

**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 indicative of future results.

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# FUND MANAGER'S REPORT

JULY 2012



## Economic Review

Beginning of FY13 marked positive developments for Pakistan's economy on the external front as the country is expected to receive USD 1.1 billion related to Coalition Support Funding (CSF) in the near term. Oil prices have also stabilized at USD 100/bbl level providing a degree of respite to Pakistan's import bill, going forward. Although IMF repayments to the tune of USD 400 million are due by the end of August 2012, this may induce pressure on Pakistan's reserves, however, this is somewhat being offset by continued growth in remittances.

On the domestic side, challenges have been partly mitigated as headline inflation for July considerably diminished to 9.6% Y/Y, which was below consensus estimates. This was driven by a decline in energy prices and lower than expected pre-Ramadan food inflation. However, core inflation remains double digit resilient and in fact rose in July, registering price growth of 11.3% Y/Y (1% M/M); highlighting the underlying risk that inflation may have over domestic economic indicators going forward. The decline in headline inflation has resulted in increased expectations of a policy rate cut in next Monetary Policy Statement (MPS), correspondingly yields on all maturities have started to diminish. It is important to note that the government's continued fiscal indiscipline exacerbated by upcoming elections might force State Bank of Pakistan to retain a cautious stance.

## Money Market Review

The Money Market remained tight throughout the month of July despite regular liquidity injections by the State Bank of Pakistan (SBP), as year-end liquidity constraints drove overnight rates up. Average overnight rate during the month was 11.60%. Yields on short term government securities rose significantly during the month while yields on long term government securities decreased, as the market's view shifted towards longer tenors in anticipation of an easing in the August monetary policy statement.

During the month, the SBP conducted two T-Bill auctions with cumulative targets of Rs.225 billion and Rs.275 billion respectively. The SBP accepted Rs.286 billion and Rs.333 billion against participation of Rs.386 billion and Rs.407 billion respectively. In the first auction Cutoff yields fell by 5bps, 2bps and 1bps to 11.87%, 11.92% and 11.94% in 3mo, 6mo and 12mo papers respectively. In the second auction, cutoff yields fell by 4bps, 4bps and 5bps to 11.83%, 11.88% and 11.89% in 3mo, 6mo and 12mo papers respectively. SBP also conducted a PIB auction on July 19th, and accepted Rs.49bn against a target of Rs.30bn, while total participation was Rs.90bn. The amount was accepted in the 3yr, 5yr, 10yr and 20yr tenors with yields increasing by 5bps, 2bps and 1bps to 12.67%, 13.07% and 13.33% in the 3yr, 5yr and 10yr tenors respectively. Cutoff yield in the 20yr tenor was 13.35%.

Going forward, we expect the SBP to ease its monetary policy stance in light of the improving macro-economic indicators as highlighted by decreasing inflation numbers, and an improvement in the current account as a result of increasing foreign inflows.

## Equity Market Review

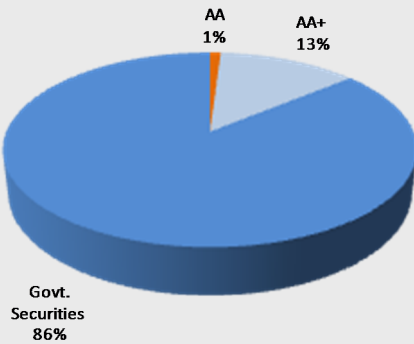
The KSE 100 index increased by 5.62% during the course of July 2012, due to improved relations between the United States and Pakistan over NATO supply lines followed by likely disbursement of Coalition Support Funding (CSF). In addition strong corporate earnings announcements have also bolstered interest in the market. The headway in Pak-US relations have also alleviated concerns of foreign stakeholders, and has resultantly instigated further investment by foreign fund managers. During the month of July'12, foreign participants invested to the tune of USD 31.12 million, which compares favorably to the June outflow of USD 108.85 million. On a CYTD basis, the net foreign investment in the equity bourse remained stagnant, with a marginal outflow of USD 0.61 million witnessed in the first 7 month of 2012. Volumes in July 2012 increased by 10.87% m-o-m, with market volume in the KSE All Share index peaking at 168 million shares during the middle of the month. July 2012's average daily volumes were 90.14 million shares, which is significantly lower than the CYTD average of 180.87 million shares traded daily. On a calendar year basis, the KSE 100 has depicted a substantive return of 28.46%, which is a stark improvement over the 1.40% generated in 7MCY11. Regionally, the KSE 100 has comfortably outperformed its peers in this calendar year, with MSCI EM Index (3.94%), MSCI Asia Ex-Japan (7.27%) and Frontier Market Index (-3.82%). Pakistan has also outperformed the MSCI World Index, which provided a return of 5.75%; underperforming Pakistani equities bourse by 22.71%.

