

HBL Income Fund

Fund Manager's Report
February 2009

Investment Objective:

The objective of HBL Income Fund is to provide a stable stream of income with a moderate level of risk by investing in fixed income securities.

Fund Information :

Fund Type	Open End Income Fund
Currency	Pak Rupee (PKR)
Management Company	HBL Asset Management Limited
Registrar	HBL Asset Management Limited
Trustee	Central Depository Company of Pakistan Ltd.
Auditors	A. F. Ferguson & Co.
Sales Load	N I L
Min. Investment Amount	PKR 5,000
Management Fee	1.50% per annum
NAV per Unit	PKR 94.18

Fund Manager

M. Amir Khan

Fund Size:

PKR 2.606 billion

Benchmark

1 Month Kibor

Fund Return:

February 2008	11.24%
Last 3 Months Average	12.25%
Year to Date	-0.73%

Fund Manager's Commentary

During the month of February the liquidity position in the money market improved significantly. The average one month KIBOR declined by 93 basis points to 12.49% closing at 11.12% as compared to average 13.42% for January 2009.

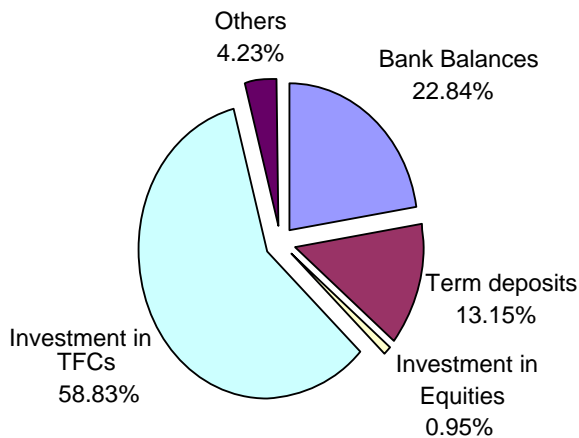
SBP conducted the T-bill auction for 3 months, 6 months and 12 months tenure on February 25, 2009. Significant reduction in T-Bill Cut-off rates was seen as the Cut-off rate for three months T-Bills declined to 12.56% from 13.76%, 6-Month T-bill to 12.96% from 14.01% and 12 months T-Bills to 12.99% from 14.20%.

SBP also conducted the Pakistan Investment Bond (PIB) auction and sold PIBs worth Rs.18 Billion. A significant activity was witnessed in the secondary market soon after the auction due to lower cut-off rates compared to the last auction.

The prices of TFCs increased as a result of decline in KIBOR, TDR rates, inter bank market rates and increased TFC trading activity was witnessed in the secondary market. With the signs of improvement in macro economic indicators and possible cut in interest rates, it is expected that the TFC prices may further improve.

The Funds investment in Cash/TDRs increased from 30.47% in January 2009 to 36.00% in February 2009. Investment in TFCs was reduced to 58.83% by February end as against 64.23% in January.

Asset Allocation as on February 28, 2009



TFC Rating		Bank Rating (TDR/Deposits)	
Rating	% of Total	Rating	% of Total
AA+	11.88	AAA	62.72
AA	32.49	AA+	0.56
AA-	35.02	AA	36.71
A+	12.18	A+	0.01
A	2.83		
A-	2.97		
D	2.63		
Total	100	Total	100

HBL ASSET MANAGEMENT

Disclaimer:

All investments in mutual funds and securities are subject to market risk. The NAV based price of these units and any dividends and return thereon are dependant on forces and factors affecting the capital markets. These may go up or down on market conditions. Past performance is not necessarily indicative to future results. Please read the offering document to understand the investment policies and the risk involved.

HBL Stock Fund

Fund Manager's Report
February 2009

Investment Objective:

The objective of the Fund is to provide long-term capital growth by investing primarily in a diversified pool of equities and equity related instruments.

Fund Type	Open End Stock Fund
Currency	Pak Rupee (PKR)
Management Company	HBL Asset Management Limited
Registrar	HBL Asset Management Limited
Trustee	Central Depository Company of Pakistan Ltd.
Auditors	A. F. Ferguson & Co.
Sales Load	2.5 % (Front-end)
Min. Investment Amount	PKR 5,000
Management Fee	3.0% per annum
NAV per Unit	PKR 64.45

Fund Manager	M. Amir Khan
Fund Size	PKR 1.198 billion
Benchmark	KSE-100 Index

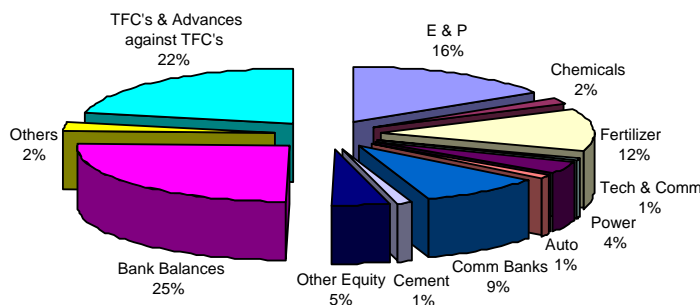
Fund Manager's Commentary

The stock market remained volatile throughout the month of February 2009. The KSE-100 Index witnessed a short lived bull run for a week from 13 February to 19 February due to up coming results of various companies and the news of a relaxation allowed by SECP regarding IAS 39. As a result, the KSE-100 Index moved up 6,022 points as on 19 February. The challenging political events however snapped this bull run and the market declined by 295 index points or about 5% in the last week of the month. Over-all the KSE 100 index was up by 6.51% (or 350 points) to 5,727.46 in February 2009 compared to last month's closing of 5,377.42.

