

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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Tritex Cotton



Century Insurance



Merit Packaging Limited



Century Paper & Board Mills



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The Lakson Group

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Economic Review (Monetary and Fiscal)

The State Bank of Pakistan ("SBP") announced the 4th Monetary Policy of FY11 and kept the policy rate unchanged at 14.0% by adopting an optimistic approach based on three sources of comfort that are: a) improved current account position in 1HFY11 b) understanding reached between the Government and the SBP to keep the Government borrowing from the SBP at September '10 level and c) the expectation of improved fiscal position as a result of multi-partisan political efforts. The SBP also revised the inflation target for FY11 to 15-16% along with expectation of double digit inflation in FY12. The continuous fiscal slippage and resultant heavy borrowing by the Government has diluted the impact of recent interest rate hikes and henceforth the negative impact of higher interest rates has been borne by the private sector. The SBP tried to strike a balance between the risks to inflation and economic growth by keeping policy rate unchanged despite increasing its forecast for inflation, however, going forward the direction of the monetary policy will depend upon the developments on the fiscal consolidation efforts of the Government and its capability to introduce taxation and energy sector reforms.

The external current account posted a surplus of USD 26 million in 1HFY11 due to robust growth of 19.4% in exports on the back of higher international prices of cotton and rice. The current account got further support from record remittances of USD 5.3 billion and disbursements of USD 743 million of Coalition Support Fund ("CSF"). The outstanding stock of the Government borrowing from the SBP on January 25, 2011 stands at PKR 1,277 billion, considerably lower than PKR 1,500 billion in the mid of December '10 and as per the understanding reached with the SBP, the Government will have to keep this level below PKR 1,290 billion by the end of FY11. This clearly indicates that the Government will be relying on commercial banks to finance its fiscal deficit that is expected to even cross the revised target of PKR 812 billion (4.7% of GDP) for FY11. Tax collection of PKR 661 billion by the Federal Board of Revenue ("FBR") during 1HFY11 showed a mere increase of 13%, much less than the targeted 26% increase in tax collections. Despite an increase in international oil prices the Government kept the domestic petroleum prices unchanged by reducing its Petroleum Levy. This decision by the regime will cause a monthly revenue loss of roughly PKR 7 billion and will further burden the economy.

Headline inflation as measured by Consumer Price Index ("CPI") was measured at 14.2% YoY in January '11 as compared to 15.5% YoY in December '10. Inflation in January '11 managed to come down despite 1.3% MoM increase mainly due to high base effect and no change in domestic oil prices. High export prices for the textile helped the exports to register 22.7% growth in 7MFY11 while the imports have gone up by 16.7% during the same period resulting in a trade deficit of USD 9.3 billion.

Fixed Income Markets Review

The money market was relatively tight in January '11 as the overnight repo rates averaged 12.82% however timely intervention of the SBP through Open Market Operations ("OMOs") helped in providing required liquidity to the market. Market yields on short term Government securities witnessed an upward trend during the month in anticipation of an increase in the discount rate in the monetary policy and went up by 32bps on average on T-Bills however the yields on PIBs witnessed a meager increase of 5bps. The benchmark lending rate, 6-month KIBOR averaged 13.74% in January '11 as compared to an average of 13.60% in December '10. The SBP conducted two T-Bill auctions during the month and raised PKR 375 billion against a target of PKR 360 billion and raised the cut-off yields in the range of 10-42bps on different tenures while higher increase of 42bps was seen on 3-month T-Bills. The SBP kept the discount rate unchanged in the monetary policy however the yields still hover above November '10 level which shows that the market still expects the interest rates to remain high.

Equity Market Review

The KSE-100 Index rose by 336.90 points (2.80%) during the month of January '11 and the KSE-100 index was able to make a new 52 week high of 12,682 on a closing basis. Daily volumes during the month averaged at 170 million shares, compared to 140 million shares in December '10, up 21% MoM. Market witnessed a mixed trend during the month as in the first half it maintained the positive momentum while in the second half profit taking was witnessed ahead of monetary policy announcement as there were expectations of 50bps hike in the discount rate. Rumors of reduction in deemed duty on diesel created panic in the market and OMCs and refineries witnessed selling pressure. Result season has started and fertilizer companies have announced their results that were in line with market expectations. Substantial net inflow of USD 63.10 million was seen in January '11 in Foreign Investors Portfolio Investment ("FIPI") that takes the total net inflow in 7MFY11 to USD 313 million. Margin Trading System ("MTS") is in final stages and it is expected to be launched in February '11.

International Markets and Economies

International Fuel prices have witnessed an upward trend amidst prolonged unrest in Egypt. Although Egypt is not one of the major oil producing countries but fears of fuel supply disruption through Suez Canal and Mediterranean Pipeline, supply route of almost 2.5% of Global oil production, escalated international crude oil prices causing Arab Light to increase by 5.8% while Brent Oil to increase by 4.7% in the month of January. The IMF in its World Economic Outlook upgraded the global economic growth estimates from previous 4.2% to 4.4% expecting growth rate of US, China and India to be 3.0%, 9.6% and 8.4% respectively. The persistent risks to global economic recovery are prolonged European Sovereign debt crisis and higher inflation in emerging markets forcing respective governments to adopt tight monetary policy. Emerging markets are consistently facing inflationary pressure with China's December inflation rate coming out to 4.6% taking annual CPI for 2010 to 3.3%, well above government's target of 3.0%. India's CPI for the month of December was 8.4% while that of Brazil stood at 7.8%.

