

HBL Income Fund

Fund Manager's Report
March 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 97.74

Fund Manager

M. Amir Khan

Fund Size:

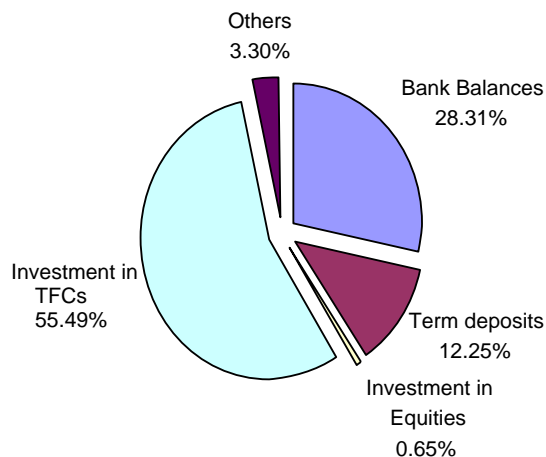
PKR 2.741 billion

Benchmark

1 Month Kibor

Comparison Fund Return Vs Bench Mark :	Fund Return	Bench Mark
March 2009	51.16%	12.04%
Last 3 Months Average	24.91%	12.65%
Year to Date	4.10%	13.38%

Asset Allocation as on March 31, 2009



Fund Manager's Commentary

During the month of March 2009 SBP conducted its usual fortnightly T-Bill auctions on 12th March 2009 and 26th March 2009. During the first auction the market participated at significantly lower bids. As a result the T-Bill cut off rates were decreased by 91 basis points to 11.6909% in three months, 120 basis points to 11.7845% in six months and 115 basis points to 11.8518% in 12 months. However, immediately after the auction, market experienced shortage of liquidity and a slight increase in cut off rates were witnessed in the T-Bill auction on 26th March 2009. Cut off rates increased to 11.7367%, 11.8970% and 11.9522% for three, six and twelve months respectively.

KIBOR showed an increasing trend during the month as 1-Month KIBOR started off at 11.14% and closed at 13.04% reflecting the shortage of short term liquidity towards the end of month. However, average 1-Month KIBOR decreased by 51 basis points to 12.08% as compared to 12.59% for Feb 09.

The prices of TFCs increased as result of decline in T-Bills Cut off rates. Some trading activity was witnessed in TFCs in the secondary market. With signs of improvement in macro economic indicators and possible cut in interest rates, it is expected that the TFC prices may improve further.

The Funds investment in Cash/TDRs increased from 36.00% in February 2009 to 40.56% in March 2009. Investment in TFCs as a percentage to net assets was reduced to 55.49% by March end as against 58.83% in February 2009.

TFC Rating		Bank Rating (TDR/Deposits)	
Rating	% of Total	Rating	% of Total
AA+	11.87	AAA	66.18
AA	33.9	AA+	0.34
AA-	33.45	AA	33.47
A+	12.96	A+	0.01
A	2.82		
A-	2.03		
BBB+	0.93		
D	2.04		
Total	100.00		100.00

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 March 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 73.94

Fund Manager	M. Amir Khan
Fund Size	PKR 1.373 billion
Benchmark	KSE-100 Index

Fund Manager's Commentary

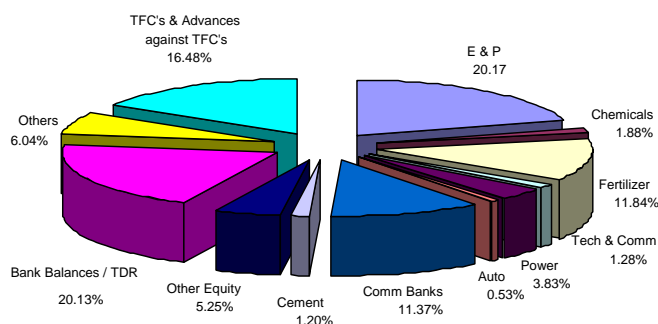
KSE maintained its recovery drive in the month of March 2009 as investors continued to build up long positions in blue chip companies. The KSE-100 index improved by 19.8% to close at 6,860 on March 31, 2009.

