

HBL Income Fund

Fund Manager's Report
July 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 95.57

Fund Manager

M. Amir Khan

Fund Size:

PKR 2.61 billion

Benchmark

1 Month Kibor

Comparison Fund Return

Vs Bench Mark :

	Fund Return	Bench Mark
July 2009	22.15%	12.00%
Last 3 Months Average	9.75%	12.60%
Year to Date	22.15%	12.00%

Fund Manager's Commentary

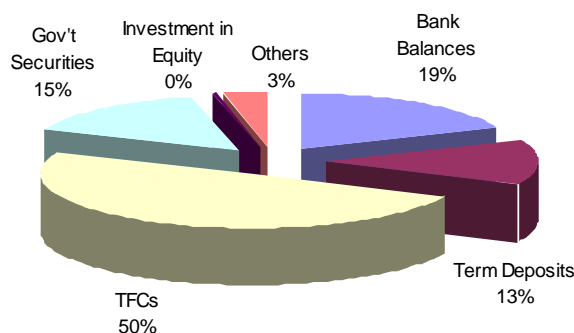
The Money Market witnessed mixed trend for the Month of July 2009. Market experienced a great deal of volatility due to the anticipation for the announcement of a cut in discount rate in the monetary policy which was to be announced on 25th July 2009 by State Bank of Pakistan.

SBP conducted its fortnightly T-Bill auction on 16th July 2009 and cut off rates declined very sharply. The Cut off rates for 3, 6 & 12-Months declined by 155, 92 & 70 basis points respectively to 11.4161%, 11.5151% and 11.5392%. A total of PKR 62.2 billion worth of T-bills were sold against a target of PKR 45 billion. The second auction conducted in the latter half of the month produced different results mainly due to the postponement of the monetary policy from July 25th 2009 to August 15th 2009. A total of PKR 49.3 billion worth of t-bills were sold against a target of PKR 45 billion. The bids for 3 & 6 months T-bills were rejected where as the cut off rate for 12-month T-bills increased by 33 bps to 11.8769%.

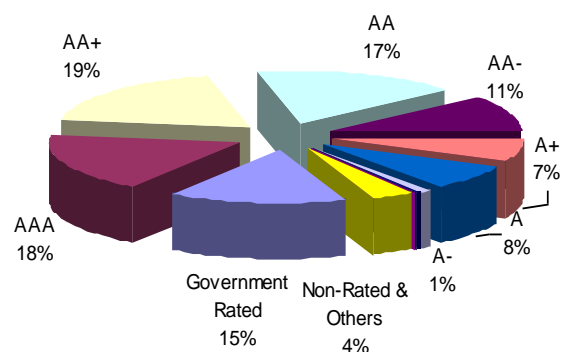
KIBOR showed a declining trend during the month as 1-Month KIBOR started off at 13.26% and closed at 12.25% the decline occurred due to the fall in cut off rates T-bills. The average 1-Month KIBOR decreased by 135 basis points to 12.00% in July 2009 compared to 13.35% in June 2009

TFC prices on selective counter showed improvement with limited activity during the first half of the month.

Asset Allocation as on July 31 , 2009



Asset Quality as on July 31 , 2009



Rating	AAA	AA+	AA	AA-	A+	A	A-	BBB
TFC	-	10.40%	34.60%	22.72%	14.02%	15.27	2.41	0.57%
Bank Deposits / TDR	57.12%	42.68	0.19%	-	0.01%	-	-	-

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 Multi-Asset Fund

Fund Manager's Report
July 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:

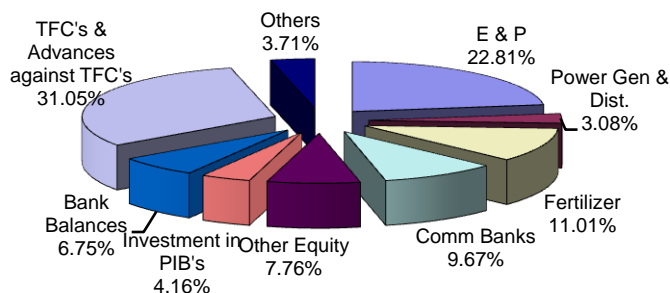
Fund Type	Open End Balanced Fund
Currency	Pak Rupee (PKR)
Management Company	HBL Asset Management Limited
Registrar	HBL Asset Management Limited
Trustee	Central Depository Company of Pakistan Ltd.
Auditors	A. F. Ferguson & Co.
Sales Load	2.0 % (Front-end)
Min. Investment Amount	PKR 5,000
Management Fee	2.0% per annum
NAV per Unit	PKR 84.11
Fund Manager	M. Amir Khan

Fund Size: PKR 596 million

Comparison Fund Return Vs Bench Mark :

	Fund Return	Bench Mark
July 2009	3.92%	4.40%
Last 3 Months Average	1.36%	1.74%
Year to Date	3.92%	4.40%

Asset Allocation As on July 31, 2009



Fund Manager's Commentary

The Money Market witnessed mixed trend for the Month of July 2009. Market experienced a great deal of volatility due to the anticipation for the announcement of a cut in discount rate in the monetary policy which was to be announced on 25th July 2009 by State Bank of Pakistan.

