

TABLE OF CONTENTS

Corporate Information	2
Report of the Directors of the Management Company	3
Statement of Assets and Liabilities	5
Income Statement	6
Distribution Statement	7
Statement of Movement in Unit Holders' Fund	8
Cash Flow Statement	9
Notes to the Financial Statements	10
Distribution Network	17

Corporate Information

Management Company

HBL Asset Management Limited.

Board of Directors

Chairman	Mr. R. Zakir Mahmood	(Non-Executive Director)
Chief Executive Officer	Mr. Shahid Ghaffar	(Executive Director)
Directors	Mr. Sohail Malik	(Non-Executive Director)
	Mr. Abid Sattar	(Non-Executive Director)
	Mr. Towfiq Habib Chinoy	(Independent Non-Executive Director)
	Ms. Sadia Khan	(Independent Non-Executive Director)

Audit Committee

Chairperson	Ms. Sadia Khan	(Independent Non-Executive Director)
Members	Mr. Sohail Malik	(Non-Executive Director)
	Mr. Abid Sattar	(Non-Executive Director)

Human Resource Committee

Chairman	Mr. Towfiq Habib Chinoy	(Independent Non-Executive Director)
Members	Mr. Shahid Ghaffar	(Chief Executive)
	Mr. Abid Sattar	(Non-Executive Director)

Company Secretary Mr. Rehan N. Shaikh

Chief Financial Officer Mr. Noman Ahmed Soomro

Fund Manager Mr. Muhammad Amir Khan

External Auditors A.F.Ferguson & Co., Chartered Accountants,
State Life Buliding No.1-C,I.I Chundrigar Road,
P.O.Box 4716, Karachi.

Internal Auditors Ford Rhodes Sidat Hyder & Co., Chartered Accountants,
Progressive Plaza, Beaumont Road,
P.O.Box No. 15541, Karachi 75530.

Trustee Central Depository Company of Pakistan Limited (CDC)
CDC House,99- B, Block "B" ,S.M.C.H.S, Main Shakra-e-Faisal, Karachi

Legal Advisors Mandviwalla & Zafar, Advocates and Legal Consultants,
Mandviwalla Chambers, C-15, Block 2, Clifton, Karachi.

Bankers Habib Bank Limited
MCB Bank Limited
JS Bank Limited
The Bank of Punjab
Standard Chartered Bank (Pakistan) Limited

Website www.hblasst.com

Head Office 8B, 8th Floor, Executive Tower, Dolmen City,
Block 4, Clifton, Karachi.

Registered Office 8B, 8th Floor, Executive Tower, Dolmen City,
Block 4, Clifton, Karachi.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of HBL Asset Management Limited is pleased to present its report together with the financial statements of **HBL Multi Asset Fund** (the Fund) for the nine months ended March 31, 2009.

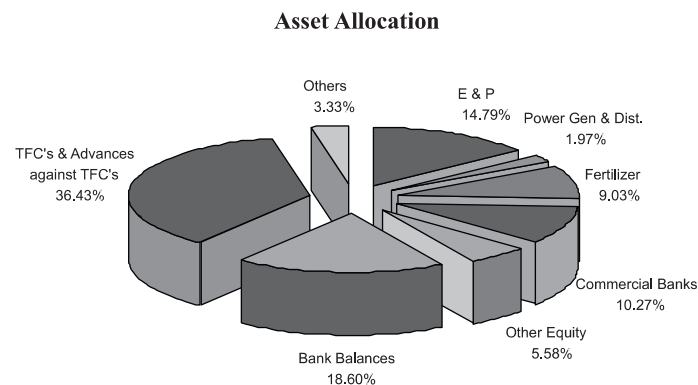
Fund's Performance

During the period the Fund incurred net loss of Rs 214.03 million. The loss also includes Rs. 206.01 million as impairment loss on equity investments classified as 'available for sale'.

The size of the Fund reduced from Rs. 719 million to Rs. 575 million, thereby showing a decline of 20%. The decline in Fund size was mainly due to decline in share prices. The Net Asset Value per unit of the Fund decreased from Rs 97.27 as on July 1, 2008 to Rs 78.70 as on March 31, 2009, thereby showing a decline of 19%. During the same period KSE 100 Index declined by 44%. The one month KIBOR decreased from 12.86% in July 2008 to 12.08% in March 2009.

Asset Allocation

The equity portfolio of the Fund was invested mainly in Oil and Gas Exploration, Commercial Banks, Fertilizer and Power Generation and Distribution sectors. The debt portfolio of the Fund was invested mainly in Oil and Gas marketing companies, Technology and Communication, leasing and fertilizers. The details of asset allocation as on March 31, 2009 is given below:



Market Review and Future Outlook

During the quarter Jan-Mar 2009, money market remained fairly liquid. As a result one month average KIBOR declined by 234 bps from 14.32% in Dec 2008 to 12.08% by the end of March 2009. This availability of liquidity allowed the banks to lower their deposit rates and participate in the T-Bills / PIBs auctions conducted by SBP.

