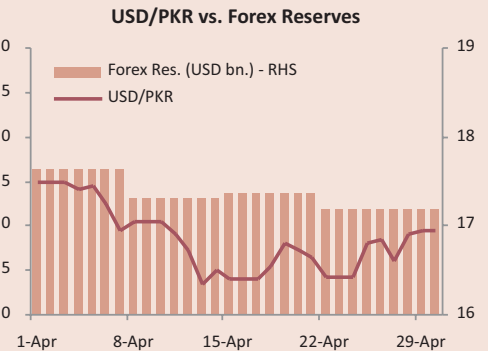
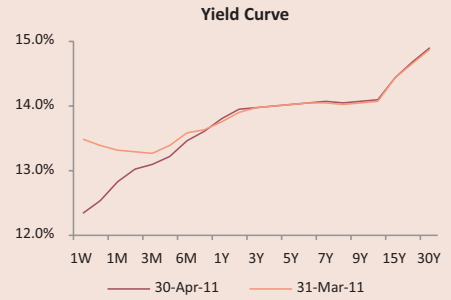
The US posted an annualized GDP growth of 1.8% during the 1QCY11 compared to 3.1% in the 4QCY10. The mounting fiscal deficit and debt burdens forced the Standard & Poor's to downgrade US credit outlook to Negative, for the first time in 70 years. Total public debt of the US reached USD 14.3 trillion, more than the country's GDP for 2010, while the IMF estimates the US budget deficit to be around 10.8% of the GDP this year. Considering the devastating earthquake in Japan and its impact on the economic growth, the Bank of Japan revised its GDP growth target downward to 0.6%, from earlier estimate of 1.6%, for the financial year ending March 2012. The IMF kept growth estimates of developing Asian economies at 8.4% however it underscored its concerns regarding inflationary risks. The rise in international commodity prices, especially energy prices, escalated the upward pressure on inflation, both in emerging and developed markets. Central Banks in emerging markets such as China, India, Brazil and Russia responded more uncompromisingly to inflationary concerns and tightened their monetary policies. Central banks of China, Russia and Brazil raised their key policy rates by 25bps. The European Central Bank signaled interest rate hike after June contrary to an expectation of an early move to placate inflation.

## Political Review

Approval of the Finance Bill from the National Assembly is very crucial for the Government on the failure of which Prime Minister has to take the vote of confidence from the National Assembly. To avoid that situation, the Government remained busy in sorting out the new coalitions and after lengthy negotiations PPPP has joined hands with PML (Q) and has brought MQM back in the Cabinet. Executive and Judiciary relations are once again in limelight as the President has filed a reference in the Supreme Court to review Zulfikar Ali Bhutto case.

## Outlook

As the economy moves through a crucial phase of stabilization, the Government faces tough challenges to bring the economy back on the growth track. The removal of subsidies, a broadening of the tax net through imposition of Reformed General Sales Tax, a resolution of inter-corporate circular debt, and a reduction in Government borrowing to finance fiscal deficit are some of the steps that the Government needs to take in the upcoming budget to reduce fiscal imbalances.



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## Investment Objective

The investment objective of the Lakson Money Market Fund is to provide stable and competitive returns in line with the money markets, exhibiting low volatility consistent with capital preservation by constructing a liquid portfolio of low risk short term investments.

## Performance Review

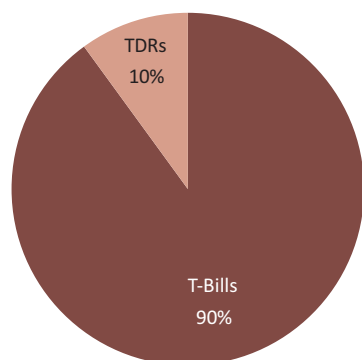
The Lakson Money Market Fund ("LMMF") yielded an annualized return of 12.56% in April '11 in comparison to the Benchmark (average return of all money market funds) return of 12.65%. The LMMF underperformed the average money market fund by 9bps. The LMMF continues to provide liability related to the Workers Welfare Fund ("WWF") that comes out to approximately 20bps in monthly annualized return. The yield since inception (13<sup>th</sup> November 2009) of the LMMF stood at 11.28% p.a. compared to a 11.28% p.a. return for the average money market fund. During April '11 the LMMF maintained a 90% exposure in T-Bills as the T-Bills offered better yields than other fixed income instruments. As of April 30, 2011 the Weighted Average Maturity ("WAM") of T-Bills portfolio stood at 62 days as the LMMF increased exposure in 3 and 6-month T-Bills in anticipation of decline in market yields due to improving money market liquidity. The portfolio of the LMMF has a very low credit risk as 90% of the portfolio comprises of risk free T-Bills with the remaining 10% exposure is in 'AA' or higher rated commercial banks.

As of April 30, 2011, the WAM of the LMMF portfolio was 55 days compared to 48 days at the start of the month. The WAM went up as the LMMF increased exposure in T-Bills of relatively longer maturities. The portfolio of the LMMF still offers very high liquidity and as on April 30, 2011, 90% of the portfolio comprised of liquid instruments that can be liquidated within six (6) business days keeping in view the present market situation. The Standard Deviation, a measure of the volatility of the fund's performance, of monthly returns of the LMMF since inception is just 0.78%.