In the near term, equity investors will look to macro-economic indicators, corporate results and the August monetary policy statement for further direction. Market stakeholders are expected to keenly follow developments in the ongoing political situation.

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**Investment Objective**

To provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity. The Fund aims to maximize returns through efficient utilization of investment and liquidity management tools.

Fund Information		Maturity Profile	Jul '12	Fund Strategy																							
Fund Type	Open-end	Weighted Average Maturity	46 Days	<p>During the month the Fund size fell to Rs 2,448 mn as compared to Rs 2,660 mn in June. The Fund earned an annualized return of 10.28% for the month outperforming the benchmark return. The fund's overall weighted average duration increased marginally to 46 days as compared to 44 days in June.</p> <p>Going forward, the fund will continue to closely monitor the macro-economic indicators and interest rate scenario while at the same time looking for attractive investment opportunities in order to augment its returns.</p>																							
Category	Money Market Fund	<b>Asset Allocation</b>	<b>Jul '12</b> <b>June '12</b>																								
Launch Date	December 14 <sup>th</sup> 2010	Cash	1% 1%																								
Net Assets (July 31 <sup>st</sup> )	Rs. 2,448 million	T-Bills	86% 80%																								
NAV per Unit	Rs. 100.3131	Placements with Banks and DFIs	8% 14%																								
Trustee	CDC	Short Term Sukuk	4% 4%																								
Auditor	A.F. Ferguson & Co.	Others	1% 1%																								
Benchmark	Average of 3M AA Rated Bank Deposit	<b>Asset Quality</b>																									
Dealing Days	Monday - Friday																										
Cut off time	9:00 AM to 4:00 PM	<table border="1"> <thead> <tr> <th>Key Rates</th> <th>Jul'12</th> </tr> </thead> <tbody> <tr> <td>KIBOR (1M)*</td> <td>11.56%</td> </tr> <tr> <td>KIBOR (3M)*</td> <td>11.71%</td> </tr> <tr> <td>KIBOR (6M)*</td> <td>11.76%</td> </tr> <tr> <td>Latest T-Bill Cut-Off (3M)</td> <td>11.83%</td> </tr> <tr> <td>Latest T-Bill Cut-Off (6M)</td> <td>11.88%</td> </tr> <tr> <td>Discount Rate</td> <td>12.00%</td> </tr> <tr> <td>CPI Inflation Y/Y</td> <td>9.60%</td> </tr> </tbody> </table>			Key Rates	Jul'12	KIBOR (1M)*	11.56%	KIBOR (3M)*	11.71%	KIBOR (6M)*	11.76%	Latest T-Bill Cut-Off (3M)	11.83%	Latest T-Bill Cut-Off (6M)	11.88%	Discount Rate	12.00%	CPI Inflation Y/Y	9.60%							
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July 2012	Rs. 1.05 per unit																										
Management Fee	1.00% per annum																										
AMC Rating	AM3+ (JCR-VIS)																										
Fund Stability Rating	AA+(f) (JCR-VIS)																										
Sales Load	Class C: Nil Class D: 1% of NAV																										
Fund Manager	Tauqir Shamshad																										
Leverage	Nil																										
Risk Profile	Low																										