During Jan-Mar 2009 SBP conducted six T-Bill auctions. The T-Bills cut off rates declined during the quarter. The cut off rates declined to 11.7367%, 11.8970% and 11.9522% for 3, 6 and 12 months respectively in the last auction of the quarter under review conducted on March 26, 2009 as against 13.7624%, 14.0108% and 14.2072% respectively for the auction conducted on January 28, 2009. Higher participation in the auctions was witnessed mainly in the 12-Months T-Bill indicating that the market is expecting a decline in the interest rates in the next quarter.

State Bank of Pakistan also conducted the Pakistan Investment Bond (PIB) auction in February 2009, and sold PIBs worth Rs. 18 Billion. A significant activity was witnessed in the secondary market in the 10 year PIB immediately after the auction. Trading yields declined by 50-60 bps from its cut off rate, giving an indication that a lower yield is expected in future.

During the period January – March 2009, the prices of TFCs improved as a result of decline in KIBOR, TDR rates and decrease in interbank market rates. An increased trading activity was witnessed in TFCs in the secondary market.

The stock market experienced wild volatility during the period July 2008 to March 2009. The KSE 100 index dropped from 12,289 points as on the beginning of July 2008 to as low as 4,815 points or by 61% by January 26, 2009. The market, however, after touching its lowest level in the last week of January 2009 showed decent recovery in the month of February 2009 when the KSE 100 index moved up by 25% to close at 6,022 points as on February 19, 2009. The market, however, could not maintain its bullish tempo for the rest of the month and managed to close at 5,727 point by end February 2009. Bullish sentiment prevailed in the market for the month of March 2009. Positive news on political and economic front were key drivers of the market. The end of lawyer's movement resulting restoration of the deposed Judges, good corporate announcements and expectation of discount rate were the main factors pushing shares prices up. As a result the KSE 100 index improved from 5,727 points on February 27, 2009 to 6,860 points or 19.78% as on March 31, 2009. From July 1, 2008 to March 31, 2009, the KSE – 100 Index was down by 44%.

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and patronage. It would like to place on record its appreciation for the help and guidance provided by Securities & Exchange Commission of Pakistan, Central Depository Company of Pakistan as Trustee, the Lahore Stock Exchange and State Bank of Pakistan.

The Board also wishes to place on record its appreciation for the hard work and dedication shown by the staff.

On behalf of the Board of
HBL Asset Management Limited

R. Zakir Mahmood
Chairman
Date: April 28, 2009
Place: Karachi

**HBL - MULTI ASSET FUND
CONDENSED INTERIM STATEMENT OF
ASSETS AND LIABILITIES (UN-AUDITED)
AS AT MARCH 31, 2009**

	Note	(Unaudited) March 31, 2009	(Audited) June 30, 2008
------(Rupees in '000)-----			
Assets			
Bank balances		108,735	153,647
Receivable against Continuous Funding System (CFS) transactions		-	26,122
Investments	4	450,241	424,932
Loans and receivables		-	9,962
Dividend and profit receivable	5	14,955	10,504
Preliminary expenses and floatation costs		843	1,014
Advances, deposits and prepayments - net	6	6,258	100,706
Total assets		581,032	726,887
Liabilities			
Payable to HBL Asset Management Limited - Management Company		2,111	2,371
Payable to Central Depository Company of Pakistan Limited - Trustee		92	118
Payable to Securities and Exchange Commission of Pakistan - Annual fee		414	358
Payable against purchase of investments		3,001	4,041
Accrued expenses and other liabilities	7	216	1,150
Total liabilities		5,834	8,038
Net assets		575,198	718,849
Unit holders' funds (as per statement attached)		575,198	718,849
----- Number of units-----			
Number of units in issue		7,309,106	7,390,356
-----Rupees-----			
Net asset value per unit		78.70	97.27