KIBOR showed a declining trend during the month as 1-Month KIBOR started off at 13.26% and closed at 12.25% the decline occurred due to the fall in cut off rates T-bills. The average 1-Month KIBOR decreased by 135 basis points to 12.00% in July 2009 compared to 13.35% in June 2009

KSE-100 index closed at 7,720.93 points at the end of July 2009 from 7,162.18 points at the start of July 2009, showing a net gain of 7.80%. The market started strongly at the beginning of the month due to cut in NSS rates but then suffered a minor decrease on July 03, 2009. The index remained mostly in the green territory during the month as out of 23 trading sessions during July 2009, 13 sessions were closed with gains.

The market remained positive due to anticipated re-launch of Deliverable Futures Contracts and the expected cut in Discount Rate in the upcoming Monetary Policy. Deliverable Future Contracts were launched on July 27, 2009, however, market sentiment deteriorated towards the end of the month after postponement of the announcement of Monetary Policy from July 25, 2009 to August 15, 2009.

On the last business day of July 2009, KSE-100 surged by 229.17 points on the back of some positive news including the consideration of IMF to increase the facility provided by IMF under standby arrangement.

Your fund was invested to the extent of 54.33% in equities, 31.05% in TFC's, 4.16% in PIB's, 6.75% in cash and 3.71% in others.

Top Equity Holdings:

1. Engro Chemical Pakistan Limited
2. Fauji Fertilizer Company Limited
3. Habib Bank Limited
4. Lucky Cement 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. United Bank Limited

(Note: The holdings are stated in alphabetical order)

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HBL Stock Fund

Fund Manager's Report
July 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 80.48
Fund Manager	M. Amir Khan
Fund Size:	PKR 1.483 Billion
Benchmark	KSE-100 Index

Comparison Fund Return

Vs Bench Mark :	Fund Return	Bench Mark
July 2009	5.64%	7.80%
Last 3 Months Average	2.23%	2.42%
Year to Date	5.64%	7.80%

Fund Manager's Commentary

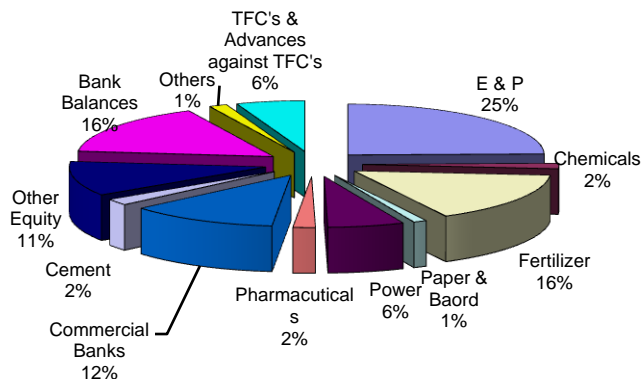
KSE-100 index closed at 7,720.93 points at the end of July 2009 from 7,162.18 points at the start of July 2009, showing a net gain of 7.80%. The index remained mostly in the green territory during the month as out of 23 trading sessions during July 2009, 13 sessions were closed with gains. The market started strongly at the beginning of the month due to cut in NSS rates but then suffered a minor decrease on July 03, 2009.

The market remained positive due to anticipated re-launch of Deliverable Futures Contracts and the expected cut in Discount Rate in the upcoming Monetary Policy. Deliverable Future Contracts were launched on July 27, 2009, however, market sentiment deteriorated towards the end of the month after postponement of the announcement of Monetary Policy from July 25, 2009 to August 15, 2009.

On the last business day of July 2009, KSE-100 surged by 229.17 points on the back of some positive news including the consideration of IMF to increase the facility provided by IMF under standby arrangement.

Average daily trading volume improved substantially during the month and stood at 161.90m shares against the average daily volume of 110.77m shares during June 2009.

Asset Allocation As on July 31, 2009



Top Ten Equity Holdings:

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

(Note: The holdings are listed in alphabetical order)

HBL ASSET MANAGEMENT

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