Fund Performance	PICIC-CF	3M Deposit
Inception to date return**	11.51%	9.56%*
Month to Date return	10.28%	9.40%
Year to Date return	10.28%	9.40%

Investment Committee Members
Mir Adil Rashid, Chief Executive Officer
Khashe Lodhi, Chief Investment Officer
Tauqir Shamshad, Head of Fixed Income
Humaira Qamar, Head of Equities
Farooq Najam, Head of Research
Faraz Khan, Acting Head Risk Management

PICIC Cash Fund Returns Comparison Versus Benchmark												
Month	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12
Fund Returns	12.44%	11.87%	13.46%	9.95%	9.47%	10.85%	9.63%	10.10%	10.36%	10.37%	10.21%	10.28%
Ave. of 3M Bank Deposit (AA Rated)	10.03%	9.92%	9.51%	9.57%	9.55%	9.57%	9.53%	9.53%	9.53%	9.53%	9.53%	9.40%

\* Average for the month

\*\* From 14<sup>th</sup> December 2010

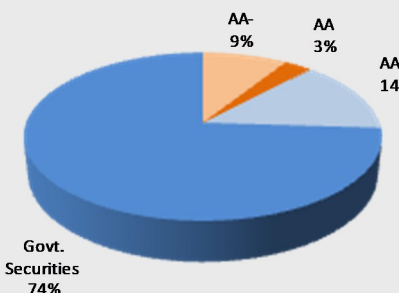
Mutual Fund Association of Pakistan (MUFAP) Recommended Format

The scheme has maintained provisions against WWF liability to the tune of Rs 5,232,905, if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.2145 / 11.63% (YTD). For details, investors are advised to read the Note 8 of the latest financial statements of the scheme.

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**Investment Objective**

To provide competitive returns to its investors through active investments in a blend of short, medium and long term debt instruments. The Fund aims to preserve capital while maximizing returns through efficient utilization of investment and liquidity management tools.

Fund Information		Maturity Profile		Jul '12	Fund Strategy		
Fund Type	Open-end	Weighted Average Maturity		<b>63 Days</b>	<p>During the month the Fund size increased to Rs 1175 mn as compared to Rs 1055 mn in June. The Fund made an annualized return of 10.09% for the month of July.</p> <p>The Fund increased its exposure in Government Securities while at the same time marginally reducing its investments in short term placements. The fund increased its duration to 63 days as compared to 48 days in June.</p> <p>Going forward, we intend to gradually increase the duration of the fund in light of the improving macro-economic indicators and the prevailing interest rate scenario.</p>		
Category	Income Fund	<b>Asset Allocation</b>		<b>Jul '12</b>			<b>Jun '12</b>
Launch Date	July 24 <sup>th</sup> 2010	Cash		1%			1%
Net Assets (July 31 <sup>st</sup> )	Rs. 1,175 million	T-Bills		74%			69%
NAV per Unit	Rs. 101.3308	PIBs		Nil			Nil
Trustee	CDC	Placements with Banks and DFIs		15%			17%
Auditor	A.F. Ferguson & Co.	Short Term Sukuk		8%			11%
Benchmark	Average of 6M KIBOR	Others		2%			2%
Dealing Days	Monday - Friday	<b>Asset Quality</b>					
Cut off time	9:00 AM to 4:00 PM			<b>Key Rates</b>			
Pricing Mechanism	Forward pricing			KIBOR (1M)*		11.56%	
Management Fee	1.25% per annum			KIBOR (3M)*		11.71%	
AMC Rating	AM3+ (JCR-VIS)			KIBOR (6M)*		11.76%	
Fund Stability Rating	A+(f) (JCR-VIS)			Latest T-Bill Cut-Off (3M)		11.83%	
Sales Load	Nil			Latest T-Bill Cut-Off (6M)		11.88%	
Fund Manager	Tauqir Shamshad			Latest T-Bill Cut-Off (12M)		11.89%	
Leverage	Nil			Discount Rate		12.00%	
Risk Profile	Medium to low			PIB Cut-Off (10Yr)		13.33%	
				CPI Inflation Y/Y		9.60%	
<b>Fund Performance</b>		<b>PICIC-IF</b>	<b>6M KIBOR</b>	<b>Investment Committee Members</b>		<b>Payout History</b>	<b>Cash</b>
Inception to date return**	12.42%	12.63%	Mir Adil Rashid, Chief Executive Officer		1QFY12	Rs. 2.75 per unit	
Month to Date return	10.09%	11.76%*	Khashe Lodhi, Chief Investment Officer		2QFY12	Rs. 2.80 per unit	
Year to Date return	10.09%	11.76%	Tauqir Shamshad, Head of Fixed Income		3QFY12	Rs. 2.75 per unit	
			Humaira Qamar, Head of Equities		4QFY12	Rs. 2.75 per unit	
			Farooq Najam, Head of Research				
			Faraz Khan, Acting Head Risk Management				