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Executive

Director

**HBL - MULTI ASSET FUND
CONDENSED INTERIM INCOME
STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009**

Note	Nine months ended March 31, 2009	For the period November 08, 2007 to March 31, 2008	Quarter ended March 31, 2009	Quarter ended March 31, 2008
----- (Rupees in '000) -----				
Income				
Dividend income	11,607	2,954	5,083	2,954
Income from Continuous Funding System (CFS) transactions	617	2,065	-	2,042
Profit on bank deposits	12,488	6,122	4,507	2,127
Income from Term Finance Certificates (TFCs)	25,224	2,942	9,120	2,942
Income from reverse repurchase and other money market transactions	38	550	-	550
(Loss) / gain on sale of investments - net	(29,110)	10,542	(16,725)	10,594
Other Income	493	3170	32	3094
	<u>21,357</u>	<u>28,345</u>	<u>2,017</u>	<u>24,303</u>
Unrealised appreciation / (diminution) in value of investments at fair value through profit or loss - net	340	(63)	2,910	(63)
Impairment loss on investments classified as 'available for sale'-net	(206,014)	-	15,813	-
	<u>(184,317)</u>	<u>28,282</u>	<u>20,740</u>	<u>24,240</u>
Expenses				
Remuneration of HBL Asset Management Limited - Management Company	8,852	3,503	2,513	3,010
Remuneration of Central Depository Company of Pakistan Limited - Trustee	885	434	251	385
Annual fee - Securities and Exchange Commission of Pakistan	414	175	107	150
Securities transaction cost	119	246	14	243
Auditors' remuneration	280	79	126	68
Settlement and bank charges	52	82	10	81
Amortisation of preliminary expenses and floatation costs	171	65	57	56
Provision in respect of advance against subscription of TFCs	18,750	-	-	-
Other expenses	21	16	6	14
	<u>29,544</u>	<u>4,600</u>	<u>3,084</u>	<u>4,007</u>
Net (loss) / income from operating activities	<u>(213,861)</u>	<u>23,682</u>	<u>17,656</u>	<u>20,233</u>
Net element of accrued income/ (loss) and capital gains (losses) included in prices of units issued less those in units redeemed	(172)	(1,199)	(216)	(1,200)
Net (loss)/ income for the period	<u>(214,033)</u>	<u>22,483</u>	<u>17,440</u>	<u>19,033</u>

Earnings per unit 8

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

**For HBL Asset Management Limited
(Management Company)**

Chief Executive

Director

6

**HBL - MULTI ASSET FUND
CONDENSED INTERIM DISTRIBUTION
STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2009**

	Nine months ended March 31, 2009	For the period November 8, 2007 to March 31, 2008
	------(Rupees in '000)-----	
Undistributed income brought forward	29,717	-
Net (loss) / income for the period	(214,033)	22,483
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - amount representing income / (loss) that form part of the unit holders' fund	5,026	(152)
Final distribution for the period ended June 30, 2008	(29,561)	-
	(238,568)	22,331
Undistributed loss / income carried forward	<u>(208,851)</u>	<u>22,331</u>

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Executive

Director

**HBL - MULTI ASSET FUND
CONDENSED INTERIM CASH FLOW
STATEMENT (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2009**

	Nine months ended March 31, 2009	For the period November 8, 2007 to March 31, 2008
----- (Rupees in '000) -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period	(214,033)	22,483
Adjustments		
Unrealized (appreciation) on investments at fair value through profit or loss - net	(340)	-
Amortisation of preliminary expenses and floatation costs	171	65
Impairment loss on investments classified as 'available for sale'	206,014	-
Net element of accrued (income) / loss and capital (gains) / losses including in prices of units issued less those in units redeemed	172	1,199
	(8,016)	23,747
Decrease / (increase) in assets		
Receivable against Continuous Funding System (CFS) transactions	26,122	(5,379)
Investments-net	(128,489)	(423,943)
Loans and receivables	9,962	(43,389)
Dividend and profit receivable	(4,451)	(7,835)
Advances, deposits, prepayments and other receivables	94,448	(90,705)
	(2,408)	(571,251)
Decrease / (increase) in liabilities		
Payable to HBL Asset Management Limited - Management Company	(260)	1,075
Payable to Central Depository Company of Pakistan Limited - Trustee	(26)	103
Payable to Securities and Exchange Commission of Pakistan	56	175
Due to brokers- net	(1,039)	9,144
Accrued expenses and other liabilities	(934)	205
	(2,203)	10,702
Net cash used in operating activities	(12,627)	(536,802)
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts from Issue of units	730	650,907
Payments on redemption of units	(29,215)	(89,582)
Payment of cash dividend	(3,800)	-
Net cash (out flow on) / inflow from financing activities	(32,285)	561,325
Net (decrease) / increase in cash and cash equivalents during the period	(44,912)	24,523
Cash and cash equivalents at the beginning of the period	153,647	-
Cash and cash equivalents at the end of the period	108,735	24,523

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

**For HBL Asset Management Limited
(Management Company)**

Chief Executive

Director

HBL - MULTI ASSET FUND

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2009

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL - Multi Asset Fund (the Fund) was established under a Trust Deed dated October 08, 2007, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Fund has been authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on September 28, 2007.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 8B - 8th Floor, Executive Tower, Dolmen City, Block 4, Clifton, Karachi, Pakistan.

The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Lahore Stock Exchange. The units of the Fund were initially offered for public subscription at par from December 14, 2007 to December 17, 2007.

