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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 Building 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.hblasset.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

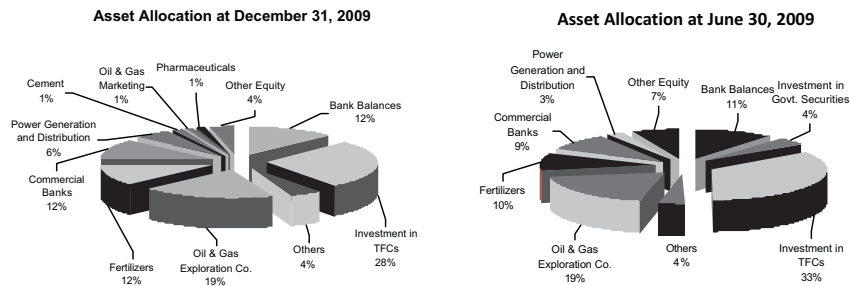
The Board of Directors of HBL Asset Management Limited is pleased to present its report together with Half Yearly Report of **HBL Multi Asset Fund** (the Fund) for the half year ended December 31, 2009.

Fund's Performance

During the period under review the total and net income of the Fund was Rs 87.706 million and Rs 45.377 million respectively. The Net Asset Value (NAV) of the Fund increased from Rs 80.94 per unit at July 1, 2009 to Rs 95.31 per unit as on December 31, 2009, showing an annualized return of 17.75% against benchmark return of 21.90%.

Asset Allocation

The asset allocation of the Fund in various sectors and asset classes as on December 31, 2009 was as under:



The Fund increased its equity exposure from 48% in June 2008 to 55% as on December 31, 2009. The exposure in equity was mainly increased in Fertilizers, Commercial Banks and Power Generation and Distribution sectors. During the period under review the Fund has also decreased its exposure in TFCs 33% to 28%.

Market Review and Future Outlook

During the period under review the State Bank of Pakistan (SBP) reduced the policy rate by 150 bps to 12.5%. The first reduction in the policy rate by 100 bps was made on August 17, 2009 followed by another cut of 50 bps on November 25, 2009. The average one month KIBOR which was 13.35% in June 2009 gradually declined to 12% by July 2009. It, however, increased to 12.80% in October 2009, but declined subsequently to close at 12.44% by December 31, 2009.

The capital market was bullish. The KSE-100 index recorded significant growth of 31.07% during the first six months of current fiscal year 2009-10 to close at 9,386.92 points. Overall, KSE 100 index gained 2,804

points during this period, starting with 7,162 points & touching the highest level of 9,978 on October 16, 2009. Trading volume also improved during this period as average daily turnover remained at 172 million shares as compared to 169 million shares in the second half of FY08-09. The improvement in market sentiments can be attributed to multiple factors such as decline in current account deficit due to increase in remittances and fall in imports, declining trend in inflation and substantial increase in foreign exchange reserves. Moreover, foreign investors invested around \$ 283.7 million in the equity market during the first six months of the current fiscal year 2009-10 against a net withdrawal of \$ 153.84 million during the same period last year.

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: February 24, 2010

Place: Karachi

TRUSTEE REPORT TO THE UNIT HOLDERS

HBL MULTI ASSET FUND

Report of the Trustee pursuant to Regulation 41 (h) of the Non - Banking Finance Companies and Notified Entities Regulations, 2008

The HBL Multi Asset Fund (the Fund), an open-end 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.

In our opinion, the Management Company has in all material respects managed the Fund during the period from July 01, 2009 to December 31, 2009 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 24, 2009

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of HBL Multi-Asset Fund as at December 31, 2009, and the related condensed interim comprehensive statement of income, condensed interim distribution statement, condensed interim cash flow statement and condensed interim statement of movement in unit holders' fund together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial information'), for the half year ended December 31, 2009. The Management Company (HBL Asset Management Limited) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed income statement of comprehensive income, condensed interim distribution statement, condensed interim cash flow statement and condensed interim statement of movement in unit holders' fund for the quarter ended December 31, 2009 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2009.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2009 is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan.