Net outflow of funds as reported by NCCPL from foreign investors portfolio investments stood at Rs2.87 billion in the month of February 2009.

The NAV of the Fund increased by 6.39% in February 2009 as against an increase of 6.51% in the benchmark. The size of your fund increased by 7.46% in February 2009 as compared to January 2009. Your fund was invested to the extent of 51% in equities, 22% in TFC's, 25% in cash and 2% in others. We remain focused at cautiously monitoring the stock market and continue to look for investment opportunities.

Asset Allocation As on February 28, 2009



Top Ten Equity Holdings:

1. Engro Chemicals Pakistan Limited
2. Fauji Fertilizer Company Limited
3. Fauji Fertilizer Bin Qasim Limited
4. Habib Bank Limited
5. Hub Power Company Limited
6. Oil & Gas Development Corporation Limited
7. Pakistan Petroleum Limited
8. Pakistan Oilfields Limited
9. Packages Limited
10. United Bank Limited

(Note: The holdings are listed in alphabetical order)

Disclaimer:

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HBL Multi-Asset Fund

Fund Manager's Report
February 2009

Investment Objective:

The objective of the Fund is to provide long-term capital growth and income by investing in multiple asset classes such as Equity, Equity related instruments, Fixed Income Securities, Continuous Funding System, Derivatives and money market instruments etc.

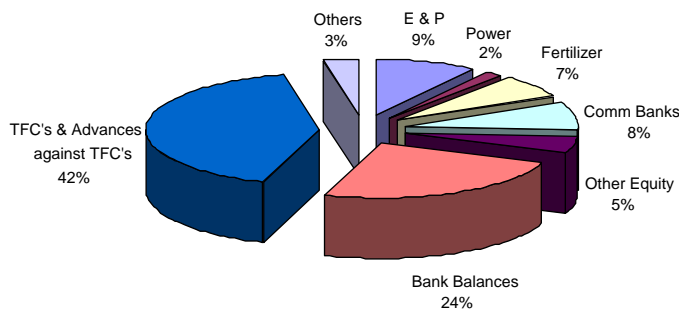
Fund Information :

Fund Type	Open End Balanced Fund
Currency	Pak Rupee (PKR)
Management Company	HBL Asset Management Limited
Registrar	HBL Asset Management Limited
Trustee	Central Depository Company of Pakistan Ltd.
Auditors	A. F. Ferguson & Co.
Sales Load	2.0 % (Front-end)
Min. Investment Amount	PKR 5,000
Management Fee	2.0% per annum
NAV per Unit	PKR 70.99

Fund Manager M. Amir Khan

Fund Size: PKR 518million

Asset Allocation As on February 28, 2009



Fund Manager's Commentary

During the month of February the liquidity position in the money market improved significantly. The average one month KIBOR declined by 93 basis points to 12.49% closing at 11.12% as compared to average 13.42% for January 2009.

SBP conducted the T-bill auction for 3 months, 6 months and 12 months tenure on February 25, 2009. Significant reduction in T-Bill Cut-off rates was seen as the Cut-off rate for three months T-Bills declined to 12.5600 from 13.7624%, 6-Month T-bill to 12.96% from 14.01% and 12 months T-Bills to 12.9900% from 14.2072%.

The prices of TFCs increased as result of decline in KIBOR, TDR rates, inter bank market rates and increased TFC trading activity was witnessed in the secondary market. With the signs of improvement in macro economic indicators and possible cut in interest rates, it is expected that the TFC prices may further improve.

The stock market remained volatile throughout the month of February 2009. The 100 Index witnessed a short lived bull run for a week from 13 February to 19 February due to up coming results of various companies and the news of a relaxation allowed by SECP regarding IAS 39. As a result, the KSE-100 Index moved up 6,022 points as on 19 February. The challenging political events however snapped this bull run and the market declined by 295 index points or about 5% in the last week of the month. Over-all the KSE 100 index was up by 6.51% (or 350 points) to 5,727.46 in February 2009 compared to last month's closing of 5,377.42.

Net outflow of funds as reported by NCCPL from foreign investors portfolio investments stood at Rs2.87 billion in the month of February 2009.

The NAV of your fund increased by 4.89% from Rs67.68 in January 2009 to Rs70.99 in February 2009. The size of your fund grew by 4.86% from Rs494 million in January 2009 to Rs518 in February 2009. Your fund was invested to the extent of 31% in equities, 42% in TFC's, 24% in cash and 3% in others.

Top Equity Holdings:

1. Engro Chemical Pakistan Limited
2. Fauji Fertilizer Company Limited
3. Fauji Fertilizer Bin Qasim Limited
4. Habib Bank Limited
5. National Bank of Pakistan
6. Oil and Gas Development Company Limited
7. Pakistan Oilfields Limited
8. Pakistan Petroleum Limited
9. The Hub Power Company Limited
10. Packages Limited

(Note: The holdings are stated in alphabetical order)

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