

HBL Income Fund

Fund Manager's Report
May 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 96.86

Fund Manager

M. Amir Khan

Fund Size:

PKR 2.79 billion

Benchmark

1 Month Kibor

Comparison Fund Return

Vs Bench Mark :

	Fund Return	Bench Mark
May 2009	11.90%	13.47%
Last 3 Months Average	22.81%	12.98%
Year to Date	4.81%	12.98%

Fund Manager's Commentary

For the Month of May 2009, Money Market remained mostly short on liquidity and traded near the discount rate. SBP conducted frequent Open Market Operations and injected around PKR 276 Billion.

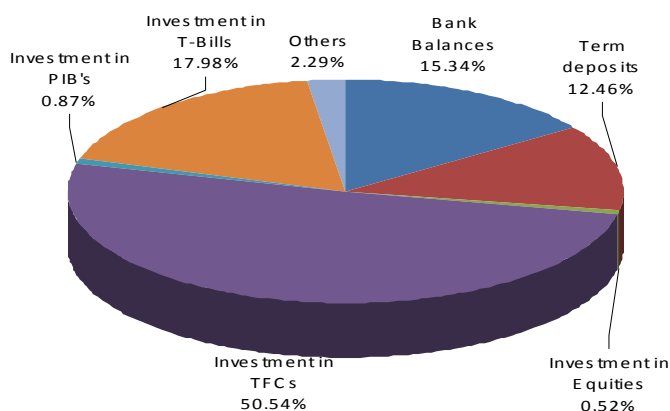
State Bank of Pakistan conducted its fortnightly T-Bill auctions and sold a total of PKR 115 Billion worth of T-bills. The last auction of T-Bills was conducted on May 21, 2009 and the cut off yield on 3- month treasury bills remained unchanged at 12.97%, Cut off rate for 6-Month T-bill increased by 10 bps to 13.18 % and in 12 months the cut off rates increased by 2 bps to 13.29% compared to the T-bill auction on April 23, 2009. In the secondary market the 12 months t-bill is currently trading at a yield of 13.18% - 13.13%.

State Bank of Pakistan also conducted a PIB auction and sold a total of PKR 20.58 billion worth of PIBs against a target of PKR 20 Billion. The cut off yields on 10 years PIB was decreased to 12.63% from 13.24% in April 2009. Currently the 10 year PIB is trading at yield to maturity of 12.40 %.

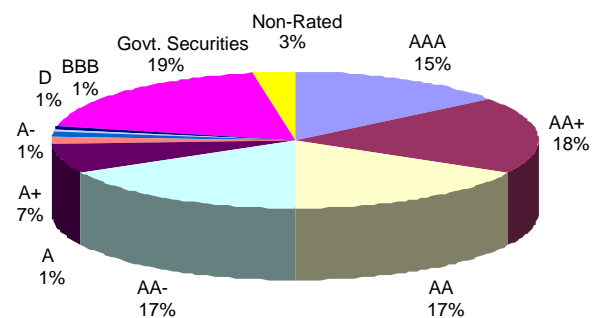
KIBOR showed an increasing trend during the month as 1-Month KIBOR started off at 13.41% and closed at 13.52% reflecting the shortage of short term liquidity throughout the month. The average 1-Month KIBOR increased by 15 basis points to 13.47% compared to 13.32% for Apr 09.

TFC market was generally dull with modest activities were observed in selected scrips.

Asset Allocation as on May 31 , 2009



Asset Quality as on May 31 , 2009



Rating	AAA	AA+	AA	AA-	A+	A	A-	BBB+	D
TFC	-	10.53%	33.59%	34.11%	13.76%	2.85%	2.22%	1.04%	1.90%
Bank Deposits / TDR	52.76%	47.13%	0.10%	-	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.

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HBL Stock Fund

Fund Manager's Report
May 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 76.75

Fund Manager

M. Amir Khan

Fund Size

PKR 1.419 billion

Benchmark

KSE-100 Index

Fund Manager's Commentary

The market moved both ways during the month of May 2009. The bearish tempo by the end of 2009 was extended further in the first two days of May 2009 as the KSE-100 dropped from 7,202 to 7,082 points on May 5, 2009. Thereafter, some sign of recovery was observed as the KSE-100 managed to close at its highest level at 7,297. During the period of May 13, 2009 to May 21, 2009, the market was bearish with KSE-100 slipped further to close at 6,970 on May 21, 2009. From May 22, 2009 there was recovery in the market as KSE-100 index improved consistently to close at 7277 on May 29, 2009. On month on month basis, the KSE-100 index improved marginally by 1.04%. The average daily turnover of the market declined sharply to 128.5 million or by 56%.