Chartered Accountants

Date: February 24, 2010

Place: Karachi

**HBL MULTI ASSET FUND
CONDENSED INTERIM STATEMENT OF
ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2009**

	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
Note	------(Rupees in '000)-----	
ASSETS		
Bank balances	46,272	68,204
Investments	4 309,032	514,152
Dividend and profit receivable	5 7,439	14,235
Preliminary expenses and floatation costs	672	787
Advances, deposits, prepayments and other receivables	6 2,769	9,530
Total assets	366,184	606,908
LIABILITIES		
Payable to HBL Asset Management Limited - Management Company	7 4,463	4,799
Payable to Central Depository Company of Pakistan Limited - Trustee	61	95
Payable to Securities and Exchange Commission of Pakistan	238	539
Accrued expenses and other liabilities	8 942	22,651
Total liabilities	5,704	28,084
NET ASSETS	360,480	578,824
UNIT HOLDERS' FUNDS (AS PER MOVEMENT IN UNIT HOLDERS' FUND)	360,480	578,824
CONTINGENCIES AND COMMITMENTS	10	
	Number of units	
NUMBER OF UNITS IN ISSUE	3,782,251	7,151,130
	Rupees	
NET ASSETS VALUE PER UNIT	95.31	80.94

The annexed notes 1 to 14 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 (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2009**

	Note	Half year ended December 31,		Quarter ended December 31,	
		2009	2008	2009	2008
------(Rupees in '000)-----					
INCOME					
Dividend income		8,378	6,524	3,508	3,673
Income from Continuous Funding System (CFS) transactions		-	617	-	-
Profit on bank deposits		1,586	7,981	648	3,819
Income from Term Finance Certificates		13,701	16,104	6,103	7,397
Income from Government Securities		3,305	-	1,597	-
Income from reverse repurchase and other money market transactions		-	38	-	-
Capital gain / (loss) on sale of investments - net		60,736	(12,385)	42,622	(1,898)
Other income		-	461	-	183
		87,706	19,340	54,478	13,174
Unrealised appreciation / (diminution) in value of investments at fair value through profit or loss - net	4.6	1,526	(2,570)	(960)	(3,787)
Impairment loss on investments classified as 'available for sale'- net		(575)	(221,827)	(575)	(221,827)
Provision in respect of advance against subscription towards issue of Term Finance Certificates		(6,146)	(18,750)	(4,792)	(18,750)
Total income		<u>82,511</u>	<u>(223,807)</u>	<u>48,151</u>	<u>(231,190)</u>
OPERATING EXPENSES					
Remuneration of HBL Asset Management Limited - Management Company		5,598	6,339	2,521	2,996
Remuneration of Central Depository Company of Pakistan Limited - Trustee		560	634	252	300
Annual fee - Securities and Exchange Commission of Pakistan		238	307	107	140
Securities transaction cost		60	105	27	-
Auditors' remuneration		164	154	76	104
Settlement and bank charges		94	42	67	5
Amortisation of preliminary expenses and floatation costs		114	114	57	57
Other expenses		161	15	142	6
Total operating expenses		<u>6,989</u>	<u>7,710</u>	<u>3,249</u>	<u>3,608</u>
Net income / (loss) from operating activities		<u>75,522</u>	<u>(231,517)</u>	<u>44,902</u>	<u>(234,798)</u>
Net element of accrued income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed		(30,145)	44	(28,488)	95
Net income / (loss) for the period before taxation		<u>45,377</u>	<u>(231,473)</u>	<u>16,414</u>	<u>(234,703)</u>
Taxation	9	-	-	-	-
Net income for the period after taxation		<u>45,377</u>	<u>(231,473)</u>	<u>16,414</u>	<u>(234,703)</u>
OTHER COMPREHENSIVE INCOME					
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed amount representing (loss) / income that form part of unit holders' fund		55,447	4,221	58,349	2,376
Net unrealised appreciation / (diminution) during the period in market value of securities classified as available for sale	4.7	24,329	21,577	(32,713)	94,184
Total comprehensive income / (loss) for the period - net		<u>125,153</u>	<u>(205,675)</u>	<u>42,050</u>	<u>(138,143)</u>
Earnings per unit	11				

The annexed notes 1 to 14 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 DISTRIBUTION
STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2009**

	Half year ended December 31,		Quarter ended December 31,	
	2009	2008	2009	2008
	------(Rupees in '000)-----			
Accumulated (loss) / undistributed income brought forward	(139,298)	29,717	(113,237)	5,231
Net income / (loss) for the period	45,377	(231,473)	16,414	(234,703)
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - amount representing (loss) / income that form part of the unit holders' fund	55,447	4,221	58,349	2,376
Final distribution for the year ended June 30, 2009: Nil [(2008:Rs. 4.00 per unit (Date of distribution : July 5, 2008)]				
- Cash distribution	-	(3,800)	-	-
- Bonus units: Nil (2008: 276,203 bonus units)	-	(25,761)	-	-
	-	(29,561)	-	-
Net income / (loss) for the period less distribution	100,824	(256,813)	74,763	(232,327)
(Accumulated loss) / Undistributed income carried forward	<u>(38,474)</u>	<u>(227,096)</u>	<u>(38,474)</u>	<u>(227,096)</u>