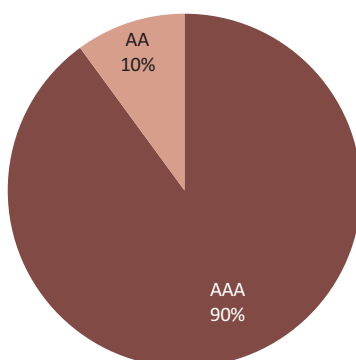
## Outlook

The LMMF will maintain a high exposure in T-Bills as the T-Bills are offering better yields than other instruments of similar maturities. However, the maturity profile of the T-Bills portfolio may vary depending upon the market liquidity and the outlook on the interest rate scenario.

**Asset Allocation**



**Credit Split**



## Asset Allocation

Instruments	Feb-11	Mar-11	Apr-11	WAM*
	% of Net Assets			Days
Government Securities (T-Bills)	64%	89%	90%	62
Placements with Banks (TDRs)	35%	10%	10%	12
Cash	1%	1%	0%	1

\* Weighted Average Maturity

## Key Interest Rates (Monthly Average)

	Feb-11	Mar-11	Apr-11	WAM*	
KIBOR (1W, 1M, 3M, 6M, 12M)	13.20%	13.43%	13.47%	13.73%	14.22%
T-Bills (3M, 6M, 12M)	13.22%	13.57%	13.80%		
Repo (O/N, 1M, 3M, 6M, 12M)	12.71%	12.98%	13.23%	13.49%	13.71%

\* Source: Bloomberg, Reuters

## Disclosures

Leverage as on April 30, 2011	Nil.
Non Performing Assets	Nil.
WAM of Portfolio (Days)	55

## Fund Facts

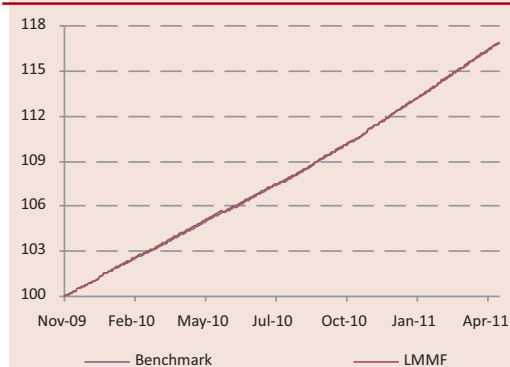
Fund Type	Open-End
Category	Money Market Fund
Net Assets (PKR Mil.)	4,022
NAV (30.04.2011)	100.0856
Pricing Mechanism	Previous Day
Trustee	CDC Pakistan Limited
Auditor	KPMG Taseer Hadi & Co.
Management Fee	1.25%
Front End Load	None
Back End Load	None
Launch Date	November 13, 2009
Benchmark	Average of returns earned by Money Market Funds in the industry.
Dealing Days	Mon - Sat
Cut-Off Time	04:00 PM (Mon-Fri) 12:00 PM (Sat)
Fund Rating	'AA' by PACRA
Asset Manager Rating	AM3+

Fund Performance	LMMF	Benchmark
April-11	12.56%	12.65%
2 Months	12.36%	12.41%
3 Months	12.47%	12.52%
6 Months	12.12%	12.16%
12 Months	11.40%	11.48%
CY11 - YTD	12.39%	12.36%
FY11 - YTD	11.65%	11.71%
Since Inception	11.28%	11.28%

\* All returns have been calculated by Morningstar Method

\*\* Since Inception returns are from November 13, 2009

## LMMF vs. Benchmark



## Investment Committee

Iqbal Ali Lakhani	Chairman
A. Aziz H. Ebrahim	Director
Babar Ali Lakhani	CEO
Muhammad Umair Chauhan	CIO
Amir Mobin	CFO
Syed Imran Raza Kazmi	Asst. Fund Manager
Muhammad Qasim	Officer Risk & Compliance

## Investment Objective

The investment objective of the Lakson Income Fund is to provide competitive total return through investment in a diversified portfolio of fixed income securities. Investments will be made in a variegated mix of short term, medium term and longer term maturities depending on the assessment by the Investment Team of interest rate trends and prospective returns.

## Performance Review

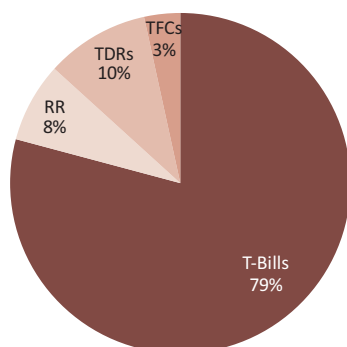
The Lakson Income Fund ("LIF") provided an annualized yield of 12.32% for the month of April '11, underperforming the Benchmark (average return of all income funds) by 448bps that posted a return of 16.80%. The yield since inception (13th November 2009) for the LIF stands at an annualized 11.44% compared to a Benchmark return of 8.91% p.a. Income Funds with higher exposures in TFCs again posted high returns as the TFC prices further recovered despite a very low activity in the bonds market. The LIF reduced exposure in T-Bills from 86% at the start of the month to 79% and placed the available liquidity in a Reverse Repo transaction that offered a better risk adjusted yield than the T-Bills of similar maturity. The LIF increased exposure in relatively longer term T-Bills in anticipation of decline in market yields due to improving money market liquidity. The WAM of the T-Bills portfolio of the LIF stood at 121 Days at the end of April '11.