**PICIC Income Fund Returns Comparison Versus Benchmark**

Month	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12
<b>Fund Returns</b>	13.17%	12.28%	19.32%	9.92%	2.79%	15.96%	7.11%	9.44%	9.96%	10.06%	11.68%	10.09%
<b>Ave. 6M KIBOR</b>	13.12%	13.13%	12.03%	11.66%	11.73%	11.65%	11.65%	11.70%	11.75%	11.76%	11.78%	11.76%

\* Average for the month

\*\* From 24<sup>th</sup> July 2010

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

The scheme has maintained provisions against WWF liability to the tune of Rs 6,475,024, if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.5583 / 12.35% (YTD). For details, investors are advised to read the Note 8 of the latest financial statements of the scheme.

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**Investment Objective**

The fund objective is to provide its investors maximum risk adjusted returns over longer investment horizon by investing in a diversified equity portfolio that offers both capital gains and dividend income.

Fund Information		Asset Allocation (%)	Jul'12	Jun'12	Top Holdings (as of Jul '12)
Fund Type	Open-end	Cash	4	3	Arif Habib Corporation Limited
Category	Equity Fund	Equity	92	94	Bank Al-Falah Ltd.
Launch Date	September 27, 2011	Others including Receivables	4	3	Cherat Cement Company Ltd.
Net Assets (Jul 31 <sup>st</sup> )	Rs. 125 million	<b>Total</b>	100	100	D G Khan Cement Co.Ltd.
NAV per Unit	Rs. 106.5819	<b>Equity Sector Break Down (%)</b>	<b>Jul '12</b>	<b>Jun '12</b>	Hub Power Company Ltd.
Trustee	CDC	Oil & Gas	28	28	Kot Addu Power Company Ltd.
Auditor	A.F. Ferguson & Co.	Banks	12	18	Lucky Cement Ltd.
Benchmark	KSE-100 Index	Electricity	21	17	Oil & Gas Development Co Ltd.
Management Fee	3% per annum	Chemicals	12	15	Pakistan Oilfields Ltd.
Min. Subscription	PKR 5,000	Others	19	16	Pakistan Petroleum Ltd
Front End Load	3.00%	<b>Total</b>	92	94	
Pricing Mechanism	Forward				
Dealing Day	Monday - Friday				
Cut Off Timing	9:00 AM to 4:00 PM				
AMC Rating	AM3+ (JCR-VIS)				
Listing	ISE				
Leverage	Nil				
Risk	Moderate to high				

Fund Performance (%)	FYTD	1 Month	3 Month	6 Month
PICIC Stock Fund	6.55	6.55	6.69	19.20
Benchmark (KSE 100 Index)	5.62	5.62	4.19	22.75

Investment Committee Members	Fund Strategy
Mir Adil Rashid, Chief Executive Officer	<p>The NAV of PICIC-SF increased by 5.8% during the month of Jul'12 while KSE100 Index rose by 5.62%. The positive rally in the market as it traded close to 14,600 was supported by 1) Improvement in US-Pak relations over resumption in NATO supplies leading to USD 1.1bn disbursement from CSF funds and 2) Net foreign inflow to the tune of USD 31mn during the beginning of the new fiscal year. The ongoing political noise between judiciary and the elected government has been factored in although all eyes are on Aug 8'12 when the next hearing of NRO implementation case is due.</p> <p>We maintain our positive stance on Equities supported by ongoing result season along with upcoming monetary policy in which the market is expecting a softer stance from the central bank. We continue to look for opportunities to balance our portfolio with a view to maximize returns for our certificate holders.</p>
Khashe Lodhi, Chief Investment Officer	
Humaira Qamar, Head of Equities	
Farooq Najam, Head of Research	
Faraz Khan, Acting Head Risk Management	