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, money market instruments and other asset classes / securities / instruments.

In accordance with the Trust Deed, the first accounting period of the Fund commenced on the date on which the Trust Property was first paid or transferred to the Trustee.

JCR-VIS Credit Rating Agency has assigned management quality rating of 'AM3' to the Management Company. However, the Fund is not currently rated.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the published financial statements of the Fund for the period ended June 30, 2008.

4. INVESTMENTS	Note	(Unaudited) March 31, 2009	(Audited) June 30, 2008
----- (Rupees in '000) -----			
Assets at fair value through profit or loss - held for trading	4.1	3,796	14,728
Available for sale			
- Listed equity securities	4.2	239,700	244,175
- Term finance certificate - listed	4.3.1	86,965	55,985
- Term finance certificate and sukuk bonds - unlisted	4.3.2	119,780	110,044
		450,241	424,932

4.1 Listed equity securities - at fair value through profit or loss

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	Number Of Shares					Market Value at March 31, 2009	Market Value as a percentage of total investments
	As at July 01, 2008	Purchases during the period	Bonus/ Rights issue	Sales during the period	As at March 31, 2009		
(Rupees in '000)							
Investment Banks/Companies/Securities							
Arif Habib Securities Limited	-	10,000	2,500	-	12,500	335	0.07%
	-	10,000	2,500	-	12,500	335	0.07%
Commercial Banks							
Bank Al-Falah Limited	-	16,250	-	5,000	11,250	158	0.04%
Bank Al-Falah Limited (Right)	-	-	3,750	3,750	-	-	-
MCB Bank Limited	-	20,500	-	20,500	-	-	-
National Bank of Pakistan	-	44,000	-	44,000	-	-	-
NIB Bank Limited	-	30,000	-	10,000	20,000	109	0.02%
United Bank Limited	100	57,500	-	57,600	-	-	-
	100	168,250	3,750	140,850	31,250	267	0.06%
Cement							
Maple Leaf Cement Factory Limited	15,000	-	-	15,000	-	-	-
	15,000	-	-	15,000	-	-	-
Refinery							
Pakistan Refinery Limited	3,200	7,000	-	-	10,200	698	0.16%
	3,200	7,000	-	-	10,200	698	0.16%
Oil & Gas Marketing Companies							
Pakistan State Oil Company Limited	5,000	9,000	-	14,000	-	-	-
	5,000	9,000	-	14,000	-	-	-
Oil and Gas Exploration Companies							
Oil and Gas Development Company Limited	33,500	42,000	-	71,000	4,500	324	0.07%
Pakistan Oilfields Limited	-	42,500	600	43,100	-	-	-
Pakistan Petroleum Limited	-	33,700	200	31,200	2,700	468	0.10%
	33,500	118,200	800	145,300	7,200	792	0.17%
Chemicals							
ICI Pakistan Limited	-	5,000	-	-	5,000	451	0.10%
Engro Polymer & Chemical Limited	-	20,000	-	-	20,000	481	0.11%
	-	25,000	-	-	25,000	932	0.21%
Technology and Communications							
Pakistan Telecommunication Company Limited-A	45,000	10,000	-	19,000	36,000	601	0.13%
	45,000	10,000	-	19,000	36,000	601	0.13%
Fertilizers							
Engro Chemical Pakistan Limited	20,500	7,000	-	27,500	-	-	-
Fauji Fertilizer Bin Qasim Limited	9,000	30,000	-	29,000	10,000	171	0.04%
	29,500	37,000	-	56,500	10,000	171	0.04%
	131,300	384,450	7,050	390,650	132,150	3,796	0.84%
Cost of investments at March 31, 2009						5,786	