As of April 30, 2011, the WAM of the LIF portfolio was 162 days as compared to 112 days at the start of the month. The WAM went up in April '11 as the LIF increased exposure in 3 and 6-month T-Bills. Declining yields on T-Bills helped the LIF to post a consistent return in April '11. As of April 30, 2011, 86% of the portfolio of the LIF comprised of liquid instruments that can be liquidated within six (6) business days keeping in view the prevailing market conditions. In a situation where the income funds are providing very volatile returns, the standard deviation of annualized monthly returns of the LIF is only 1.04% as compared to 6.54% for the Benchmark.

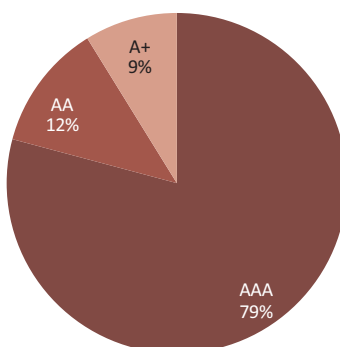
## Outlook

The LIF will maintain a high exposure in T-Bills however the exposure in debt securities will be increased to improve the yield of the fund. The exposure will be taken only in those instruments that offer superior risk adjusted returns. The WAM of the T-Bills portfolio will be reduced to book gains in T-Bills as the market yields have come down due to excess liquidity in the market.

### Asset Allocation



### Credit Split



## TFCs Portfolio

Name of the Issue	Issue Date	Rating	% of Net Assets
Engro Fertilizer Limited	17-Dec-09	AA	0.49%
NIB Bank Limited	05-Mar-08	A+	1.44%
United Bank Limited	14-Feb-08	AA	1.42%

## Asset Allocation

Instruments	Feb-11	Mar-11	Apr-11	WAM* Days
	% of Net Assets			
Government Securities (T-Bills)	73%	86%	79%	121
Placements with Banks (TDRs)	18%	10%	10%	12
Term Finance Certificates (TFCs)	4%	3%	3%	2,117
Commercial Papers (CPs)	4%	0%	0%	0
Reverse Repo (RR)	0%	0%	8%	5
Cash	1%	1%	0%	1

\* Weighted Average Maturity

## Disclosures

Leverage as on April 30, 2011	Nil.
Non Performing Assets	Nil.
WAM of Portfolio (Days)	162

## Fund Facts

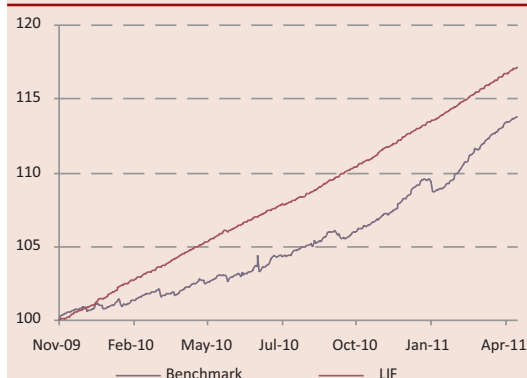
Fund Type	Open-End
Category	Income Fund
Net Assets (PKR Mil.)	1,008
NAV (30.04.2011)	100.2596
Pricing Mechanism	Forward Day
Trustee	CDC Pakistan Limited
Auditor	KPMG Taseer Hadi & Co.
Management Fee	1.50%
Front End Load	1.50%
Back End Load	None
Launch Date	November 13, 2009
Benchmark	Average of returns earned by the Income Funds in the industry
Dealing Days	Mon - Fri
Cut-Off Time	04:00 PM (Mon-Fri) 12:00 PM (Sat)
Fund Rating	'AA-' by PACRA
Asset Manager Rating	AM3+

Fund Performance	LIF	Benchmark
April-11	12.32%	16.80%
2 Months	12.47%	19.57%
3 Months	12.62%	19.49%
6 Months	11.93%	13.93%
12 Months	11.35%	10.66%
CY11 - YTD	12.25%	13.60%
FY11 - YTD	11.45%	11.84%
Since Inception	11.44%	8.91%

\* All returns have been calculated by Morningstar Method

\*\* Since Inception returns are from November 13, 2009

## LIF vs. Benchmark



## Investment Committee

Iqbal Ali Lakhani	Chairman
A. Aziz H. Ebrahim	Director
Babar Ali Lakhani	CEO
Muhammad Umair Chauhan	CIO
Amir Mobin	CFO
Syed Imran Raza Kazmi	Asst. Fund Manager
Muhammad Qasim	Officer Risk & Compliance

## Investment Objective

The investment objective of the Lakson Equity Fund is to provide long term capital appreciation by investing mainly in equity and related listed securities. Investments will be made in companies of substance, financial strength and demonstrably superior management skills with some exposure given to smaller capitalized value stocks.