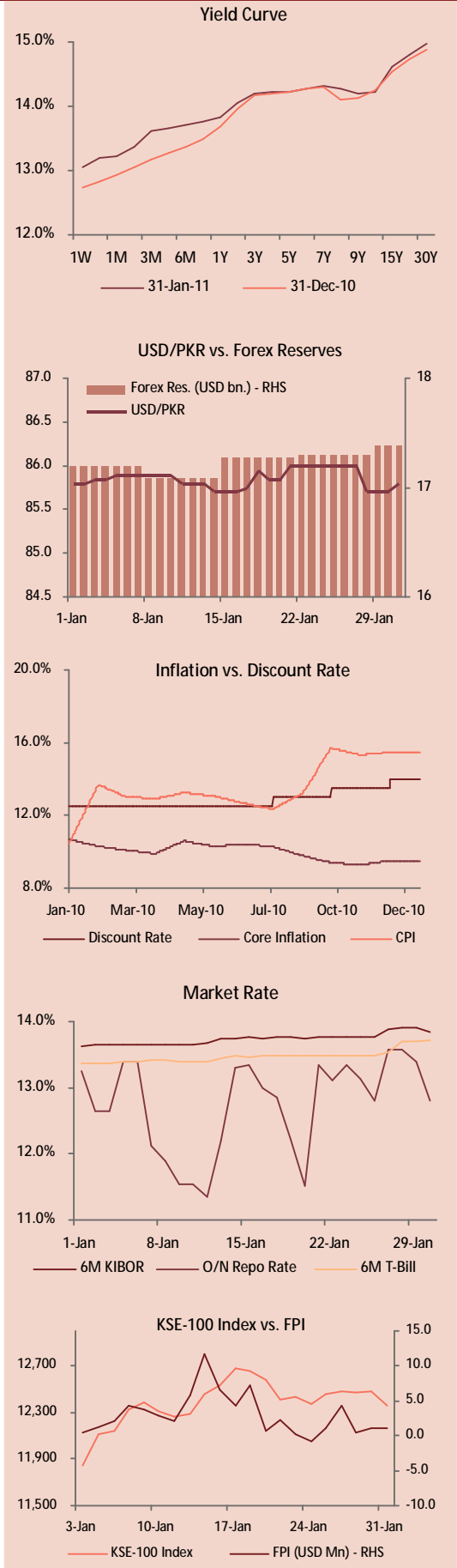
Political Review

Political tension eased a bit in January '11 as the Government was able to bring the MQM back on treasury benches however PM(N) which is the largest opposition party has given a 10 points agenda to the Government with a time frame of 45 days to act upon it. US and Pakistan ties are at stake on the issue of murder charges against Raymond Davis, a US consular employee, as US has claimed diplomatic immunity on the basis of Vienna Convention while the Federal and Provincial Governments have taken a stance that the courts of Pakistan will decide the fate of Raymond Davis.

Outlook

Delays in the introduction of economic reforms and phase out of subsidies are increasing fiscal imbalances in the economy making economic management more difficult for the Government. Persistently high inflation poses serious challenges for the economy and if not tackled properly it can result in widening of aggregate demand supply gap, currency devaluation and discouraging investment and savings. If the political leadership could not come up with an economic plan to address these economic challenges then we expect the SBP to resume monetary tightening once again in future.

DISCLAIMER: This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily an indication of future results.



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

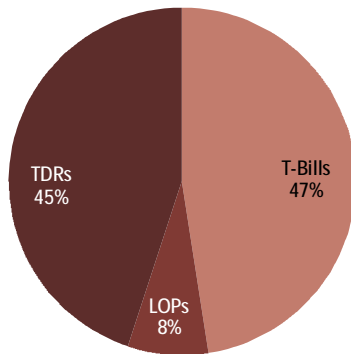
The Lakson Money Market Fund ("LMMF") yielded an annualized return of 12.16% in January '11 in comparison to the Benchmark (average return of all money market returns) return of 12.00%. The LMMF outperformed the average money market fund by 16bps. The LMMF continues to provide liability related to Workers Welfare Fund ("WWF") that comes out to approximately 20bps. The yield since inception (13th November 2009) of the LMMF stood at 11.04% p.a. compared to 11.03% p.a. return for the average money market fund. During the month the LMMF switched its position from short dated T-Bills to 3-month T-Bills as the yields on T-Bills went up on expectation of an increase in the discount rate in the monetary policy. This measure increased the Weighted Average Maturity ("WAM") of the T-Bills portfolio of the LMMF to 57 days as compared to 43 days at the end of December '10. Exposure of the LMMF in TDRs has declined to 45% in January '11 from 55% at the start of the month as the TDRs booked before December '10 have started maturing. Presently T-Bills are offering better yields than the TDRs therefore the maturities from the TDRs are being switched to T-Bills.