The annexed notes 1 to 14 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 STATEMENT OF MOVEMENT
IN UNIT HOLDER FUND (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2009**

	Note	Half year ended December 31,		Quarter ended December 31,	
		2009	2008	2009	2008
------(Rupees in '000)-----					
Net assets at the beginning of the period		578,824	718,849	621,907	627,547
Issue of 2,823 units (2008 : 1,197 units) and 2,117 units (2008: nil units) for the half year and quarter respectively		265	105	200	(1)
Redemption of 3,371,702 units (2008 : 341,279 units) and 2,876,588 units (2008: 125,968 units) for the half year and quarter respectively		(318,460) (318,195)	(27,560) (27,455)	(273,816) (273,616)	(9,278) (9,279)
Element of (income) / losses and capital (gains) / losses included in prices of units issued less those in units redeemed					
- amount representing accrued (income) / losses and capital (gains) / losses - transferred to Comprehensive statement of income		30,145	(44)	28,488	(95)
- amount representing (income) / losses that form part of the unit holders' fund - transferred to Distribution Statement		(55,447) (25,302)	(4,221) (4,265)	(58,349) (29,861)	(2,376) (2,471)
Net unrealised appreciation / (diminution) during the period in market value of securities classified as available for sale	4.7	24,329	21,577	(32,713)	94,184
Capital gain / (loss) on sale of investments		60,736	(12,385)	42,622	(1,898)
Net unrealised appreciation / (diminution) in value of investments 'at fair value through profit or loss' - net		1,526	(2,570)	(960)	(3,787)
Net element of income / loss and capital gains / (losses) included in prices of units issued less those in units redeemed - amount representing (loss) / income that form part of unitholders' fund		55,447	4,221	58,349	2,376
Other net loss for the period		(16,885) 100,824	(216,518) (227,252)	(25,248) 74,763	(229,018) (232,327)
Final distribution for the year ended June 30, 2009: Nil (2008: Rs 4.00 per unit)					
Cash distribution		-	(3,800)	-	-
Bonus distribution		-	(25,761) (29,561)	-	-
Distribution of Nil bonus units (2008: 276,203 units) for the period / year ended December 31, 2009		-	25,761	-	-
Net assets at the end of the period		<u>360,480</u>	<u>477,654</u>	<u>360,480</u>	<u>477,654</u>

The annexed notes 1 to 14 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 HALF YEAR AND QUARTER ENDED DECEMBER 31, 2009**

	Half year ended December 31, 2009 2008		Quarter ended December 31, 2009 2008	
	------(Rupees in '000)-----			
CASH FLOW FROM OPERATING ACTIVITIES				
Net income / (loss) for the period	45,377	(231,473)	16,414	(234,703)
Adjustments for non-cash items:				
Unrealised (diminution) / appreciation in value of investments at fair value through profit or loss - net	(1,526)	2,570	960	3,787
Amortisation of preliminary expenses and floatation costs	114	114	57	57
Impairment loss on investments classified as 'available for sale' - net	575	221,827	575	221,827
Provision in respect of advance against subscription towards Term Finance Certificates	6,146	18,750	4,792	18,750
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	30,145	(44)	28,488	(95)
	<u>80,831</u>	<u>11,744</u>	<u>51,286</u>	<u>9,623</u>
Decrease / (increase) in assets				
Receivable against Continuous Funding System (CFS) transactions	-	26,122	-	-
Investments - net	224,255	(124,076)	235,768	(35,775)
Investment in money market placements	-	9,962	-	-
Dividend and profit receivable	6,796	(1,109)	(590)	2,286
Advances, deposits, prepayments and other receivables	6,761	75,706	12,338	65,698
	<u>237,812</u>	<u>(13,395)</u>	<u>247,516</u>	<u>32,209</u>
(Decrease) / increase in liabilities				
Payable to HBL Asset Management Limited - Management Company	(336)	(239)	(418)	(108)
Payable to Central Depository Company of Pakistan Limited - Trustee	(34)	(24)	(42)	(11)
Payable to Securities and Exchange Commission of Pakistan	(301)	(51)	107	(218)
Accrued expenses and other liabilities	(22,353)	(4,588)	(471)	(904)
	<u>(23,024)</u>	<u>(4,902)</u>	<u>(824)</u>	<u>(1,241)</u>
Net cash generated from / (used in) operating activities	<u>295,619</u>	<u>(6,553)</u>	<u>297,978</u>	<u>40,591</u>
CASH FLOW FROM FINANCING ACTIVITIES				
Net payments against redemption of units	(317,551)	(27,455)	(273,616)	(9,279)
Distributions paid	-	(3,800)	-	-
Net cash outflow on financing activities	<u>(317,551)</u>	<u>(31,255)</u>	<u>(273,616)</u>	<u>(9,279)</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(21,932)</u>	<u>(37,808)</u>	<u>24,362</u>	<u>31,312</u>
Cash and cash equivalents at the beginning of the period	68,204	153,647	21,910	84,527
Cash and cash equivalents at the end of the period	<u>46,272</u>	<u>115,839</u>	<u>46,272</u>	<u>115,839</u>