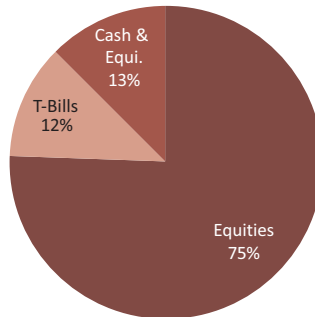
## Performance Review

The Lakson Equity Fund ("LEF") posted a return of 0.63% in April '11 compared to the Benchmark (KSE-100 Index) return of 2.10% translating into an underperformance of 147bps. The LEF has appreciated 21.92% since its inception. During the month exposure of the LEF in equities changed however at the end of the month the LEF had 75% exposure in the equities. The LEF reduced exposure in Oil & Gas and Chemicals sectors while exposure in Banks and Electricity sectors was increased. The LEF switched its positions between different sectors and stocks depending upon their relative valuations. In the prevailing economic and political situation the LEF continues to maintain a defensive portfolio strategy. Underperformance of the LEF against KSE-100 Index in April '11 is mainly due to outperformance of the index heavyweight stocks like OGDC. Presently the market is trading at a P/E multiple of 8.15x with an average dividend yield of 5.20% and the market continues to trade at a discount to the regional markets. The LEF has a balanced portfolio of growth and high yield stocks that will offer protection against downward shocks.

## Outlook

Activity usually remains dull in the market in the month of May as the Federal Budget is announced in June and market adopts a cautious approach before the budget announcement. The LEF will utilize the available cash balance to increase exposure in equities as the market is expected to remain range bound and face resistance at the 12,000 index level.

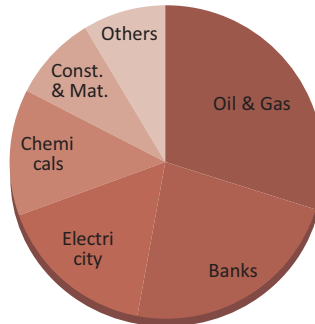
## Asset Allocation



## Top 10 Holdings (In Alphabetical Order)

Allied Bank Limited	3.50%
Engro Corporation Limited	3.37%
Kot Adu Power Company	4.05%
Lucky Cement Limited	5.00%
MCB Bank Limited	3.93%
Pakistan Oilfields Limited	7.20%
Pakistan Petroleum Limited	6.73%
Pakistan State Oil	4.15%
The Hub Power Company	8.49%
United Bank Limited	4.11%

## Sectorwise Exposure



Sectorwise Exposure	Mar-11	Apr-11
Oil & Gas	25.01%	22.58%
Banks	16.71%	17.23%
Electricity	9.51%	12.66%
Chemicals	11.92%	9.98%
Construction & Materials	5.65%	6.63%
Others	6.62%	6.38%

## Asset Allocation

	Feb-11	Mar-11	Apr-11
Equities	82%	75%	75%
T-Bills	0%	12%	12%
Cash & Equivalents	18%	13%	13%

## Pakistan vs. Global Markets

Country	Index	1M Return	P/E	Div. Yield
Pakistan	KSE-100	2.10%	8.15	5.20%
India	BSE Sensex 30	-1.59%	17.36	1.21%
Malaysia	FTSE KLCI	-0.66%	16.47	3.39%
Dubai	DFM General	5.02%	8.02	3.42%
USA	DJIA	3.98%	14.80	2.48%
USA	S&P 500	2.85%	16.09	2.28%

\* Source: Reuters

## Disclosures

Leverage as on April 30, 2011	Nil.
Non Performing Assets	Nil.

## Fund Facts

Fund Type	Open-End
Category	Equity Fund
Net Assets (PKR Mil.)	205
NAV (30.04.2011)	121.9175
Pricing Mechanism	Forward Day
Trustee	CDC Pakistan Limited
Auditor	BDO Ebrahim & Co.
Management Fee	3.00%
Front End Load	3.00%
Back End Load	None
Launch Date	November 13, 2009
Benchmark	KSE-100 Index
Dealing Days	Mon-Fri
Cut-Off Time	04:00 PM
Asset Manager Rating	AM3+

Fund Performance	LEF	Benchmark
April-11	0.63%	2.10%
2 Months	7.14%	6.81%
3 Months	1.27%	-2.44%
6 Months	14.19%	13.77%
12 Months	12.27%	15.63%
CY11 - YTD	2.91%	0.29%
FY11 - YTD	22.73%	24.02%
Since Inception	21.92%	30.25%

\* Since Inception returns are from November 13, 2009

## LEF vs. Benchmark



## Investment Committee

Iqbal Ali Lakhani	Chairman
A. Aziz H. Ebrahim	Director
Babar Ali Lakhani	CEO
Muhammad Umair Chauhan	CIO
Amir Mobin	CFO
Syed Imran Raza Kazmi	Asst. Fund Manager
Muhammad Qasim	Officer Risk & Compliance