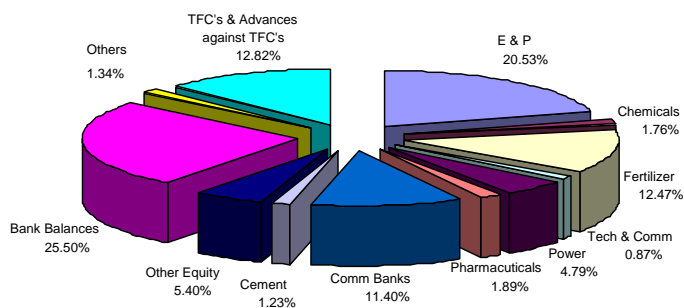
The NAV of the Fund increased by 1.79% in May 2009 as against an increase of 1.04% in the benchmark. Your fund was invested to the extent of 60.34% in equities, 12.82% in TFC's, 25.50% in cash and 1.34% in others.

Top Ten Equity Holdings:

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

(Note: The holdings are listed in alphabetical order)

Asset Allocation As on May 31, 2009



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HBL Asset Management

HBL Multi-Asset Fund

Fund Manager's Report
May 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 81.18

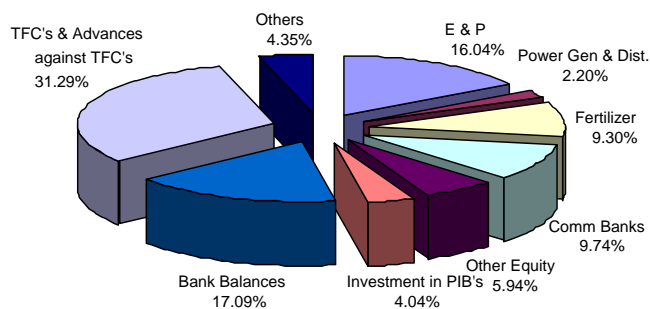
Fund Manager

M. Amir Khan

Fund Size:

PKR 580million

Asset Allocation As on May 31, 2009



Fund Manager's Commentary

For the Month of May 2009, Money Market remained mostly short on liquidity and traded near the discount rate. SBP conducted frequent Open Market Operations and injected around PKR 276 Billion.

State Bank of Pakistan conducted its fortnightly T-Bill auctions and sold a total of PKR 115 Billion worth of T-bills. The last auction of T-Bills was conducted on May 21, 2009 and the cut off yield on 3- month treasury bills remained unchanged at 12.97%, Cut off rate for 6-Month T-bill increased by 10 bps to 13.18 % and in 12 months the cut off rates increased by 2 bps to 13.29% compared to the T-bill auction on April 23, 2009. In the secondary market the 12 months t-bill is currently trading at a yield of 13.18% - 13.13%.

The KSE moved both ways during the month of May 2009. The bearish tempo by the end of 2009 was extended further in the first two days of May 2009 as the KSE-100 dropped from 7,202 to 7,082 points on May 5, 2009. Thereafter, some sign of recovery was observed as the KSE-100 managed to close at its highest level at 7,297. During the period of May 13, 2009 to May 21, 2009, the market was bearish with KSE-100 slipped further to close at 6,970 on May 21, 2009. From May 22, 2009 there was recovery in the market as KSE-100 index improved consistently to close at 7277 on May 29, 2009. On month on month basis, the KSE-100 index improved marginally by 1.04%. The average daily turnover of the market declined sharply to 128.5 million or by 56%.

The NAV of your fund increased by 1.197% in May 2009 as compared to April 2009. The size of the fund reduced by 1.69% in May 2009 as compared to April 2009. Your fund was invested to the extent of 43.23% in equities, 31.29% in TFC's, 4.04% in PIB's, 17.09% in cash and 4.35% 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)

HBL Asset Management

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