The annexed notes 1 to 14 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 NOTES TO THE
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 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 was 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.

JCR-VIS Credit Rating Agency has assigned an asset manager rating of 'AM3' to the management company and fund performance ranking MFR 5-Star to the Fund.

2 STATEMENT OF COMPLIANCE

2.1 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 provisions of 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 the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Companies Ordinance, 1984, the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Companies Ordinance, 1984, the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the 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'.

2.2 These condensed interim financial statements are unaudited. However, limited scope review has been performed by the external auditors in accordance with the requirements of clause (xxi) of the Code of Corporate Governance.

2.3 The directors of the asset management company declare that these condensed interim financial statements give a true and fair view of the Fund.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2009 except for the changes mentioned below:

IAS 1 (revised), 'Presentation of financial statements'. The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. It requires non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they are required to present a restated statement of financial position (referred to as the statement of assets and liabilities in these condensed interim financial statements) as at the beginning comparative period, in addition to the current requirement to present statements of financial position at the end of the current period and the comparative period.

The Fund has applied IAS 1 (revised) from July 1, 2009, and has elected to present one performance statement. As a result non-owner changes in equity which were previously credited directly in the statement of movement in unit holders' fund and the distribution statement are now shown as other comprehensive income in the performance statement (referred to as income statement in these condensed interim financial statements). The change in presentation has not affected the values of the net assets of the Fund for either the current or any of the prior periods and hence a restated statement of assets and liabilities has not been presented.

- 3.2** In addition, during the period the Fund has revised the methodology for recognition of element of income and capital gains included in the prices of units issued less those in units redeemed in the financial statements. As per the revised methodology element of income and capital gains included in the prices of units issued less those in units redeemed to the extent that it is represented by distributable income earned during the period is recognised in the income statement and the element of income and capital gains represented by distributable income carried forward from prior periods is included in the distribution statement. Previously, the Fund also used to recognise element of income and capital gains represented by unrealised appreciation in the value of available for sale securities in the distribution statement. The revised methodology, in the opinion of the management, would ensure that continuing unit holders' share of undistributed income remains unchanged on issue and redemption of units. The change did not have any impact on the net assets value (NAV) and the net income of the Fund. The effect of the change on the distributable income has been incorporated in the current period. Had the methodology not been changed, the distributable income as at December 31, 2009 would have been lower by Rs. 70.819 million.

- 3.3** The following new standards and amendments to existing standards are mandatory for the first time for the financial year beginning July 1, 2009:

IAS 39 (amendment), 'Financial instruments: Recognition and measurement'. The amendment was part of the IASB's annual improvements project published in May 2008. The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading was amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit taking is included in such a portfolio on initial recognition. The adoption of the amendment did not have a significant impact on the Fund's financial statements.

IFRS 7 (amendment) 'Financial instruments: Disclosures'. The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of the amendment results in additional disclosures, which would be detailed in the financial statements for the year ending June 30, 2010, but does not have an impact on the Fund's financial position or performance.

IAS 32 (amendment), 'Financial instruments: Presentation', and IAS 1 (amendment), 'Presentation of financial statements – Puttable financial instruments and obligations arising on liquidation'. The amended standards require entities to classify puttable financial instruments, or components of instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation as equity, provided the financial instruments have particular features and meet specific conditions, including that all financial instruments in the class of instruments that is subordinate to all other instruments have identical features. One of the particular features is that apart from the contractual obligation for the issuer to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any contractual obligation to deliver cash or another financial asset to another entity. In this connection, Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 mandate the payment of 90% of the Fund's profits for the year as dividends, therefore the amendment has not changed the classification of units.