Position as of April 30, 2011	Annualized Returns						
	1M	2M	3M	6M	CY11-YTD	FY11-YTD	STDEV
<b>Income Funds</b>							
ABL Income Fund	12.88%	12.48%	12.51%	12.08%	12.44%	11.55%	0.76%
AKD Income Fund	27.79%	30.99%	30.91%	12.77%	7.41%	9.77%	22.31%
Atlas Income Fund	15.64%	22.08%	16.99%	10.84%	10.13%	7.68%	10.85%
Crosby Phoenix Fund	17.12%	19.20%	18.93%	15.17%	15.62%	13.48%	8.56%
Faysal Savings Growth Fund	12.25%	12.36%	12.23%	11.92%	12.09%	10.82%	1.71%
First Habib Income Fund	12.03%	11.98%	12.11%	11.49%	11.92%	10.76%	2.24%
HBL Income Fund	7.39%	25.73%	22.83%	14.77%	14.69%	12.65%	11.83%
IGI Income Fund	12.04%	12.00%	11.44%	11.19%	11.12%	11.26%	0.89%
JS Income Fund	12.15%	15.53%	15.86%	14.28%	12.03%	14.05%	23.98%
<b>Lakson Income Fund</b>	<b>12.32%</b>	<b>12.47%</b>	<b>12.62%</b>	<b>11.93%</b>	<b>12.25%</b>	<b>11.45%</b>	<b>1.04%</b>
MCB Dynamic Cash Fund	11.99%	18.33%	16.56%	13.49%	12.71%	12.69%	6.25%
NAFA Income Opportunity Fund	33.10%	37.66%	29.64%	14.02%	12.57%	8.84%	15.09%
NAFA Income Fund	14.52%	28.26%	29.81%	16.65%	14.53%	3.70%	26.81%
NAFA Savings Plus Fund	11.99%	11.78%	11.65%	11.05%	11.30%	10.52%	0.79%
NIT Government Bond Fund	11.94%	11.98%	12.18%	11.71%	12.01%	11.16%	1.29%
NIT Income Fund	13.51%	15.89%	15.90%	13.43%	13.15%	12.15%	4.24%
Pakistan Income Fund	20.93%	18.39%	16.22%	14.24%	11.08%	12.76%	6.93%
PICIC Income Fund	12.73%	12.45%	12.44%	11.93%	12.23%	N.A.	2.36%
UBL Savings Income Fund	12.78%	12.47%	12.45%	12.09%	12.45%	N.A.	0.65%
<b>Money Market Funds</b>							
ABL Cash Fund	13.09%	12.60%	12.72%	12.24%	12.62%	N.A.	0.76%
Alfalah GHP Cash Fund	12.73%	12.24%	12.39%	11.93%	12.20%	11.51%	0.90%
Askari Sovereign Cash Fund	13.41%	13.04%	13.15%	12.67%	12.98%	12.23%	1.08%
Atlas Money Market Fund	12.78%	12.43%	12.58%	12.00%	12.37%	11.58%	0.91%
BMA Empress Cash Fund	12.13%	11.90%	12.06%	11.66%	11.96%	11.23%	1.01%
Faysal Money Market Fund	11.11%	11.46%	11.70%	N.A.	11.57%	N.A.	0.53%
HBL Money Market Fund	12.91%	12.65%	12.70%	12.31%	12.49%	N.A.	0.68%
IGI Money Market Fund	13.08%	12.88%	12.81%	12.36%	12.58%	11.83%	0.84%
JS Cash Fund	13.37%	13.20%	13.15%	12.55%	12.90%	12.03%	1.19%
KASB Cash Fund	12.98%	12.43%	12.60%	12.11%	12.47%	11.69%	0.94%
<b>Lakson Money Market Fund</b>	<b>12.56%</b>	<b>12.36%</b>	<b>12.47%</b>	<b>12.12%</b>	<b>12.39%</b>	<b>11.65%</b>	<b>0.78%</b>
MCB Cash Management Optimizer Fund	12.55%	12.20%	12.40%	12.02%	12.31%	11.62%	0.78%
NAFA Government Securities Liquid Fund	12.33%	11.98%	12.11%	11.75%	11.96%	11.40%	0.64%
Pakistan Cash Management Fund	12.79%	12.57%	12.63%	12.26%	12.49%	11.96%	0.60%
PICIC Cash Fund	11.95%	11.85%	12.03%	N.A.	N.A.	N.A.	0.30%
UBL Liquidity Plus Fund	13.06%	12.65%	12.74%	12.26%	12.59%	11.82%	0.85%
<b>Aggressive Income Funds</b>							
Alfalah GHP Income Multiplier Fund	20.18%	21.63%	12.05%	1.73%	10.00%	-7.35%	
Askari Income Fund	48.13%	23.72%	25.04%	9.32%	5.27%	3.77%	
BMA Chundrigar Road Savings Fund	33.48%	3.78%	-11.42%	-9.74%	-36.53%	-6.86%	
Faysal Income and Growth Fund	21.10%	18.11%	11.07%	10.76%	10.87%	8.96%	
IGI Aggressive Income Fund	4.19%	6.04%	3.48%	2.45%	-1.07%	N.A.	
JS Aggressive Income Fund	38.60%	34.18%	33.94%	12.95%	5.93%	11.94%	
KASB Income Opportunity Fund	10.36%	-7.25%	-6.81%	-9.99%	-20.41%	-10.71%	
Pakistan Income Enhancement Fund	3.37%	11.32%	11.41%	11.79%	6.57%	10.40%	
United Growth and Income Fund	-20.68%	-8.31%	-3.84%	-8.06%	-4.96%	-5.59%	