As of January 31, 2011, the WAM of the LMMF portfolio is 38 days as compared to 45 days at the start of the month. The WAM has gone down despite an increase in 3-month T-Bills as the TDRs booked in December are maturing and being placed in the money market in shorter tenures. The portfolio of the LMMF still offers very high liquidity and as on January 31, 2011, 60% of the portfolio comprises 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 is just 0.60% since its inception in November '09. Better asset allocation and liquidity management helped the LMMF to outperform its Benchmark despite the fact that it is providing liability related to the WWF.

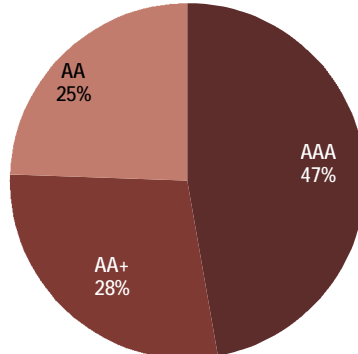
Outlook

The LMMF will increase exposure in T-Bills and will switch maturities from the TDRs to the T-Bills to improve liquidity and yield of the portfolio. Market yields are expected to remain stable in the short term due to better market liquidity however an upward trend may be witnessed before the Monetary Policy announcement depending upon the developments on the economic front.

Asset Allocation



Credit Split



Asset Allocation

Instruments	Nov-10	Dec-10	Jan-11	WAM*
	% of Net Assets			Days
Government Securities (T-Bills)	63%	45%	47%	57
Placements with Banks (TDRs)	37%	55%	45%	27
Placements with DFIs (LOPs)	0%	0%	8%	1
Cash	0%	0%	0%	1

* Weighted Average Maturity

Key Interest Rates (Monthly Average)

	Nov-10	Dec-10	Jan-11	14.20%
KIBOR (1W, 1M, 3M, 6M, 12M)	13.15%	13.33%	13.58%	13.73%
T-Bills (3M, 6M, 12M)	13.35%	13.48%	13.74%	
Repo (O/N, 1M, 3M, 6M, 12M)	12.82%	12.97%	13.31%	13.42%

* Source: Bloomberg, Reuters

Disclosures

Leverage as on January 31, 2011	Nil.
Non Performing Assets	Nil.
WAM of Portfolio	38 Days

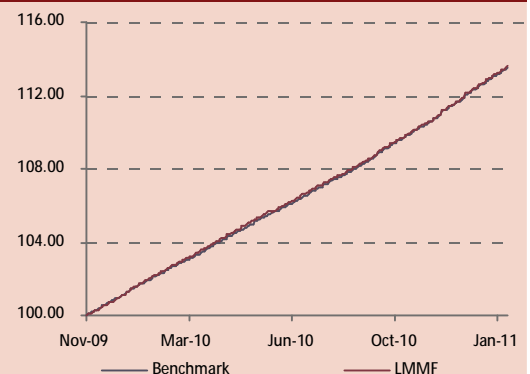
Fund Facts

Fund Type	Open-End
Category	Money Market Fund
Net Assets (PKR Mil.)	3,746
NAV (31.01.2011)	101.0773
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 with Positive Outlook

Fund Performance	LMMF	Benchmark
January-11	12.16%	12.00%
2 Months	12.04%	11.91%
3 Months	11.79%	11.73%
4 Months	11.70%	11.71%
6 Months	11.39%	11.43%
12 Months	11.04%	11.05%
FY11 - YTD	11.31%	11.36%
Since Inception	11.04%	11.03%

* All returns have been calculated by Morning Star 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

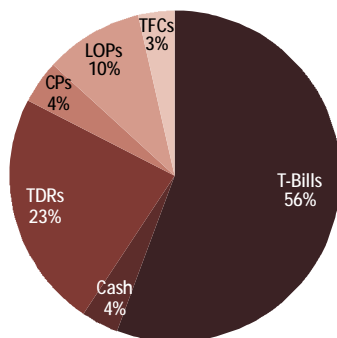
The Lakson Income Fund ("LIF") provided an annualized yield of 11.21% for the month of January '11, outperforming the Benchmark (average return of all income funds) that posted a return of only 0.05%. The yield since inception (13th November 2009) for the LIF stands at an annualized 11.20% compared to a Benchmark return of 6.64%. Income Funds once again witnessed volatility mainly due to their TFC allocations as the prices of non traded TFCs were very volatile during the month that resulted in negative returns for many income funds. During the month the LIF increased exposure in T-Bills as the maturities from the TDRs were utilized to increase exposure in T-Bills from 29% at the start of the month to 56% at the end of the month. Exposure in debt securities remained unchanged as the prices of TFCs were very volatile and to avoid any unnecessary volatility the LIF didn't take any fresh exposure in TFCs that helped the LIF to post positive return.