- 3.4** There are other new standards, amendments and interpretations that were mandatory for accounting periods beginning on or after July 1, 2009 but were considered not to be relevant or did not have any significant effect on the Fund's operations.

	Note	December 31, 2009 (Unaudited)	June 30, 2009 (Audited)
(Rupees in '000)			
4 INVESTMENTS			
At fair value through profit or loss			
Listed equity securities	4.1	8,764	10,234
Available for sale			
Listed equity securities	4.2	198,900	274,458
Term Finance Certificates - Listed	4.3.1	58,452	109,237
Term Finance Certificates and Sukuk bonds - Unlisted	4.3.2	42,916	95,163
Government Securities	4.4	-	25,060
		<u>309,032</u>	<u>514,152</u>

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 December 31, 2009	Market Value as a percentage of		
	As at July 01, 2009	Purchases during the period	Bonus/ Rights issue during the period	Sales during the period	As at December 31, 2009		Total investment	Net assets	Paid up capital of investee company
(Rupees in '000)									
Investment Banks/Companies/Securities									
Arif Habib Securities Limited	57,500	-	-	57,500	-	-	-	-	-
Jahangir Siddiqui & Company Limited	78,000	4,500	-	-	82,500	2,481	0.80%	0.69%	0.03%
	135,500	4,500	-	57,500	82,500	2,481	0.80%	0.69%	0.03%
Commercial Banks									
Askari Bank Limited	-	10,000	-	5,000	5,000	137	0.04%	0.04%	0.00%
Bank Al-Falah Limited	12,656	70,000	-	45,656	37,000	509	0.16%	0.14%	0.01%
MCB Bank Limited	-	8,000	-	8,000	-	-	-	-	-
National Bank of Pakistan	-	7,608	-	7,608	-	-	-	-	-
NIB Bank Limited	20,000	-	-	20,000	-	-	-	-	-
United Bank Limited	33,800	13,000	-	46,800	-	-	-	-	-
	66,456	108,608	-	133,064	42,000	646	0.21%	0.18%	0.01%
Textile Composite									
Azgard Nine Limited	-	25,000	-	10,000	15,000	312	0.10%	0.09%	0.01%
Nishat Mills Limited	-	21,900	-	21,900	-	-	-	-	-
	-	46,900	-	31,900	15,000	312	0.10%	0.09%	0.01%
Cement									
D. G. Khan Cement Company Limited	-	-	-	-	-	-	-	-	-
Lucky Cement Limited	-	20,000	-	20,000	-	-	-	-	-
	-	20,000	-	20,000	-	-	-	-	-
Refinery									
Pakistan Refinery Limited	10,200	-	-	10,200	-	-	-	-	-
	10,200	-	-	10,200	-	-	-	-	-
Oil & Gas Marketing Companies									
Pakistan State Oil Company Limited	9,500	21,000	-	13,500	17,000	5,056	1.64%	1.40%	15.60%
	9,500	21,000	-	13,500	17,000	5,056	1.64%	1.40%	15.60%
Chemicals									
ICI Pakistan Limited	5,000	4,000	-	9,000	-	-	-	-	-
Engro Polymer & Chemical Limited	20,000	-	-	5,000	15,000	269	0.09%	0.07%	0.01%
	25,000	4,000	-	14,000	15,000	269	0.09%	0.07%	0.01%
Fertilizers									
Engro Chemical Pakistan Limited	-	14,000	-	14,000	-	-	-	-	-
Fauji Fertilizer Company Limited	14,750	17,000	-	31,750	-	-	-	-	-
	14,750	31,000	-	45,750	-	-	-	-	-
Total	261,406	236,008	-	325,914	171,500	8,764	2.84%	2.43%	15.66%
Cost of investments as at December 31, 2009						<u>8,580</u>			