N.A. = Not Available      STDEV = Standard Deviation of monthly returns since November '09

**Calculation Formula**

Annualized Return = (Ending NAV / Beginning NAV) ^ (365 / No. of Days) - 1

**Position as of April 30, 2011**
**Absolute Returns**

<b>Equity Funds</b>	<b>1M</b>	<b>2M</b>	<b>3M</b>	<b>6M</b>	<b>CY11-YTD</b>	<b>FY11-YTD</b>
ABL Stock Fund	0.70%	8.73%	2.35%	20.39%	6.10%	31.01%
AKD Opportunity Fund	-1.28%	3.01%	-1.44%	9.01%	-2.68%	19.06%
Alfalah GHP Alpha Fund	0.00%	5.01%	-1.86%	13.46%	1.74%	19.64%
Atlas Stock Market Fund	1.34%	10.85%	6.76%	27.30%	12.96%	44.20%
Crosby Dragon Fund	0.24%	6.99%	2.64%	18.82%	6.46%	29.69%
First Habib Stock Fund	0.62%	7.85%	1.10%	15.06%	2.98%	19.14%
HBL Stock Fund	1.08%	9.35%	3.90%	21.39%	8.19%	30.63%
IGI Stock Fund	1.38%	10.98%	5.19%	22.77%	9.60%	31.48%
KASB Stock Market Fund	0.13%	6.00%	0.16%	15.01%	3.33%	22.73%
<b>Lakson Equity Fund</b>	<b>0.63%</b>	<b>7.15%</b>	<b>1.28%</b>	<b>14.19%</b>	<b>2.92%</b>	<b>22.74%</b>
MCB Dynamic Stock Fund	1.22%	8.58%	3.49%	20.06%	7.02%	33.57%
NAFA Stock Fund	0.89%	8.22%	2.04%	21.78%	6.26%	30.98%
National Investment Unit Trust	0.51%	7.84%	-0.90%	15.53%	1.08%	22.53%
Pakistan Stock Market Fund	-1.28%	7.69%	0.94%	16.27%	3.29%	22.78%
United Stock Advantage Fund	1.13%	10.29%	3.31%	23.94%	7.06%	39.66%

**Balanced Funds**

HBL Multi Asset Fund	1.16%	7.04%	4.45%	16.81%	7.92%	23.36%
Faysal Balanced Growth Fund	3.20%	7.59%	0.26%	N.A.	1.68%	17.79%
KASB Balanced Fund	0.76%	4.87%	-0.23%	8.59%	-0.18%	8.27%
NAFA Multi Asset Fund	0.12%	5.13%	3.71%	15.91%	5.85%	24.69%
Pakistan Capital Market Fund	0.00%	5.74%	1.88%	10.19%	3.71%	14.71%
Unit Trust of Pakistan	-0.45%	7.37%	2.76%	14.23%	4.90%	19.96%

**Asset Allocation Funds**

Alfalah GHP Value Fund	0.36%	4.52%	-0.21%	6.91%	0.30%	6.30%
Askari Asset Allocation Fund	-0.13%	4.08%	-1.56%	5.75%	0.39%	11.93%
Faysal Asset Allocation Fund	-0.07%	5.06%	0.12%	N.A.	9.13%	22.77%
JS Aggressive Asset Allocation Fund	0.39%	9.01%	1.04%	12.16%	3.18%	20.87%
MCB Dynamic Allocation Fund	0.83%	4.72%	3.16%	10.26%	5.16%	19.35%
Pak Oman Advantage Asset Allocation Fund	0.52%	3.53%	-1.94%	8.75%	0.00%	15.70%

**Capital Protected Funds**

Alfalah GHP Principal Protected Fund - II	0.57%	1.50%	1.06%	4.65%	1.74%	6.68%
JS Capital Protected Fund IV	0.66%	1.81%	1.94%	5.20%	2.83%	9.91%
JS Principal Secured Fund I	0.83%	1.74%	2.57%	6.25%	3.51%	18.83%
JS Principal Secured Fund II	0.73%	1.96%	1.91%	5.53%	2.71%	9.19%
KASB Capital Protected Gold Fund	1.31%	1.89%	3.09%	4.93%	3.15%	8.36%
MCB Sarmaya Mahfooz Fund I	0.56%	1.35%	1.82%	4.22%	2.59%	N.A.
Pakistan Capital Protected Fund - FIS	0.09%	1.22%	1.79%	4.05%	2.28%	6.94%