The scheme has maintained provisions against WWF liability to the tune of Rs 430,845, if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.3686 / 6.92% (YTD). For details, investors are advised to read the Note 10 of the latest financial statements of the scheme.

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**Investment Objective**

To maximize the wealth of the certificate holders for which investments would be made in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.

Fund Information		Asset Allocation (%)	Jul '12	Jun '12	Top Holdings (as of Jul '12)	
Fund Type	Closed-end	Cash	2	3		Arif Habib Corporation Limited
Category	Equity Fund	Equity	96	93		
Launch Date*	July 2004	Other Including Receivables	2	4	Attock Petroleum Ltd.	
Net Assets (Jul31 <sup>st</sup> )	Rs. 7,575 million	<b>Total</b>	100	100	Bank Al-Falah Ltd.	
NAV per Unit	Rs. 26.72	<b>Equity Sector Break Down (%)</b>	<b>Jul '12</b>	<b>Jun '12</b>	Engro Corporation Ltd .	
Trustee	CDC				Oil & Gas**	51
Auditor	BDO Ebrahim & Co	Banks	17	17	Habib Bank Ltd.	
Benchmark	KSE-100 Index	Electricity	7	5	Kot Addu Power Company Ltd.	
Management Fee	2.00% per annum	Chemicals	10	10	Lucky Cement Ltd.	
AMC Rating	AM3+ (JCR-VIS)	Others	11	9	Pakistan Oilfields Ltd.	
1 Year Perf. Ranking	MFR-3 Star (JCR-VIS)	<b>Total</b>	96	93	Pakistan Petroleum Ltd.	
Listing	KSE, LSE, ISE					
Leverage	Nil					
Fund Performance (%)		FYTD	1 Month	3 Month	6 Month	
PICIC Growth Fund - Total		4.66	4.66	2.28	9.83	
PICIC Growth Fund - Frozen		5.11	5.11	-0.17	-1.76	
PICIC Growth Fund - Ex Frozen		4.40	4.40	3.77	17.94	
Benchmark (KSE 100 Index)		5.62	5.62	4.19	22.75	

**Investment Committee Members**

Mir Adil Rashid, Chief Executive Officer
Khashe Lodhi, Chief Investment Officer
Humaira Qamar, Head of Equities
Farooq Najam, Head of Research
Faraz Khan, Acting Head Risk Management

**Fund Performance**

The NAV of PGF improved by 4.66% on Total Basis during Jul'12 while on Ex-Frozen Basis it rose by 4.44% compared to 5.62% increase in KSE100 Index. The beginning of new FY was marked by net foreign inflow to the tune of USD 31.12mn which supported overall sentiment. Daily KSE100 volumes were 13% higher than the previous month at 67mn despite the beginning of the month of Ramadan. On the political side, the standoff between judiciary and the government continued; however the market continued with its positive momentum supported by improvement in US-Pak relations resulting in disbursement of CSF flows of USD 1.1bn. With the ongoing result season along with the likely ease in upcoming MPS we maintain a positive view on equities while we continue to monitor our portfolio in order to minimize risk for our certificate holders.

The scheme has maintained provisions against WWF liability to the tune of Rs 50,379,586 /-, if the same were not made the NAV per unit/return of the scheme would be higher by Rs 0.18 /5.36% (YTD). For details, investors are advised to read the Note 7 of the latest financial statements of the scheme.

\* As per Trust Deed \*\* Includes frozen portion of PSO

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**Investment Objective**

To maximize the wealth of the certificate holders for which investments would be made in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.

