

### General Information

Minimum Investment	Rs 5,000
Sales Load	None
Management Fee	1.5%
Risk	Low
Manag'nt Company Rating	AM3 by PACRA
Performance Rating	5-Star by PACRA

### Fund Size and Growth

	<u>Jan 31 08</u>	<u>Dec 31 07</u>
Fund Size	Rs 13.9 billion	Rs 13.2 billion
NAV*	106.44	105.69

\* Dividend of Rs. 11.06 paid as of June 30, 2007

### Fund Performance

Rolling	<u>1-Month</u>	<u>3-Month</u>	<u>12-Month</u>	<u>Since IPO</u>
Return	8.36%	8.80%	9.58%	10.83%

Standard Deviation\* 0.81%

Sharpe Ratio\*\* 1.07

\* On monthly basis – last twelve months

\*\* Risk-free Rate is 6-Month Treasury Bill Rate

### Economic Data

	Sep/06	Dec/06	Mar/07	Jun/07	Dec/07
KSE100	10,512.5	10,058.5	11,271.6	13,772.5	14,075.1
6M KIBOR	10.37%	10.61%	10.39%	10.02%	9.99%
CPI Inflation	8.70%	8.88%	7.67%	7.77%	-

### Investment Objective

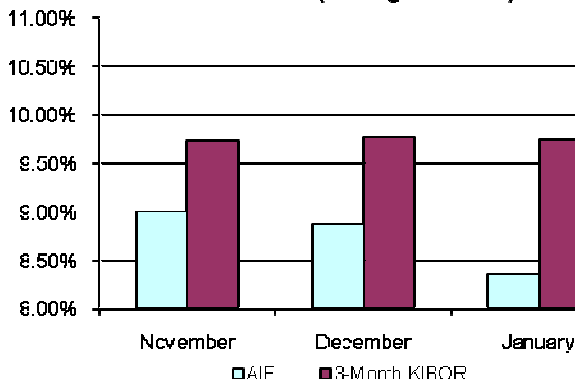
The objective of the Fund is to provide investors a broad range of asset classes so as to diversify fund risk and to optimize potential returns. The investor with only one transaction of purchase of units will get invested into spread transactions, a range of debt instruments, short maturity securities and certificates of investment; with the view of seeking high yields while balancing risk and offering the investors the liquidity and the facility to join or leave the fund at their convenience.

### Fund Performance

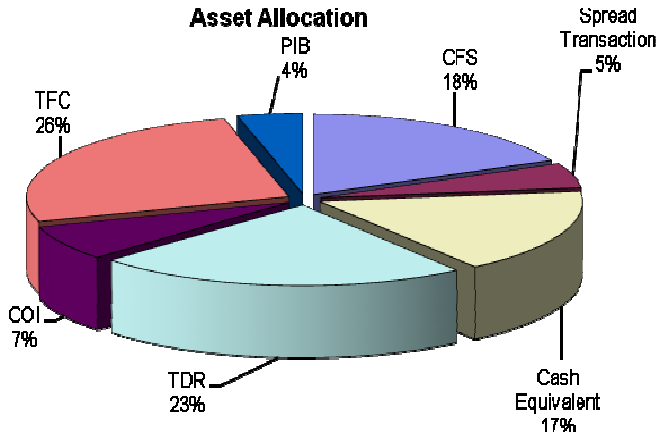
SBP in its monetary policy statement for 2HFY08 increased the discount rate by 50bps bringing it to 10.5%. Also, in pursuance of its tight monetary policy it raised the CRR by 1% for deposits less than 1 year in tenor, while keeping the longer-term deposits zero rated. Rising M2 growth and higher CPI and core inflation were the major reasons for the increase in discount rate. We expect KIBOR to initially rise by about 25-30bps and then settle around current levels due to ample liquidity in the market. Also, CFS rates may rise slightly due to the increase in discount rate and the impending introduction of CFS MKII.

AIF's return for January was 8.36% with the fund size increasing by 5% to 13.9 billion. We continue our focus on providing the best returns in the market within our risk management parameters, without compromising on credit quality. The weighted average credit quality of the fund is A+ and more than 86% of the instruments in the portfolio are rated higher than A-. (CFS and RFS considered as A rated instruments)

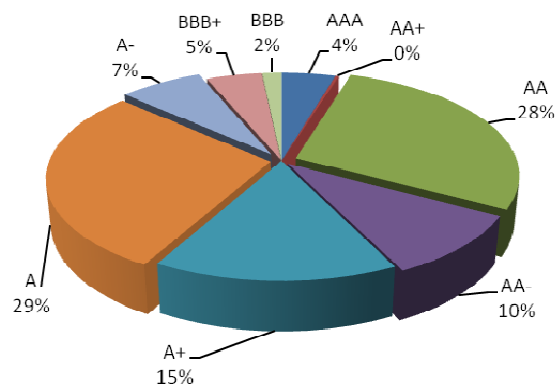
**AIF vs. KIBOR (Rolling 3 Months)**



**Asset Allocation**



**Portfolio Credit Rating**



Fund Manager Saeed Aziz Khan  
Fund Type Open-end income fund  
Launch Date 15 March, 2006 (IPO)  
Registrar Technology Trade Pakistan Ltd.

Listing Lahore Stock Exchange  
Trustee Central Depository Company  
Auditors Ford Rhodes Sidat Hyder & Co.