4.2 Listed equity securities - available for sale

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	Number Of Shares					Market Value at March 31, 2009	Market Value as a percentage of total investments
	As at July 01, 2008	Purchases during the period	Bonus/ Rights issue	Sales during the period	As at March 31, 2009		
(Rupees in '000)							
Commercial Banks							
Allied Bank Limited	13,800	11,000	2,480	-	27,280	1,057	0.23%
Bank Al-Falah Limited	5,000	27,000	-	3,500	28,500	399	0.09%
Bank Al-Falah Limited (Right)	-	-	9,500	9,500	-	-	-
Habib Bank Limited	112,340	106,000	43,668	-	262,008	30,312	6.73%
MCB Bank Limited	5,000	7,500	250	12,500	250	35	0.01%
National Bank of Pakistan	78,330	155,100	-	40,500	192,930	16,997	3.78%
Habib Metropolitan Bank	6,000	-	1,500	-	7,500	185	0.04%
United Bank Limited	152,625	107,500	-	49,900	210,225	10,791	2.40%
	<u>373,095</u>	<u>414,100</u>	<u>57,398</u>	<u>115,900</u>	<u>728,693</u>	<u>59,776</u>	<u>13.28%</u>
Insurance							
New Jubilee Life Insurance Company Limited	-	11,500	-	-	11,500	361	0.08%
	-	<u>11,500</u>	-	-	<u>11,500</u>	<u>361</u>	<u>0.08%</u>
Textile Composite							
Nishat Mills Limited	12,000	40,500	-	20,000	32,500	985	0.22%
Nishat Mills Limited (Rights)	-	-	12,500	12,500	-	-	-
	<u>12,000</u>	<u>40,500</u>	<u>12,500</u>	<u>32,500</u>	<u>32,500</u>	<u>985</u>	<u>0.22%</u>
Cement							
D. G. Khan Cement Company Limited	44,200	12,000	-	7,000	49,200	1,073	0.24%
D. G. Khan Cement Company Limited (Right)	-	-	9,840	-	9,840	-	-
Lucky Cement Limited	95,100	17,000	-	22,000	90,100	4,450	0.99%
	<u>139,300</u>	<u>29,000</u>	<u>9,840</u>	<u>29,000</u>	<u>149,140</u>	<u>5,523</u>	<u>1.23%</u>
Power Generation & Distribution							
The Hub Power Company Limited	401,500	20,000	-	1,000	420,500	8,671	1.93%
Kot Addu Power Company Limited	47,100	32,000	-	-	79,100	2,870	0.64%
	<u>448,600</u>	<u>52,000</u>	-	<u>1,000</u>	<u>499,600</u>	<u>11,541</u>	<u>2.56%</u>
Oil and Gas Exploration Companies							
Mari Gas Company Limited	10,000	28,900	-	2,000	36,900	4,986	1.11%
Oil and Gas Development Company Limited	250,000	182,000	-	-	432,000	31,134	6.91%
Pakistan Oilfields Limited	48,300	124,000	19,060	30,400	160,960	27,534	6.12%
Pakistan Petroleum Limited	65,500	62,500	9,750	10,500	127,250	22,049	4.90%
	<u>373,800</u>	<u>397,400</u>	<u>28,810</u>	<u>42,900</u>	<u>757,110</u>	<u>85,703</u>	<u>19.03%</u>
Engineering							
International Industries Limited	17,200	7,000	3,740	-	27,940	1,227	0.27%
International Industries Limited (Rights)	-	-	4,675	-	4,675	-	-
	<u>17,200</u>	<u>7,000</u>	<u>8,415</u>	-	<u>32,615</u>	<u>1,227</u>	<u>0.27%</u>
Automobile Assemblers							
Indus Motor Company Limited	29,256	1,300	-	22,000	8,556	632	0.14%
Pak Suzuki Motor Company	65,000	7,500	-	23,500	49,000	2,672	0.59%
	<u>94,256</u>	<u>8,800</u>	-	<u>45,500</u>	<u>57,556</u>	<u>3,304</u>	<u>0.73%</u>
Technology and Communications							
Pakistan Telecommunication Company Limited - A	125,300	60,000	-	-	185,300	3,091	0.69%
	<u>125,300</u>	<u>60,000</u>	-	-	<u>185,300</u>	<u>3,091</u>	<u>0.69%</u>
Fertilizers							
Engro Chemical Pakistan Limited	75,990	43,000	-	10,000	108,990	15,765	3.50%
Engro Chemical Pakistan Limited (Right)	-	-	43,596	-	43,596	-	-
Fauji Fertilizer Bin Qasim Limited	590,500	55,000	-	-	645,500	11,051	2.45%
Fauji Fertilizer Company Limited	92,200	189,000	34,800	19,000	297,000	25,815	5.73%
	<u>758,690</u>	<u>287,000</u>	<u>78,396</u>	<u>29,000</u>	<u>1,095,086</u>	<u>52,631</u>	<u>11.69%</u>
Pharmaceuticals							
Abbott Laboratories (Pakistan) Limited	32,800	900	-	-	33,700	2,492	0.55%
Glaxo Smithkline	17,100	-	-	-	17,100	1,550	0.35%
	<u>49,900</u>	<u>900</u>	-	-	<u>50,800</u>	<u>4,042</u>	<u>0.90%</u>
Chemicals							
BOC Pakistan Limited	30,500	-	-	-	30,500	4,202	0.94%
Clariant Pakistan Limited	4,000	-	-	-	4,000	417	0.09%
	<u>34,500</u>	-	-	-	<u>34,500</u>	<u>4,619</u>	<u>1.03%</u>
Paper and Boards							
Packages Limited	26,645	13,200	-	-	39,845	6,897	1.53%
	<u>26,645</u>	<u>13,200</u>	-	-	<u>39,845</u>	<u>6,897</u>	<u>1.53%</u>
	<u>2,453,286</u>	<u>1,321,400</u>	<u>195,359</u>	<u>295,800</u>	<u>3,674,245</u>	<u>239,700</u>	<u>53.24%</u>
Cost of investments at March 31, 2009						<u>377,956</u>	