Fund Information		Asset Allocation (%)	Jul '12	Jun '12	Top Holdings (as of Jul '12)
Fund Type	Closed-end	Cash	1	3	Attock Petroleum Ltd.
Category	Equity Fund	Equity	96	92	Bank Al-Falah Ltd.
Launch Date*	April 2004	Other Including Receivables	3	5	Engro Corporation Ltd.
Net Assets (Jul 31 <sup>st</sup> )	Rs. 3,497 million	<b>Total</b>	100	100	Fauji Fertilizer Co Ltd.
NAV per Unit	Rs. 12.31	<b>Equity Sector Break Down (%)</b>	<b>Jul '12</b>	<b>Jun '12</b>	Habib Bank Ltd.
Trustee	CDC	Oil & Gas**	46	47	Kot Addu Power Company Ltd.
Auditor	BDO Ebrahim & Co	Banks	19	19	Lucky Cement Ltd.
Benchmark	KSE-100 Index	Electricity	8	5	Pakistan Oilfields Ltd.
Management Fee	2.00% per annum	Chemicals	11	10	Pakistan Petroleum Ltd.
AMC Rating	AM3+ (JCR-VIS)	Others	12	11	Pakistan State Oil Company Ltd.
1 Year Perf. Ranking	MFR-3 Star (JCR-VIS)	<b>Total</b>	96	92	
Listing	KSE, LSE, ISE				
Leverage	Nil				

Fund Performance (%)	FYTD	1 Month	3 Month	6 Month
PICIC Investment Fund - Total	4.59	4.59	2.55	10.82
PICIC Investment Fund - Frozen	4.96	4.96	0.06	-2.11
PICIC Investment Fund - Ex Frozen	4.44	4.44	3.62	17.20
Benchmark (KSE 100 Index)	5.62	5.62	4.19	22.75

Investment Committee Members	Fund Performance
Mir Adil Rashid, Chief Executive Officer	<p>The NAV of PIF improved by 4.56% on Total Basis during Jul'12 while on Ex-Frozen Basis it rose by 4.41% compared to 5.62% increase in benchmark KSE100 Index. The beginning of new FY was marked by net foreign inflow to the tune of USD 31.12mn which supported overall sentiment. Daily KSE100 volumes were 13% higher than the previous month at 67mn despite the beginning of the month of Ramadan. On the political side, the standoff between judiciary and the government continued however the market continued with its positive momentum supported by improvement in US-Pak relations resulting in disbursement of CSF flows of USD 1.1bn. With the ongoing result season along with likely ease in upcoming MPS we maintain a positive view on equities while we continue to monitor our portfolio in order to minimize risk for our certificate holders.</p>
Khashe Lodhi, Chief Investment Officer	
Humaira Qamar, Head of Equities	
Farooq Najam, Head of Research	
Faraz Khan, Acting Head Risk Management	

The scheme has maintained provisions against WWF liability to the tune of Rs 25,294,482 /- , if the same were not made the NAV per unit/return of the scheme would be higher by Rs. 0.9 /5.34% (YTD). For details, investors are advised to read the Note 7 of the latest financial statements of the scheme.

\* As per Trust Deed \*\* Includes frozen portion of PSO

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## PICIC ENERGY FUND (PEF)

July 2012

### Investment Objective

The fund objective is to invest in securities defined in the energy sector to provide investors access to high quality blue chip stocks in the Energy sector.