As of January 31, 2011, the WAM of the LIF portfolio is 121 days as compared to 111 days at the start of the month. The WAM has gone up as the LIF increased exposure in T-Bills as the yields on T-Bills had gone up in expectation of an increase in discount rate. As of January 31, 2011, 74% of the portfolio of the LIF 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 0.96% as compared to 5.69% for the Benchmark.

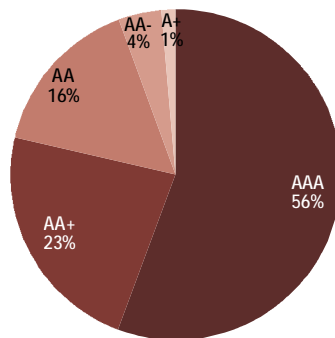
Outlook

The LIF will increase exposure in T-Bills as presently T-Bills are offering high yields as compared to other instruments. Once the pricing issues related to the TFCs are resolved the LIF will also increase exposure in good credit quality TFCs. Keeping in view the high borrowing needs of the Government yields on the T-Bills are expected to remain on the higher side and the high exposure of the LIF in T-Bills will help in improving liquidity and yield of the portfolio.

Asset Allocation



Credit Split



TFCs Portfolio

Name of the Issue	Issue Date	Rating	% of Net Assets
Engro Fertilizer Limited	17-Dec-09	AA	0.51%
NIB Bank Limited	05-Mar-08	A+	1.50%
United Bank Limited	14-Feb-08	AA	1.48%

Asset Allocation

Instruments	Nov-10	Dec-10	Jan-11	WAM* Days
	% of Net Assets			
Government Securities (T-Bills)	55%	29%	56%	75
Placements with Banks (TDRs)	28%	61%	23%	19
Term Finance Certificates (TFCs)	5%	3%	3%	2,201
Commercial Papers (CPs)	5%	4%	4%	52
Placements with DFIs (LOPs)	0%	0%	10%	1
Reverse Repo against TFCs (RR)	7%	0%	0%	0
Cash	0%	3%	4%	1

* Weighted Average Maturity

Disclosures

Leverage as on January 31, 2011	Nil.
Non Performing Assets	Nil.
WAM of Portfolio	121 Days

Fund Facts

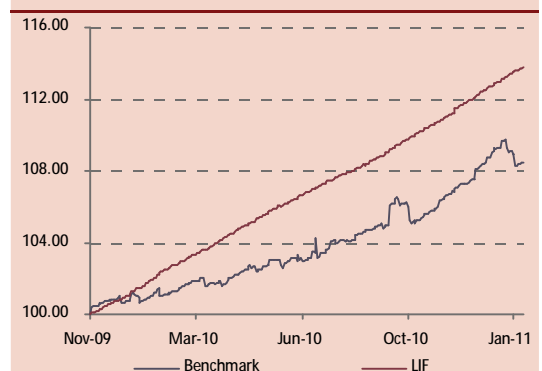
Fund Type	Open-End
Category	Income Fund
Net Assets (PKR Mil.)	966
NAV (31.01.2011)	101.1539
Pricing Mechanism	Forward Day
Trustee	CDC Pakistan Limited
Auditor	KPMG Taseer Hadi & Co.
Management Fee	1.50%
Front End Load	1.50%
Back End Load	None
Launch Date	November 13, 2009
Benchmark	Average of returns 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 with Positive Outlook

Fund Performance	LIF	Benchmark
January-10	11.21%	0.05%
2 Months	11.31%	8.65%
3 Months	11.28%	9.17%
4 Months	11.41%	7.51%
6 Months	11.16%	8.46%
12 Months	11.08%	7.50%
FY11 - YTD	10.98%	8.71%
Since Inception	11.20%	6.64%

* All returns have been calculated by Morning Star 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") went up by 1.62% in January '11 compared to the Benchmark (KSE-100 Index) gain of 2.80% translating into an underperformance of 118bps. The LEF has appreciated 20.38% since its inception in November '09. In the first half of the month the LEF booked gains across the board however a correction in the second half of the month helped the LEF to increase exposure in equities especially in Oil & Gas, Banks, Electricity and Construction & Material sectors bringing the total exposure in equities to 80% as compared to 71% at the start of the month. Presently market is trading at a P/E multiple of 9.52x and a dividend yield of 4.84% and it has performed better than the emerging markets since the start of CY11. The LEF has a balanced portfolio of growth and defensive stocks that will help the LEF to protect investors against any downside in the market.

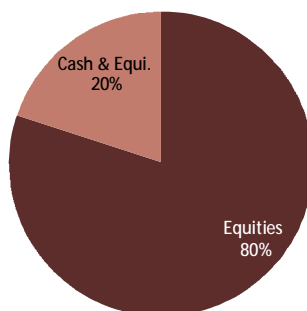
Outlook

Result season will be in full swing in February '11 therefore stock specific activity will be seen in the market however the broader market is expected to remain range bound in the absence of any major triggers. Launch of MTS can help in improving volumes in the market; nevertheless the uncertain economic and political situation will keep investors sidelined.