4.3 Term Finance Certificates

All Term Finance Certificates have a face value of Rs 5,000 each unless stated otherwise

Name of the Investee Company	Number Of Shares			As at March 31, 2009	Market Value at March 31, 2009	Market Value as a percentage of total investments
	As at July 01, 2008	Purchases during the period	Sales during the period			

(Rupees in '000)

4.3.1 Term finance certificates- listed

Commercial Banks						
NIB Bank Limited	2,000	-	-	2,000	9,551	2.12%
Faysal Bank Limited	2,758	-	2,758	-	-	-
	4,758	-	2,758	2,000	9,551	2.12%
Fertilizers						
Engro Chemicals Pakistan Limited	2,281	2,000	1,000	3,281	16,070	3.57%
	2,281	2,000	1,000	3,281	16,070	3.57%
Leasing Companies						
Saudi Pak Leasing Company Limited	4,000	-	-	4,000	14,794	3.29%
	4,000	-	-	4,000	14,794	3.29%
Technology and communication						
Pakistan Mobile Communication Limited	-	10,000	-	10,000	46,550	10.34%
	-	10,000	-	10,000	46,550	10.34%
	11,039	12,000	3,758	19,281	86,965	19.32%

4.3.2 Term finance certificates and sukuk bonds - Unlisted

Leasing Companies						
Orix Leasing Pakistan Limited (Face value Rs. 100,000 each)	500	-	-	500	50,050	11.11%
	500	-	-	500	50,050	11.11%
Fertilizers						
Engro Chemicals Pakistan Limited (PRP-1)	-	5,000	-	5,000	22,000	4.89%
	-	5,000	-	5,000	22,000	4.89%
Technology and communication						
Pakistan Mobile Communication Limited	2,000	-	2,000	-	-	-
	2,000	-	2,000	-	-	-
Oil and gas marketing companies						
Sui Southern Gas Company Limited - Sukuk	10,000	-	-	10,000	47,730	10.60%
	10,000	-	-	10,000	47,730	10.60%
	12,500	5,000	2,000	15,500	119,780	26.60%
	23,539	17,000	5,758	34,781	206,745	45.92%
Cost of investments at March 31, 2009					221,912	

- 4.4 Investments include shares & TFC's with market value aggregating to Rs 16.525 million that have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of Fund's trades in terms of Circular no. 11 dated October 23, 2007 issued by SECP.
- 4.5 The SECP vide its circular no. 01/2009 dated January 6, 2009 has changed the basis of valuation of the term finance certificates and Sukuk bonds. Under the said directive, all open-end mutual funds are required to value term finance certificates at the rates notified by the Mutual Funds Association of Pakistan (MUFAP) based on the valuation methodology specified in the said circular. Prior to the issuance of the said directive, investment in term finance certificates & Sukuk bonds were valued at the lower of discounted redeemable face value of term finance certificates and market value as determined using rates notified by MUFAP in accordance with the SECP circular no 26/2008 dated November 5, 2008.
- 4.6 The management had carried out a scrip wise analysis of the deficit on revaluation of its portfolio of listed equity securities classified as 'available for sale' and had determined that deficit amounting to Rs. 221.827 million represented a significant decline in the fair value of such equity securities with reference to their cost at December 31, 2008 and accordingly an impairment loss to that extent had been fully recognised.

Subsequently, an impairment loss amounting to Rs.18.308 million has been reversed due to sale of equity securities during the period from January 01, 2009 to March 31, 2009. Further, on the basis of scrip wise analysis of deficit at March 31, 2009, further impairment loss amounting to Rs.2.495 million has been recognised. Accordingly Income Statement reflects an impairment loss of Rs. 206.014 million for the period.

	(Unaudited) March 31, 2009	(Audited) June 30, 2008
	------(Rupees in '000)-----	
5. DIVIDEND AND PROFIT RECEIVABLE		
Income accrued on Continuous Funding		
System (CFS) transactions	-	52
Profit receivable on bank deposits	2,047	1,112
Profit receivable on term finance certificates	8,479	7,695
Dividend receivable	4,429	1,645
	<u>14,955</u>	<u>10,504</u>
6. ADVANCES, DEPOSITS AND PREPAYMENTS		
Advance against subscription of TFCs	25,000	75,000
Margin deposits with National Clearing Company of Pakistan Limited	-	15,691
Others	8	10,015
	<u>25,008</u>	<u>100,706</u>
Less: provision in respect of advance against subscription of TFCs	<u>(18,750)</u>	-
	<u>6,258</u>	<u>100,706</u>
6.1		
The Fund had subscribed Term Finance Certificates of an issuer as Pre-IPO on January 9, 2008, under the agreement, the issuer was required to complete the public offering by October 9, 2008. However, no public offering had been carried out by the issuer as at March 31, 2009. In addition, profit on the advance against subscription, due after 6 months from date of subscription, has also not been received by the Fund. As a matter of prudence, the funds has made a provision of 75% against this advance amounting to Rs 18.75 million.		
7. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	141	200
Broker commission payable	73	377
Other payable	2	573
	<u>216</u>	<u>1,150</u>
8. EARNINGS PER UNIT		
Earnings per unit (EPU) for the period has not been disclosed as in the opinion of the management the determination of weighted average units for calculating EPU is not practicable.		
9. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES		
Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Ltd. being the trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company and the directors of entities having common directorship with the Management Company.		
Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.		