Fund Information		Asset Allocation (%)	Jul '12	Jun '12	Top Holdings (as of Jul '12)
Fund Type	Closed-end	Cash	1	15	
Category	Equity Fund	Equity	98	84	Hub Power Company Ltd.
Launch Date	January 2006	Other Including Receivables	1	1	Kohinoor Energy Ltd.
Net Assets (Jul 31 <sup>st</sup> )	Rs. 1,038 million	<b>Total</b>	<b>100</b>	<b>100</b>	Kot Addu Power Company Ltd.
NAV per Unit	Rs. 10.38	<b>Equity Sector Break Down (%)</b>	<b>Jul '12</b>	<b>Jun '12</b>	Nishat Chunian Power Ltd.
Trustee	CDC				Oil & Gas
Auditor	A.F. Ferguson & Co.	Electricity	26	12	Pakistan Oilfields Ltd.
Benchmark	KSE-100 Index	Others	0	0	Pakistan Petroleum Ltd.
Management Fee	2% per annum	<b>Total</b>	<b>98</b>	<b>84</b>	Pakistan State Oil Company Ltd.
AMC Rating	AM3+ (JCR-VIS)				Sui Northern Gas Pipelines Ltd.
1 Year Perf. Ranking	MFR-5 Star (JCR-VIS)				
Listing	KSE, LSE, ISE				
Leverage	Nil				

Fund Performance (%)	FYTD	1 Month	3 Month	6 Month
PICIC Energy Fund	4.53	4.53	4.53	14.07
Benchmark (KSE 100 Index)	5.62	5.62	4.19	22.75

### Investment Committee Members

Mir Adil Rashid, Chief Executive Officer
Khashe Lodhi, Chief Investment Officer
Humaira Qamar, Head of Equities
Farooq Najam, Head of Research
Faraz Khan, Acting Head Risk Management

### Fund Performance

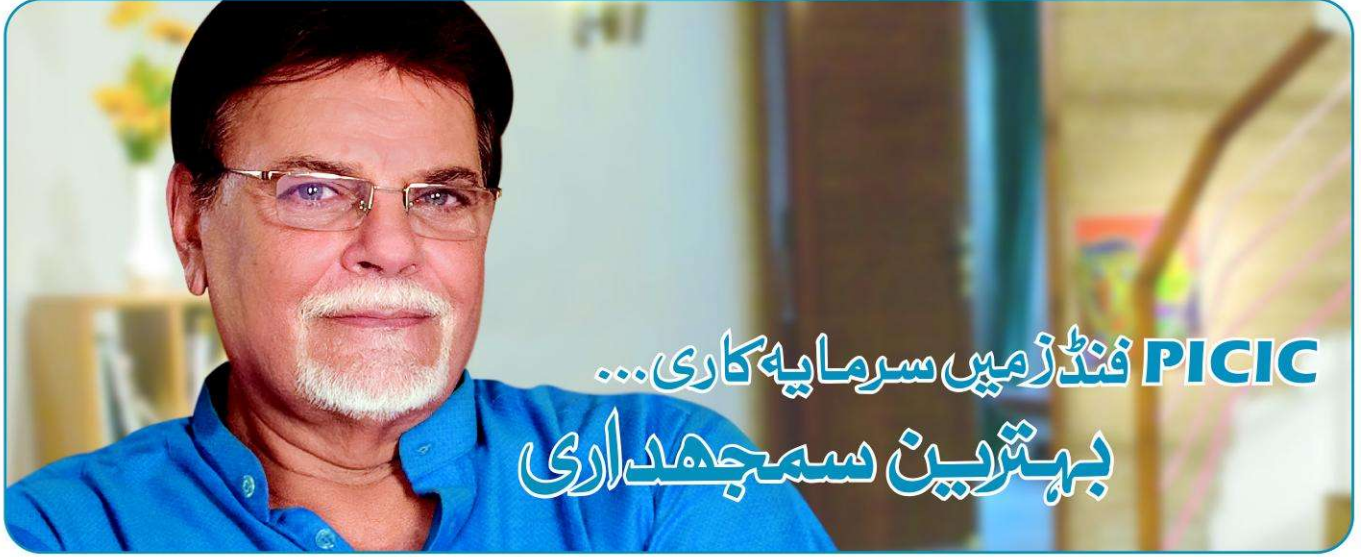
The NAV of PEF increased by 4.55% during the month of Jul'12 while KSE100 Index rose by 5.62%. The positive rally in the market as it traded close to 14,600 was supported by 1) Improvement in US-Pak relations over resumption in NATO supplies leading to USD 1.1bn disbursement from CSF funds and 2) Net foreign inflow to the tune of USD 31mn during the beginning of the new fiscal year. The ongoing political noise between judiciary and the elected government has been factored in although all eyes are on Aug 8'12 when the next hearing of NRO implementation case is due.