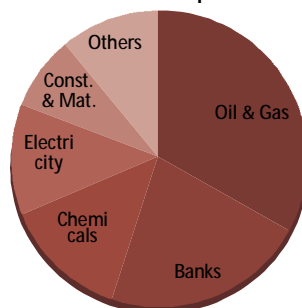
Top 10 Holdings (In Alphabetical Order)

Allied Bank Limited	3.84%
Attock Petroleum Limited	4.68%
Engro Corporation Limited	6.55%
Lucky Cement Company Limited	3.90%
MCB Bank Limited	3.78%
Pakistan Oilfields Limited	7.29%
Pakistan Petroleum Limited	7.36%
Pakistan State Oil	5.76%
The Hub Power Company	7.72%
United Bank Limited	4.84%

Asset Allocation



Sectorwise Exposure



Sectorwise Exposure	Dec-10	Jan-11
Oil & Gas	24.53%	26.53%
Banks	15.21%	17.42%
Chemicals	11.64%	10.87%
Electricity	8.22%	9.87%
Const. & Mat.	5.00%	6.46%
Others	5.90%	8.75%

Asset Allocation

	Nov-10	Dec-10	Jan-11
Equities	74%	71%	80%
Cash and Equivalents	26%	29%	20%

Pakistan vs. Global Markets

Country	Index	1M Return	P/E	Div. Yield
Pakistan	KSE-100	2.80%	9.52	4.84%
India	BSE Sensex 30	-10.64%	17.23	1.17%
Malaysia	FTSE KLCI	0.07%	16.56	3.19%
Dubai	DFM General	-5.90%	8.70	3.70%
USA	DJIA	2.72%	14.38	2.51%
USA	S&P 500	2.26%	15.86	2.25%

* Source: Reuters

Disclosures

Leverage as on January 31, 2011	Nil.
Non Performing Assets	Nil.

Fund Facts

Fund Type	Open-End
Category	Equity Fund
Net Assets (PKR Mil.)	156
NAV (31.01.2011)	120.3839
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 with Positive Outlook

Fund Performance	LEF	Benchmark
January-11	1.62%	2.80%
2 Months	6.88%	10.01%
3 Months	12.76%	16.62%
4 Months	17.61%	23.43%
6 Months	12.30%	17.50%
12 Months	16.05%	28.55%
FY11 - YTD	21.19%	27.13%
Since Inception	20.38%	36.31%

* 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 January 31, 2011
Annualized Returns

Income Funds	1M	2M	3M	6M	FY11	STDEV
ABL Income Fund	12.25%	11.95%	11.67%	11.28%	11.16%	0.51%
AKD Income Fund	-38.76%	-6.37%	N.A.	N.A.	2.14%	22.77%
Askari Islamic Income Fund	9.81%	19.66%	N.A.	N.A.	13.33%	5.96%
Atlas Income Fund	-7.43%	6.96%	5.20%	5.83%	4.04%	10.33%
Atlas Islamic Income Fund	9.61%	9.67%	9.70%	9.33%	9.31%	0.87%
Crosby Phoenix Fund	5.12%	12.30%	N.A.	N.A.	11.08%	8.51%
Faysal Islamic Savings Growth Fund	10.58%	12.26%	11.09%	10.20%	10.09%	1.92%
Faysal Savings Growth Fund	11.67%	11.79%	11.62%	10.17%	10.23%	1.77%
First Habib Income Fund	11.36%	11.85%	10.88%	10.18%	10.21%	2.32%
HBL Income Fund	-5.81%	7.30%	7.47%	9.07%	8.69%	9.16%
IGI Income Fund	10.21%	10.57%	N.A.	N.A.	11.18%	0.90%
IGI Islamic Income Fund	10.16%	9.98%	N.A.	N.A.	9.86%	0.60%
JS Income Fund	1.71%	8.46%	12.76%	13.98%	13.31%	25.57%
Lakson Income Fund	11.21%	11.31%	11.28%	11.16%	10.98%	0.96%
MCB Dynamic Cash Fund	2.35%	10.29%	10.59%	11.16%	11.13%	5.89%
Meezan Islamic Income Fund	7.99%	2.04%	N.A.	N.A.	8.99%	7.43%
Meezan Sovereign Fund	11.98%	12.09%	N.A.	N.A.	11.01%	0.84%
NAFA Income Opportunity Fund	-24.60%	-3.34%	0.84%	0.22%	1.32%	11.06%
NAFA Income Fund	-19.73%	6.46%	5.31%	2.61%	-5.40%	27.03%
NAFA Savings Plus Fund	10.33%	10.69%	10.47%	10.16%	10.07%	0.44%
NIT Government Bond Fund	11.52%	11.27%	N.A.	N.A.	10.75%	1.26%
NIT Income Fund	5.69%	10.91%	N.A.	N.A.	10.65%	3.91%
Pak Oman Advantage Islamic Income Fund	7.48%	8.21%	N.A.	N.A.	5.97%	20.99%
Pakistan Income Fund	-2.46%	12.82%	12.35%	11.44%	11.36%	7.16%
PICIC Income Fund	11.64%	11.53%	N.A.	10.07%	N.A.	2.79%
UBL Savings Income Fund	12.42%	12.11%	11.73%	N.A.	N.A.	0.74%