**Calculation Formula**

Absolute Return = (Ending NAV / Beginning NAV) - 1

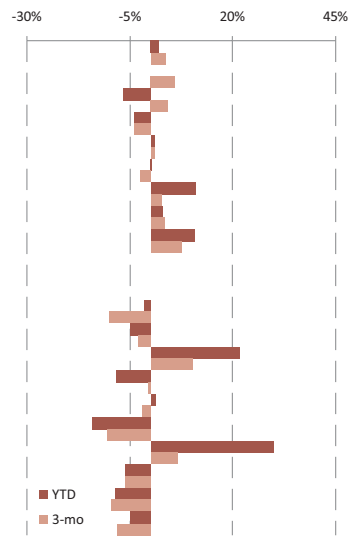


## Equities

Markets	Index	Total Return				Total Return, in USD and %			
		YTD-CY11	3-mo	1-yr	5-yr	YTD-CY11	3-mo	1-yr	5-yr
China	CSI 300	2.06%	3.78%	4.09%	172.34%	3.62%	5.63%	9.44%	236.29%
Dubai	DFM	0.22%	5.90%	-6.08%	-70.14%	0.22%	5.90%	-6.08%	-70.14%
India	BSE Sensex 30	-6.70%	4.41%	8.98%	61.46%	-5.74%	8.14%	9.06%	63.83%
Japan	Nikkei 225	-3.71%	-3.79%	-10.92%	-41.74%	-3.77%	-2.80%	2.90%	-18.35%
Malaysia	FTSE Bursa	1.06%	0.99%	14.01%	59.66%	5.18%	4.36%	22.60%	95.29%
<b>Pakistan</b>	<b>KSE 100</b>	<b>0.29%</b>	<b>-2.44%</b>	<b>15.63%</b>	<b>6.31%</b>	<b>1.30%</b>	<b>-1.47%</b>	<b>14.47%</b>	<b>-24.85%</b>
Sri Lanka	Colombo All Share	10.87%	2.54%	75.63%	223.53%	11.90%	3.40%	82.10%	192.89%
UK	FTSE 100	2.88%	3.53%	9.30%	0.78%	10.15%	7.99%	19.56%	-7.79%
US	DJIA	10.65%	7.72%	16.37%	12.70%	10.65%	7.72%	16.37%	12.70%

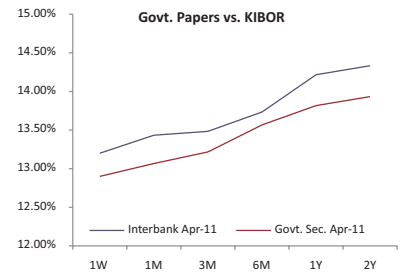
  

KSE Sectors	YTD	3-mo
Automobile and Parts	-1.60%	-9.83%
Banks	-4.78%	-2.89%
Chemicals	21.60%	10.15%
Construction & Materials	-8.34%	-0.57%
Electricity	1.23%	-1.97%
Fixed Line Tele.	-14.22%	-10.53%
Food Producers	29.99%	6.48%
Non Life Insurance	-6.08%	-6.10%
Oil and Gas	-8.59%	-9.31%
Personal Goods	-4.79%	-8.02%

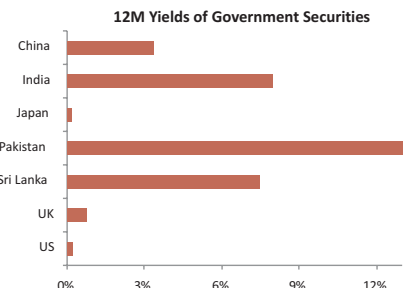


## Fixed Income

Money Market		Current Interbank Rates on				Historic 6-month Interbank Rates			
		1M	3M	6M	12M	YTD-CY11	3-mo	1-yr	2-yr
China	SHIBOR	4.14%	4.54%	4.68%	4.87%	4.26%	4.45%	3.15%	2.48%
Dubai	UAE IBOR	1.41%	1.98%	2.16%	2.39%	2.33%	2.32%	2.41%	2.43%
India	MIBOR	8.24%	9.06%	N.A.	N.A.	N.A	N.A	N.A	N.A
Japan	TIBOR	0.18%	0.34%	0.45%	0.48%	0.45%	0.45%	0.47%	0.54%
Malaysia	KLIBOR	3.10%	3.22%	3.29%	3.46%	3.08%	3.09%	2.96%	2.60%
<b>Pakistan</b>	<b>KIBOR</b>	<b>13.22%</b>	<b>13.38%</b>	<b>13.67%</b>	<b>14.19%</b>	<b>13.74%</b>	<b>13.75%</b>	<b>13.13%</b>	<b>12.83%</b>
Sri Lanka	SLIBOR	8.06%	8.18%	8.30%	8.43%	8.30%	8.26%	9.08%	10.18%
UK	LIBOR	0.62%	0.82%	1.12%	1.59%	1.10%	1.11%	1.05%	1.02%
US	SIBOR	0.21%	0.28%	0.44%	0.77%	0.46%	0.46%	0.54%	0.62%