Remuneration payable to the Management company and Trustee is determined in accordance with the provisions of NBFC Regulation and the Trust Deed respectively.

Details of the transactions with connected persons and balances with them are as follows:

	(Unaudited) Nine months ended March 31, 2009	(Unaudited) For the period November 8, 2007. March 31, 2008
	----- (Rupees in '000) -----	
9.1 Transactions during the period		
HBL Asset Management Limited - Management Company		
Management fee	8,852	3,503
Habib Bank Limited - Sponsor		
Units issued (March 31, 2008 : 2,500,000 units)	-	250,000
Bonus units issued - 107,216 units (March 31,2008 : nil)	10,000	-
Financial charges paid during the period	1	5
Profit on bank deposits including TDRs earned during the period	2,752	5,799
Profit on bank deposits including TDRs received during the period	2,710	5,784
Purchase of shares - 106,000 ordinary shares (March 31,2008 : 59,100 ordinary shares)	15,984	14,983
Sale of shares (March 31, 2008 : 20,000 ordinary shares)	-	5,388
Gain of sale of shares	-	750
Bonus shares received - 43,668 shares (March 31,2008 : 3,240 ordinary shares)		
Directors of the Management Company and their relatives		
Units issued (March 31,2008 : 57,000 units)	-	5,700
Bonus units issued - 2,445 units (March 31,2008 :nil)	228	-
HBL Income Fund		
Purchase of Term finance certificates	34,998	-
Other Associates		
New Jubilee Life Insurance Company Limited		
Purchase of shares - 11,500 ordinary shares (March 31,2008 : nil)	268	-
BOC Pakistan Limited		
Purchase of shares (March 31, 2008: 28,500 ordinary shares)	-	7,243
International Industries Limited		
Purchase of shares (March 31, 2008: 7,900 ordinary shares)	-	1,057
Bonus shares received (March 31,2008 : 300 ordinary shares)	-	-
Central Depository Company Pakistan Limited		
Trustee Remuneration	885	434
CDC Charges	19	30
		15

	(Unaudited) March 31, 2009	(Audited) June 30, 2008
	----- (Rupees in '000) -----	
9.2 Balances outstanding at period / year end		
HBL Asset Management Limited - Management Company		
Management fee	918	1,178
Sales load payable	28	28
Preliminary expenses	1,165	1,165
Habib Bank Limited - Sponsor		
Units held - 2,607,216 units (June 30, 2008: 2,500,000 units)	205,188	243,175
Bank balances	2,833	2,864
Profit receivable on bank deposits	10	38
Shares held - 262,008 ordinary shares (June 30, 2008 : 112,340 ordinary shares)	30,312	23,438
Directors of the management company and their relatives		
Units held - 57,358 units (June 30, 2008: 57,000 units)	4,514	5,544
Other Associates		
BOC Pakistan Limited		
Shares held - 30,500 ordinary shares (June 30, 2008: 30,500 ordinary shares)	4,202	6,666
International Industries Limited		
Shares held - 27,940 ordinary shares (June 30, 2008: 17,200 ordinary shares)	1,227	2,158
International Industries Limited (Right)		
Shares held - 4,675 ordinary shares (June 30, 2008 : nil)		
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	92	118

10. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April, 28 2009 by the Board of Directors of the Management Company.

11. GENERAL

Figures have been rounded off to the nearest thousand rupees.