Money Market Funds

ABL Cash Fund	12.35%	12.04%	11.77%	N.A.	N.A.	0.51%
ABL Islamic Cash Fund	10.93%	10.65%	10.32%	N.A.	N.A.	0.87%
Alfalah GHP Cash Fund	11.66%	11.73%	N.A.	N.A.	11.14%	0.62%
Askari Sovereign Cash Fund	12.49%	12.44%	N.A.	N.A.	11.85%	0.89%
Atlas Money Market Fund	11.77%	11.60%	11.44%	11.21%	11.17%	0.61%
BMA Empress Cash Fund	11.70%	11.39%	11.28%	10.96%	10.89%	0.94%
Faysal Money Market Fund	11.19%	N.A.	N.A.	N.A.	N.A.	N.A.
HBL Money Market Fund	11.89%	12.16%	11.94%	11.65%	N.A.	0.52%
IGI Money Market Fund	11.96%	12.00%	N.A.	N.A.	11.44%	0.62%
JS Cash Fund	12.21%	12.23%	11.97%	11.71%	11.57%	0.90%
KASB Cash Fund	12.08%	11.90%	N.A.	11.35%	11.32%	0.67%
Lakson Money Market Fund	12.16%	12.04%	11.79%	11.39%	11.31%	0.60%
MCB Cash Management Optimizer Fund	12.07%	11.86%	11.66%	11.32%	11.30%	0.61%
Meezan Cash Fund	11.11%	11.16%	N.A.	N.A.	10.54%	0.42%
NAFA Government Securities Liquid Fund	11.53%	11.55%	11.41%	11.20%	11.11%	0.43%
Pakistan Cash Management Fund	12.12%	12.05%	11.90%	11.75%	11.69%	0.43%
PICIC Cash Fund	11.81%	N.A.	N.A.	N.A.	N.A.	N.A.
UBL Liquidity Plus Fund	12.14%	11.93%	11.79%	11.47%	11.44%	0.57%

Aggressive Income Funds

Alfalah GHP Income Multiplier Fund	4.34%	-13.10%	N.A.	N.A.	-14.36%	18.44%
Askari Income Fund	-35.76%	-13.49%	N.A.	N.A.	-3.94%	25.48%
Faysal Income and Growth Fund	10.30%	11.60%	10.47%	7.25%	8.10%	14.49%
JS Aggressive Income Fund	-45.99%	-9.60%	-4.22%	2.70%	3.93%	26.13%
KASB Islamic Income Opportunity Fund	-12.43%	4.11%	N.A.	-1.07%	-5.37%	22.87%
KASB Income Opportunity Fund	-49.15%	-22.00%	N.A.	-15.23%	-12.26%	27.67%
Pakistan Income Enhancement Fund	-6.19%	9.46%	12.15%	9.78%	9.98%	7.63%
United Growth and Income Fund	-8.09%	-16.02%	-11.96%	-5.94%	-6.31%	11.26%
United Islamic Income Fund	14.36%	-19.32%	-13.80%	0.90%	-5.25%	22.56%

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 January 31, 2011

Absolute Returns

Equity Funds	1M	2M	3M	6M	FY11
ABL Stock Fund	3.66%	10.76%	17.64%	17.42%	28.00%
AKD Index Tracker Fund	2.62%	9.54%	N.A.	N.A.	25.14%
AKD Opportunity Fund	-1.26%	5.03%	N.A.	N.A.	20.80%
Alfalah GHP Alpha Fund	3.67%	9.18%	N.A.	N.A.	21.91%
Alfalah GHP Islamic Fund	0.40%	4.91%	N.A.	N.A.	7.71%
Atlas Islamic Stock Fund	4.77%	9.71%	18.13%	22.46%	34.71%
Atlas Stock Market Fund	5.80%	11.08%	19.24%	22.26%	35.06%
Crosby Dragon Fund	3.73%	9.12%	N.A.	N.A.	26.35%
First Habib Stock Fund	1.86%	7.99%	13.82%	10.33%	17.84%
HBL Stock Fund	4.13%	10.42%	16.83%	16.88%	25.72%
IGI Stock Fund	4.20%	11.49%	N.A.	N.A.	24.99%
JS Islamic Fund	6.00%	12.99%	21.65%	22.52%	31.95%
JS KSE-30 Index Fund	3.24%	10.51%	17.69%	17.55%	28.29%
KASB Stock Market Fund	3.16%	8.72%	N.A.	12.55%	22.53%
Lakson Equity Fund	1.62%	6.88%	12.76%	12.30%	21.19%
MCB Dynamic Stock Fund	3.41%	9.25%	16.02%	18.38%	29.07%
Meezan Islamic Fund	4.91%	11.38%	N.A.	N.A.	32.71%
NAFA Stock Fund	4.14%	11.10%	19.37%	19.02%	28.37%
National Investment Unit Trust	2.01%	8.35%	N.A.	N.A.	23.65%
Pakistan Stock Market Fund	2.32%	8.87%	15.16%	13.16%	21.64%
United Stock Advantage Fund	3.63%	11.79%	19.99%	22.79%	35.18%