We maintain our positive stance on Equities supported by ongoing result season along with upcoming monetary policy in which the market is expecting a softer stance from the central bank. With the upcoming year end results of the Energy Sector we maintain our positive stance on E&P which is likely to be the next driver for the market. We continue to look for opportunities to balance our portfolio with a view to maximize returns for our certificate holders.

The scheme has maintained provisions against WWF liability to the tune of Rs 9,869,972 /-, if the same were not made the NAV per unit/return of the scheme would be higher by Rs. 0.11 /5.62% (YTD). For details, investors are advised to read the Note 7 of the latest financial statements of the scheme.

**Risk 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 indicative of future results.





## PICIC فنڈز میں سرمایہ کاری... بہترین سمجھداری

DESIGNATED BRANCHES	ADDRESS	CONTACT NO.
NIB-Post Mall Islamabad	Plot # 3, F-7, Markaz Post Office Mall Building, Islamabad	051-2653581-85
NIB-Sector F-10 Islamabad	1 - R, Plaza, Unit 3,4,5, Sector F - 10, Islamabad	051-2215834-40
NIB -F-8 Markaz Branch Islamabad	Shop # 12 and 13, AL-Babar Centre F-8 Markaz Islamabad	051-2818246
NIB-Murree Road Branch Rawalpindi	Building No. 111/10, Bearing survey 349/10, Muree Road, Rawalpindi	051-5562952
NIB Peshawar Cantt Peshawar	Main Cantt Branch, Fakhar-e-Alam Road, Green Shaadi Hall Peshawar Cantt	091-5287478
NIB-Hayatabad Branch Peshawar	B-1 Phase V, Hayatabad, Peshawar	091-5824366
NIB-Main Branch Karachi	Muhammadi House, I. I. Chundrigar Road, P.O. Box No.6942, Karachi	021-32469410
NIB -Clifton Branch Karachi	Kulsoom Court, K.D.A. Scheme 5, Clifton, Karachi	021-35837011
NIB-DHA Karachi	42-C, Sun Center, 26th Street, Tauheed Commercial, Phase V, DHA, Karachi	021-35304163
NIB-Gulshan-e-Iqbal Karachi	Plot No.FL-2/3, Block 6, Improvement Scheme No.24, Gulshan-e-Iqbal, Karachi	021-34987547
NIB-Shahrah-e-Faisal Karachi	27-A, Business Arcade, Block 6, P.E.C.H.S., Main Shahrah-e-Faisal, Karachi	021-34524667-8
NIB-Block D/1Gulberg-III Branch (Affluent) Lahore	70 E/1 Hali Road Gulberg III Lahore	042-35756993
NIB-DHA Cant. Lahore	38-Z, DHA Phase III, Lahore Cantt	042-35748865
NIB-DHA Phase 2. Lahore	Commercial Plot # 12, Block CCA, D.H.A. Phase II, Lahore	042-35749481
NIB-Cavalry Ground Branch Lahore	29, Commercial Area, Cavalry Ground, Lahore	042-36673153
NIB-Model Town Lahore	Shop No.10-11,Central Commercial Market, Model Town, Lahore	042-35915403
NIB-Model Town Link Road, Branch Lahore	34-B, Phase III, Govt. Employees, Lahore	042-35888301
NIB-PICIC House, Old Race Course Lahore	14-A Sharea Aiwan-e-Tijarat, Lahore	042-99203194
NIB-Kashmir Road Branch Sialkot	155/A, BIII-12S, Sublime Chowk, Kashmir Road, Sialkot	052-3241490



9<sup>th</sup> Floor, Muhammadi House, I.I. Chundrigar Road, Karachi-74000, Pakistan.  
**UAN:** 1111 PICIC (74242) **Toll Free:** 0800-PICIC (74242) **Fax:** 021-32418055-56  
**Email:** customerservice@picicamc.com **Web:** www.picicamc.com

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