**For HBL Asset Management Limited
(Management Company)**

Chief Executive

Director

Distribution Network

1. Branches Of Habib Bank Limited

SINDH

Karachi

Corporate Branch

2nd Floor, HBL Plaza,
I.I. Chundrigar Road, Karachi.
Phone: 021-2418000
Fax: 021-2441492

Kehkashan Branch

F 101/5, Block 7, Kehkashan Clifton, Karachi.
Phone: 021 - 5875935-40
Fax: 021 - 5875914

Foreign Exchange Branch

Foreign Exchange Centre,
M. A. Jinnah Road, Habib Square, Karachi.
Phone: 021-9213997,021-9213939
Fax: 021-9213436

Clifton Broadway Branch

Broadway House, Karachi.
Phone: 021-9250899, 021-9250800
Fax: 021-5873310

Nursery Branch

Main Shahrah-e-Faisal, Jamshed Town,
Karachi. Phone: 021-4521127, 021-4381304
Fax: 021-4538482

Bahadurabad Branch

Marium Complex, Bahadurabad,
Karachi.
Ph: 021-4940585-6, 4940388

Shahrah-e-Pakistan Branch

Plot No. G-55, B/2 Abbas Square,
Block-7, F.B.Area, Karachi.

Tariq Road Branch

Main Tariq Road, P.E.C.H.S
Karachi.
Ph: 021-4534681

Iqbal Library Branch,

Clayton Road / Off Giger
Murad Abadi Road, Union
Council, Jamshed Quarters,
Karachi. Ph: 021-5711290

Khayaban-e-Saadi Branch

Block-2, Clifton, Karachi.
Phone: 021-5810045-46

Shahrah-e-Jahangir Branch

Block-L, North Nazimbad, Karachi.
Phone: 021-6648034, 021-6629671
Fax: 021-6642090

Jacobabad

Quaid-e-Azam Road, Branch
Union Council No. 3 Jacobabad
Tehsil & Distt. Jacobabad.

PUNJAB**Lahore**

Lahore Development Authority Branch
7 Egertan Road, Data Gunj Bukhsh Town,
Lahore. Phone: 042-6365015, 042-9200275
Fax: 042-6302032

Shahrah-e-Quaid-e-Azam Branch
The Mall, 5 Bank Square, Data Gunj Bukhash Town,
Lahore. Phone: 042-9212212, 042-9212226
Fax: 042-9212233

Corporate Branch
Habib Bank Corporate Centre,
102-103 Upper Mall, Lahore, Phone: 042-9201022
Fax: 042-9201051

Model Town Branch,
Bank Square, Model Town, Block-C,
Lahore. Ph: 042-9230932-34

Cantonment Branch
Sarwar Road, Lahore Cantt.
Ph: 042-9220300-303

Allama Iqbal Town Branch,
Moon Market, Dubai Chowk,
Lahore. Ph: 042-7840560

New Garden Ali Town Branch,
Opposite Barkat Market,
Lahore. Ph: 042-912485

Gulberg Branch,
Gulberg Main Market Branch,
Lahore. Ph: 042-5757575

Gujranwala

Satellite Town Branch
Main Market, Satellite Town, Gujranwala.
Phone: 055-9200590, 055-9200591
Fax: 055-9200590

Faisalabad

Madina Town Branch
Madina Town, Faisalabad.
Phone: 041-9220122, 041-9220124
Fax: 041-9220123

Canal Road Branch
West Canal Road, Faisalabad.
Phone: 041-8532077, Fax: 041-8531985

Corporate Branch

HBL Corporate Centre,
1152 Circular Road, Faislabad.
Phone: 041-9200038
Fax: 041-9201041

Rawalpindi

Kashmir Road Branch

Kashmir Road, Saddar, Cantt.,
Rawalpindi. Phone: 051-5700107, 051-5582905
Fax: 051-5567928

Islamabad

Jinnah Avenue Branch

Jinnah Avenue, Islamabad.
Phone: 051-2201761, 051-2201228
Fax: 051-2822290

Corporate Branch

Ground Floor, HBL Tower, Blue Area,
Islamabad. Phone: 051-2820683
Fax: 051-2822206

NWFP

Peshawar

Arbab Road Branch

Peshawar Cantt., Peshawar.
Phone: 091-272167, 091-9211161
Fax: 091-278869
Balochistan
Quetta

Complex Branch

Shahrah-e-Gulistan, Quetta.
Phone: 081-2836575, 081-2829379
Fax: 081-2825791

2. OTHER DISTRIBUTORS

IGI Investment Bank

Head Office
Floor 7, The Forum,
Suite 701-713, G-20, Block 9,
Khayaban-e-Jami, Clifton,
Karachi - 75600, Pakistan.
UAN
Telephone: 111-234-234
Fax: 111-567-567,
Toll Free No: 0800 2 34 34

Elixir Securities Pakistan (Pvt.) Ltd.

First Floor, P&O Plaza,
I.I Chundrigar Road,
Karachi Phone: 111-354-947
Fax: 021-2420527

ANZ Financial Consultant

f-26/2 Block 5 Kehkashan, Clifton,
Karachi Phone: 5379511
Fax: 5874348

Alfalah Securities (Pvt.) Ltd.

12th Floor, Tower A,
Saima Trade Tower,
I.I. Chudrigar Road, Karachi
Phone: 9217810-19
Fax: 021-9217827