Balanced Funds

HBL Multi Asset Fund	3.33%	7.72%	11.81%	11.92%	18.11%
Faysal Balanced Growth Fund	1.42%	5.38%	10.78%	11.56%	17.49%
KASB Balanced Fund	0.05%	5.54%	N.A.	N.A.	8.52%
NAFA Islamic Multi Asset Fund	3.20%	8.23%	13.37%	14.61%	21.84%
NAFA Multi Asset Fund	2.06%	6.79%	11.72%	13.29%	20.23%
Namco Balanced Fund	1.72%	6.15%	N.A.	N.A.	19.30%
Pakistan Capital Market Fund	1.79%	5.71%	8.15%	7.28%	12.59%
United Composite Islamic Fund	2.77%	6.97%	13.57%	18.24%	25.03%
Unit Trust of Pakistan	2.08%	6.76%	11.15%	11.99%	16.74%

Asset Allocation Funds

Alfalah GHP Value Fund	0.51%	3.86%	N.A.	N.A.	6.52%
Askari Asset Allocation Fund	1.98%	4.70%	N.A.	N.A.	13.71%
Askari Islamic Asset Allocation Fund	1.00%	2.90%	N.A.	N.A.	11.19%
Faysal Asset Allocation Fund	9.00%	13.19%	17.64%	16.12%	22.62%
JS Aggressive Asset Allocation Fund	2.12%	6.60%	10.95%	11.11%	19.63%
MCB Dynamic Allocation Fund	1.94%	4.70%	6.84%	9.61%	15.69%
Pakistan International Element Islamic Fund	2.44%	7.75%	13.16%	11.52%	19.27%
Pak Oman Advantage Asset Allocation Fund	1.98%	5.88%	N.A.	N.A.	17.99%
Pak Oman Islamic Asset Allocation Fund	3.63%	8.54%	N.A.	N.A.	19.80%

Capital Protected Funds

Alfalah GHP Principal Protected Fund - II	0.67%	2.29%	N.A.	N.A.	5.56%
JS Capital Protected Fund IV	0.87%	2.00%	3.14%	5.64%	7.81%
JS Principal Secured Fund I	0.91%	2.66%	3.53%	7.72%	15.86%
JS Principal Secured Fund II	0.78%	1.94%	N.A.	5.67%	7.14%
KASB Capital Protected Gold Fund	0.07%	1.00%	N.A.	5.11%	5.12%
Meezan Capital Protected Fund	1.53%	3.05%	N.A.	N.A.	9.67%
MCB Sarmaya Mahfooz Fund I	0.76%	1.56%	2.31%	4.94%	N.A.
Pakistan Capital Protected Fund - FIS	0.47%	1.53%	N.A.	N.A.	5.06%

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	-1.65%	-8.98%	-4.06%	204.73%	-1.91%	-8.12%	-0.88%	271.79%	
Dubai	DFM	-5.90%	-13.04%	-4.07%	-79.01%	-5.90%	-13.05%	-4.07%	-79.01%	
India	BSE Sensex 30	-10.64%	-8.51%	12.04%	84.76%	-12.83%	-11.52%	12.77%	77.14%	
Japan	Nikkei 225	0.09%	11.25%	0.39%	-38.14%	-1.00%	8.96%	10.47%	-11.64%	
Malaysia	FTSE Bursa	0.07%	0.95%	20.71%	66.30%	0.79%	2.56%	34.64%	103.68%	
Pakistan	KSE 100	2.80%	16.62%	28.31%	17.45%	2.80%	16.91%	26.81%	-17.99%	
Sri Lanka	Colombo All Share	8.12%	7.44%	97.31%	236.92%	8.22%	8.24%	104.12%	202.49%	
UK	FTSE 100	-0.63%	3.31%	13.00%	1.78%	2.00%	3.13%	13.08%	-8.38%	
US	DJIA	2.72%	6.96%	18.12%	9.10%	2.72%	6.96%	18.12%	9.10%	
KSE Sectors										
Automobile and Parts		9.13%	25.48%	9.13%	-44.05%	9.13%	25.81%	9.13%	-60.93%	
Banks		-1.95%	15.24%	-1.95%	-53.39%	-1.95%	15.53%	-1.95%	-67.45%	
Chemicals		10.39%	32.23%	10.39%	16.22%	10.39%	32.57%	10.39%	-18.85%	
Construction & Materials		-7.81%	-3.17%	-7.81%	-66.72%	-7.81%	-2.92%	-7.81%	-76.76%	
Electricity		3.26%	12.17%	3.26%	2.49%	3.26%	12.46%	3.26%	-28.44%	
Fixed Line Tele.		-4.13%	2.05%	-4.13%	-70.07%	-4.13%	2.31%	-4.13%	-79.10%	
Food Producers		22.08%	40.85%	22.08%	161.05%	22.08%	41.21%	22.08%	82.28%	
Non Life Insurance		0.03%	13.45%	0.03%	-48.93%	0.03%	13.74%	0.03%	-64.34%	
Oil and Gas		0.79%	13.96%	0.79%	9.55%	0.79%	14.26%	0.79%	-23.50%	
Personal Goods		3.51%	15.29%	3.51%	-25.11%	3.51%	15.58%	3.51%	-47.71%	