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 December 31, 2009	Market Value as a percentage of		
	As at July 01, 2009	Purchases during the period	Bonus/ Rights issue during the period	Sales during the period	As at December 31, 2009		Total investment	Net assets	Paid up capital of investee company
(Rupees in '000)									
Commercial Banks									
Allied Bank Limited	15,780	-	-	6,000	9,780	574	0.19%	0.16%	0.01%
Bank Al-Falah Limited	71,062	30,000	-	101,062	-	-	-	-	-
Habib Bank Limited - related party	283,508	-	-	102,703	180,805	22,319	7.22%	6.19%	0.25%
MCB Bank Limited	15,750	12,000	-	12,750	15,000	3,295	1.07%	0.91%	0.05%
National Bank of Pakistan	182,616	183,472	-	276,000	90,088	6,700	2.17%	1.86%	0.06%
Habib Metropolitan Bank	8,600	15,000	-	13,000	10,600	330	0.11%	0.09%	0.00%
United Bank Limited	348,047	124,114	-	311,351	160,810	9,399	3.04%	2.61%	0.08%
	925,363	364,586	-	822,866	467,083	42,617	13.79%	11.82%	0.45%
Insurance									
New Jubilee Life Insurance Company Limited - related party	11,500	-	-	-	11,500	508	0.16%	0.14%	0.08%
	11,500	-	-	-	11,500	508	0.16%	0.14%	0.08%
Textile Composite									
Nishat Mills Limited	32,500	-	-	16,000	16,500	1,153	0.37%	0.32%	0.05%
	32,500	-	-	16,000	16,500	1,153	0.37%	0.32%	0.05%
Cement									
D. G. Khan Cement Company Limited	143,540	30,000	-	105,000	68,540	2,232	0.72%	0.62%	0.07%
Lucky Cement Limited	118,600	-	-	75,000	43,600	2,868	0.93%	0.80%	0.09%
	262,140	30,000	-	180,000	112,140	5,120	1.66%	1.42%	0.16%
Refinery									
National Refinery Limited	7,000	-	-	2,100	4,900	866	0.28%	0.24%	0.11%
	7,000	-	-	2,100	4,900	866	0.28%	0.24%	0.11%

Name of the investee company	Number of Shares					Market Value at December 31, 2009	Market Value as a percentage of		
	As at July 01, 2009	Purchases during the period	Bonus/Rights issue during the period	Sales during the period	As at December 31, 2009		Total investment	Net assets	Paid up capital of investee company
(Rupees in '000)									
Power Generation & Distribution									
The Hub Power Company Limited	480,500	19,500	-	145,000	355,000	11,033	3.57%	3.06%	0.10%
Kot Addu Power Company Limited	84,100	-	-	43,965	40,135	1,841	0.60%	0.51%	0.02%
Nisbat Chunian Power Limited	-	750,000	-	-	750,000	7,725	2.50%	2.14%	0.22%
	<u>564,600</u>	<u>769,500</u>	<u>-</u>	<u>188,965</u>	<u>1,145,135</u>	<u>20,599</u>	<u>6.67%</u>	<u>5.71%</u>	<u>0.33%</u>
Oil and Gas Exploration Companies									
Mari Gas Company Limited	38,000	25,098	42,598	66,511	39,185	5,362	1.74%	1.49%	0.73%
Oil and Gas Development Company Limited	642,900	8,000	-	424,695	226,205	25,020	8.10%	6.94%	0.06%
Pakistan Oilfields Limited	155,360	34,000	-	100,701	88,659	20,460	6.62%	5.68%	0.86%
Pakistan Petroleum Limited	187,450	61,800	47,850	193,609	103,491	19,621	6.35%	5.44%	0.20%
	<u>1,023,710</u>	<u>128,898</u>	<u>90,448</u>	<u>785,516</u>	<u>457,540</u>	<u>70,463</u>	<u>22.80%</u>	<u>19.55%</u>	<u>1.85%</u>
Engineering									
International Industries Limited - related party	27,940	-	-	15,201	12,739	748	0.24%	0.21%	0.07%
	<u>27,940</u>	<u>-</u>	<u>-</u>	<u>15,201</u>	<u>12,739</u>	<u>748</u>	<u>0.24%</u>	<u>0.21%</u>	<u>0.07%</u>
Automobile Assemblers									
Indus Motor Company Limited	8,556	-	-	1,000	7,556	1,485	0.48%	0.41%	0.19%
Pak Suzuki Motor Company	23,600	-	-	7,000	16,600	1,477	0.48%	0.41%	0.18%
	<u>32,156</u>	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>24,156</u>	<u>2,962</u>	<u>0.96%</u>	<u>0.82%</u>	<u>0.37%</u>
Technology and Communications									
Pakistan Telecommunication Company Limited - A	140,300	175,000	-	210,000	105,300	1,859	0.60%	0.52%	0.00%
	<u>140,300</u>	<u>175,000</u>	<u>-</u>	<u>210,000</u>	<u>105,300</u>	<u>1,859</u>	<u>0.60%</u>	<u>0.52%</u>	<u>0.00%</u>
Fertilizers									
Engro Chemical Pakistan Limited	180,586	20,000	-	114,452	86,134	15,786	5.11%	4.38%	0.53%
Fauji Fertilizer Bin Qasim Limited	350,500	75,000	-	93,000	332,500	8,688	2.81%	2.41%	0.09%
Fauji Fertilizer Company Limited	315,700	-	-	119,270	196,430	20,218	6.54%	5.61%	0.30%
	<u>846,786</u>	<u>95,000</u>	<u>-</u>	<u>326,722</u>	<u>615,064</u>	<u>44,692</u>	<u>14.46%</u>	<u>12.40%</u>	<u>0.92%</u>
Pharmaceuticals									
Abbott Laboratories (Pakistan) Limited	31,700	-	-	8,619	23,081	2,798	0.91%	0.78%	0.03%
Glaxo Smithkline (Pakistan) Limited	36,700	-	-	16,470	20,230	2,211	0.72%	0.61%	0.13%
	<u>68,400</u>	<u>-</u>	<u>-</u>	<u>25,089</u>	<u>43,311</u>	<u>5,009</u>	<u>1.62%</u>	<u>1.39%</u>	<u>0.16%</u>
Chemicals									
BOC Pakistan Limited - related party	28,800	-	-	22,764	6,036	772	0.25%	0.21%	0.31%
Clariant Pakistan Limited	4,000	-	-	1,500	2,500	437	0.14%	0.12%	0.16%
Lotte Pakistan PTA Limited	47,000	-	-	23,900	23,100	181	0.06%	0.05%	0.00%
ICI Pakistan Limited	-	4,000	-	4,000	-	-	-	-	-
	<u>79,800</u>	<u>4,000</u>	<u>-</u>	<u>52,164</u>	<u>31,636</u>	<u>1,390</u>	<u>0.45%</u>	<u>0.39%</u>	<u>0.47%</u>
Paper and Boards									
Packages Limited - related party	7,845	2,000	-	3,500	6,345	914	0.30%	0.25%	0.11%
	<u>7,845</u>	<u>2,000</u>	<u>-</u>	<u>3,500</u>	<u>6,345</u>	<u>914</u>	<u>0.30%</u>	<u>0.25%</u>	<u>0.11%</u>
Total	<u>4,030,040</u>	<u>1,568,984</u>	<u>90,448</u>	<u>2,636,123</u>	<u>3,053,349</u>	<u>198,900</u>	<u>64.36%</u>	<u>55.18%</u>	<u>5.14%</u>
Cost of investments as at December 31, 2009						<u>194,122</u>			