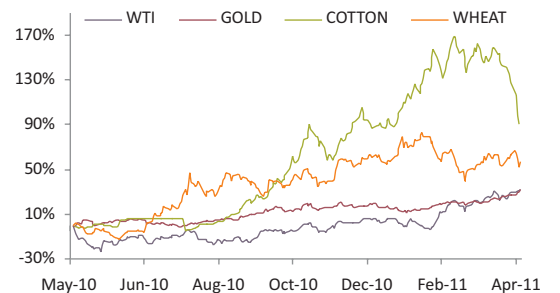


Government Securities		Current Market Yields on				Historic 12-Month Paper Rates			
		3M	12M	5Y	10Y	YTD-CY11	3-mo	1-yr	2-yr
China		2.92%	3.35%	3.43%	3.88%	3.36%	3.35%	2.62%	2.15%
India		7.50%	7.95%	8.24%	8.14%	7.52%	7.55%	6.57%	5.61%
Japan		0.11%	0.17%	0.47%	1.21%	0.16%	0.17%	0.14%	0.16%
Malaysia		2.82%	N.A.	3.56%	4.08%	N.A	N.A	N.A	N.A
<b>Pakistan</b>		<b>13.09%</b>	<b>13.80%</b>	<b>14.03%</b>	<b>14.10%</b>	<b>13.77%</b>	<b>13.77%</b>	<b>13.05%</b>	<b>12.64%</b>
Sri Lanka		7.09%	7.45%	9.36%	N.A	7.40%	7.40%	7.98%	9.44%
UK		0.61%	0.74%	2.22%	3.50%	0.76%	0.76%	0.66%	0.63%
US		0.04%	0.19%	1.97%	3.29%	0.25%	0.25%	0.26%	0.33%



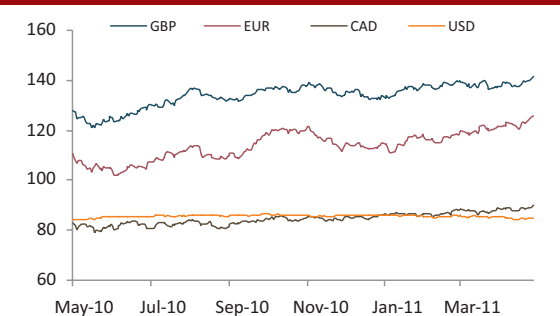
## Commodities

Commodity	Unit	Total Return				Current Prices			
		YTD-CY11	3-mo	1-yr	5-yr	YTD-CY11	3-mo	1-yr	5-yr
Coal	USD/Tonne	6.23%	-7.32%	25.95%	129.53%	122.80			
Copper	USc/lbs	-4.33%	-6.33%	24.76%	24.46%	422.30			
Cotton	USc/lbs	2.16%	-10.63%	90.72%	218.93%	172.70			
Gold	USD/t oz.	10.13%	17.64%	32.82%	139.33%	1567.60			
Palm Oil	USD/Tonne	-4.23%	-6.48%	45.12%	181.66%	1190.00			
Sugar	USc/lbs	-17.45%	-26.93%	47.60%	32.56%	22.76			
Wheat	USD/Bushel (60lbs)	-1.81%	-8.60%	57.75%	127.90%	8.39			
WTI	USD/bbl	24.18%	24.71%	31.84%	58.03%	113.50			



## Currencies

		Change Versus PKR in %				Current Exchange Rates	
		YTD-CY11	3-mo	1-yr	5-yr		
Canadian Dollar	CAD	4.56%	4.91%	8.82%	67.26%	CAD - PKR	89.95
Euro	EUR	9.55%	7.06%	12.43%	65.70%	EUR - PKR	125.77
Indian Rupee	INR	0.00%	2.67%	1.05%	43.28%	INR - PKR	1.92
Japanese Yen	JPY	-0.94%	0.00%	16.67%	87.50%	JPY - PKR	1.05
Pound Sterling	GBP	6.00%	3.26%	10.49%	29.43%	GBP - PKR	141.92
Singaporean Dollar	SGD	3.75%	3.47%	13.12%	82.71%	SGD - PKR	69.41
US Dollar	USD	-0.99%	-0.99%	1.01%	41.47%	USD - PKR	84.95



Source: Bloomberg, Reuters

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## Transaction Locations:

### Islamabad:

Contact Person: Mr. Ali Kazmi - Branch Manager  
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Kashmir Plaza,  
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UAN: 051.111-111-717  
Fax: 051.2870228

### Lahore:

Contact Person: Mr. Rao Ashraf - Branch Manager  
Suit No.209, Eden Center  
43-Jail Road, Lahore.  
Tel: 042.759.0500/756.7390  
Fax: 042.756.7881

### Rawalpindi:

Contact Person: Mr. Tariq Aziz - Branch Manager  
Suite No.3, 1 st Floor, Majeed Plaza  
Bank Road, Rawalpindi  
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Fax: 051.511.0996

### Faisalabad:

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1 st Floor, FM Plaza  
15-D, Peoples Colony, Faisalabad  
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Fax: 041.855.4453

### Sialkot:

Contact Person: Mr. Nisar Bhatti - Branch Manager  
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Iqbal Town, Defence Road, Sialkot  
Tel: 052.324.1704/07  
Fax: 052.324.1703

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