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	8.13%	5.75%	3.99%	4.08%	3.71%	3.28%	2.57%	2.13%	
Dubai	UAE IBOR	1.61%	2.13%	2.36%	2.58%	2.37%	2.38%	2.42%	2.56%	
India	MIBOR	8.12%	9.30%	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%	0.49%	0.58%	
Malaysia	KLIBOR	2.86%	3.01%	3.04%	3.15%	3.04%	3.02%	2.82%	2.49%	
Pakistan	KIBOR	13.39%	13.72%	13.83%	14.28%	13.73%	13.55%	12.77%	12.79%	
Sri Lanka	SLIBOR	8.07%	8.19%	8.30%	8.45%	8.63%	8.87%	9.74%	11.69%	
UK	LIBOR	0.60%	0.78%	1.07%	1.53%	1.07%	1.05%	0.99%	1.13%	
US	SIBOR	0.27%	0.31%	0.47%	0.79%	0.47%	0.47%	0.53%	0.78%	

Government Securities		Current Market Yields on				Historic 12-Month Paper Rates				
		3M	12M	5Y	10Y	YTD-CY11	3-mo	1-yr	2-yr	
China		2.88%	3.72%	3.63%	3.89%	3.38%	2.90%	2.26%	1.87%	
India		7.20%	7.52%	8.18%	8.15%	7.46%	7.01%	5.97%	5.27%	
Japan		0.13%	0.16%	0.49%	1.22%	0.15%	0.15%	13.43%	0.18%	
Malaysia		2.82%	2.85%	3.40%	4.11%	2.85%	2.88%	2.64%	2.19%	
Pakistan		13.48%	13.79%	14.20%	14.19%	13.75%	13.51%	12.68%	12.52%	
Sri Lanka		7.06%	7.38%	8.93%	N.A.	7.42%	7.49%	8.49%	10.60%	
UK		0.60%	0.73%	2.46%	3.66%	0.76%	0.70%	0.65%	0.65%	
US		0.15%	0.24%	1.95%	3.38%	0.26%	0.26%	0.30%	0.37%	

Commodities

Commodity	Unit	Total Return				Current Prices	
		YTD-CY11	3-mo	1-yr	5-yr		
Coal	USD/Tonne	14.62%	34.11%	33.84%	217.37%	132.5	
Copper	USc/lbs	2.14%	18.97%	46.10%	95.77%	451	
Cotton	USc/lbs	14.32%	36.57%	156.47%	230.34%	193.25	
Gold	USD/t oz.	-6.38%	-2.02%	23.15%	134.03%	1,333	
Palm Oil	USD/Tonne	2.41%	25.37%	71.96%	220.13%	1,273	
Sugar	USc/lbs	12.99%	16.01%	12.29%	73.83%	31.15	
Wheat	USD/Bushel (60lbs)	7.43%	18.14%	85.88%	133.50%	9.1825	
WTI	USD/bbl	-0.43%	11.71%	24.93%	34.07%	91.01	

Currencies

Canadian Dollar	CAD	Change Versus PKR in %				Current Exchange Rates		
		YTD-CY11	3-mo	1-yr	5-yr	CAD - PKR	USD - PKR	
Canadian Dollar	CAD	-0.34%	1.54%	8.15%	63.07%	85.74	85.74	
Euro	EUR	2.32%	-2.12%	-0.08%	61.30%	117.48	117.48	
Indian Rupee	INR	-2.60%	-3.61%	1.63%	36.50%	1.87	1.87	
Japanese Yen	JPY	-0.94%	-1.87%	11.70%	87.50%	1.05	1.05	
Pound Sterling	GBP	2.66%	-0.40%	1.27%	28.94%	137.44	137.44	
Singaporean Dollar	SGD	0.27%	0.86%	11.21%	81.59%	67.08	67.08	
US Dollar	USD	0.00%	-0.26%	1.18%	43.21%	85.80	85.80	

Source: Bloomberg, Reuters

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Transaction Locations:

Islamabad:

Contact Person: Mr. Ali Kazmi - Branch Manager
Office No.6, Mezzanine floor,
Kashmir Plaza,
Jinnah Avenue, Blue Area,
Islamabad.
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
Tel: 051.551.2251/52
Fax: 051.511.0996

Faisalabad:

Contact Person: Mr. Shahbaz Choudhry - Branch Manager
1 st Floor, FM Plaza
15-D, Peoples Colony, Faisalabad
Tel: 041.324.1704/07
Fax: 041.855.4453

Sialkot:

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

Lakson Investments Limited

Lakson Square Building No.2, Sarwar Shaheed Road
Karachi- 74200, Pakistan

UAN: + 92. 21 111.534.111 Fax: + 92. 21 3568.1653

www.laksoninvestments.com.pk