4.3 Term Finance Certificates - Available for sale

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

Name of the investee company	Number of certificates-----				Market Value at December 31, 2009	Market Value as a percentage of			
	As at July 01, 2009	Purchases during the period	Sales during the period	As at December 31, 2009		Total investment	Net assets	Issue size	
(Rupees in '000)									
4.3.1 Term finance certificates- Listed									
Commercial Banks									
NIB Bank Limited	5,000	-	5,000	-	-	-	-	-	
United Bank Limited	-	10,000	2,000	8,000	35,249	11.41%	9.78%	0.88%	
	<u>5,000</u>	<u>10,000</u>	<u>7,000</u>	<u>8,000</u>	<u>35,249</u>	<u>11.41%</u>	<u>9.78%</u>	<u>0.88%</u>	
Fertilizers									
Engro Chemicals Pakistan Limited	3,281	-	3,281	-	-	-	-	-	
	<u>3,281</u>	<u>-</u>	<u>3,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Leasing Companies									
Saudi Pak Leasing Company Limited	6,000	-	-	6,000	23,203	7.51%	6.44%	3.09%	
	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>23,203</u>	<u>7.51%</u>	<u>6.44%</u>	<u>3.09%</u>	
Technology and communication									
Pakistan Mobile Communication Limited	10,000	-	10,000	-	-	-	-	-	
	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total	<u>24,281</u>	<u>10,000</u>	<u>20,281</u>	<u>14,000</u>	<u>58,452</u>	<u>18.91%</u>	<u>16.22%</u>	<u>3.97%</u>	
Cost of investments as at December 31, 2009						<u>60,696</u>			

Name of the investee company	Number of certificates				Market Value at December 31, 2009	Market Value as a percentage of		
	As at July 01, 2009	Purchases during the period	Sales during the period	As at December 31, 2009		total investment	net assets	issue size

(Rupees in '000)

4.3.2 Term Finance Certificates and Sukuk bonds - Unlisted

Leasing Companies

Orix Leasing Pakistan Limited
(Face value Rs. 100,000 each)

500	-	280	220	19,470	6.30%	5.40%	0.39%
500	-	280	220	19,470	6.30%	5.40%	0.39%

Fertilizers

Engro Chemicals Pakistan Limited-Perpetual I

5,000	-	-	5,000	23,446	7.59%	6.50%	0.59%
5,000	-	-	5,000	23,446	7.59%	6.50%	0.59%