Political and economic developments remained the key driving forces for the market. These included end of the lawyer's movement resulting in the restoration of the deposed judges, a proposal from US to cut import taxes on textiles that would help boost textile exports and good corporate announcements. Further expectation of a discount rate cut in the Monetary policy to be announced in April 2009 also kept the market in bullish trend.

As a result net outflow of funds, as reported by NCCPL, from foreign investors portfolio investments of Rs. 4.14 billion in the month of March 2009 was easily absorbed by local investors.

The NAV of the Fund increased by 14.72% in March 2009 as against an increase of 19.80% in the benchmark. The size of your fund increased by 14.60% in March 2009 as compared to February 2009. Your fund was invested to the extent of 57.35% in equities, 16.48% in TFC's, 20.13% in cash and 6.04% in others. We remain focused at cautiously monitoring the stock market and continue to look for investment opportunities.

Asset Allocation As on March 31, 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)

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HBL Multi-Asset Fund

Fund Manager's Report
March 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.

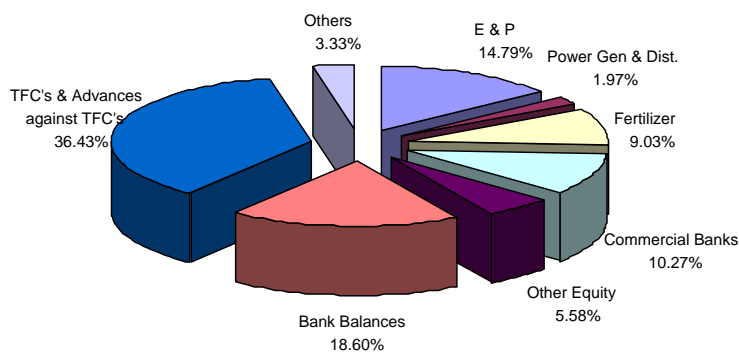
Fund Information :

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 78.70

Fund Manager M. Amir Khan

Fund Size: PKR 575million

Asset Allocation As on March 31, 2009



Fund Manager's Commentary

During the month of March 2009 SBP conducted its usual fortnightly T-Bill auctions on 12th March 2009 and 26th March 2009. During the first auction the market participated at significantly lower bids. As a result the T-Bill cut off rates were decreased by 91 basis points to 11.6909% in three months, 120 basis points to 11.7845% in six months and 115 basis points to 11.8518% in 12 months. However, immediately after the auction, market experienced shortage of liquidity and a slight increase in cut off rates were witnessed in the T-Bill auction on 26th March 2009. Cut off rates increased to 11.7367%, 11.8970% and 11.9522% for three, six and twelve months respectively. The prices of TFCs increased as result of decline in T-Bills Cut off rates. Some trading activity was witnessed in TFCs in the secondary market. With signs of improvement in macro economic indicators and possible cut in interest rates, it is expected that the TFC prices may improve further.

KSE maintained its recovery drive in the month of March 2009 as investors continued to build up long positions in blue chip companies. The KSE-100 index improved by 19.8% to close at 6,860 on March 31, 2009. Political and economic developments remained the key driving forces for the market. These included end of the lawyer's movement resulting in the restoration of the deposed judges, a proposal from US to cut import taxes on textiles that would help boost textile exports and good corporate announcements. Further, the expectation of a discount rate cut in the Monetary policy to be announced in April 2009 also kept the market in bullish trend.

The NAV of your fund increased by 10.86% in March 2009 as compared to February 2009. The size of the fund improved by 11% in March 2009 as compared to February 2009. Your fund was invested to the extent of 41.64% in equities, 36.43% in TFC's, 18.60% in cash and 3.33% 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. United Bank Limited

(Note: The holdings are stated in alphabetical order)

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