Technology and communication

Pakistan Mobile Communication Limited

-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Oil and gas marketing companies

Sui Southern Gas Company Limited - Sukuk

5,000	-	5,000	-	-	-	-	-
5,000	-	5,000	-	-	-	-	-

Total

10,500	-	5,280	5,220	42,916	13.89%	11.91%	0.98%
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Cost of investments as at December 31, 2009

47,149

4.2.2 Significant terms and conditions of Term Finance Certificates outstanding as at December 31, 2009 are as follows.

Name of security	Remaining principal (per TFC)	Mark-up rate (per annum)	Issue date	Maturity date
United Bank Limited	4,997	0.85%+6 Month KIBOR	14-Feb-08	14-Feb-18
Saudi Pak Leasing Company Limited	4,373	1.50%+6 Month KIBOR	13-Mar-08	13-Mar-13
Engro Chemicals Pakistan Limited PRP-1	5,000	1.70%+6 Month KIBOR	18-Mar-08	18-Mar-18
Orix Leasing Ltd -Privately Placed	100,000	1.20%+6 Month KIBOR	15-Jan-08	15-Jul-13

4.4 Investment in Government Securities - Available for sale

Issue Date	Tenor	Face Value				Market Value at December 31, 2009	Market Value as percentage of	
		As at July 01, 2009	Purchases during the period	Sales during the period	As at December 31, 2009		total investment	net assets

(Rupees in '000)

Pakistan Investment Bonds

August 30, 2008

10 Year	25,000	-	25,000	-	-	-	-
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Treasury Bill

April 9, 2009

6 Months	-	34,000	34,000	-	-	-	-
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June 04, 2009

6 Months	-	40,000	40,000	-	-	-	-
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February 26, 2009

6 Months	-	35,000	35,000	-	-	-	-
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September 26, 2009

3 Months	-	34,000	34,000	-	-	-	-
		25,000	143,000	168,000	-	-	-

Cost of investments as at December 31, 2009

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4.5 Investments include shares and Term Finance Certificates having market value aggregating to Rs.24.3873 million that have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular no. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

	Note	December 31, 2009 (Unaudited)	June 30, 2009 (Audited)
4.6 Net unrealised appreciation / (diminution) in value of investments at fair value through profit or loss'			
Market value of investments	4.1	8,764	10,234
Less: Cost of investments	4.1	(8,580)	(11,576)
		184	(1,342)
Less: Net unrealised diminution / (appreciation) in the fair value of investments at fair value through profit or loss at the beginning of the period		(1,342)	(2,330)
		<u>1,526</u>	<u>988</u>

	Note	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
(Rupees in '000)			
4.7 Net unrealised appreciation /(diminution) in fair value of investments classified as 'available for sale'			
Market value of investments	4.2 & 4.3	300,268	503,918
Less: Cost of investments	4.2 & 4.3	301,967	599,562
Less: Impairment		(27,428)	(97,044)
		<u>274,539</u>	<u>502,518</u>
		25,729	1,400
Net unrealised (appreciation) / diminution in fair value of investments at the beginning of period		(1,400)	49,904
		<u>24,329</u>	<u>51,304</u>

- 4.8** As at June 30, 2009, an impairment loss of Rs 97.044 million was held in respect of equity securities classified as available for sale. During the period, impairment loss amounting to Rs 70.191 million has been reversed due to sale of related shares and a further impairment of Rs 0.575 million has been booked.

	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
(Rupees in '000)		
5 DIVIDEND AND PROFIT RECEIVABLE		
Profit receivable on bank deposits	146	1,084
Dividend receivable	1,776	2,581
Income accrued on Term Finance Certificates	5,517	9,567
Income accrued on Government Securities	-	1,003
	<u>7,439</u>	<u>14,235</u>

6 ADVANCES, DEPOSITS , PREPAYMENTS AND OTHER RECEIVABLES

Advance against subscription of Term Finance Certificates	25,000	25,000
Security deposits with National Clearing Company of Pakistan Limited	2,500	2,500
Security deposits with Central Depository Company of Pakistan Limited	100	100
Prepaid annual listing fee	15	-
Prepaid annual rating fee	50	-
Other receivables	-	680
	<u>27,665</u>	<u>28,280</u>
Less: Provision in respect of advance against subscription of Term Finance Certificates	(24,896)	(18,750)
	<u>2,769</u>	<u>9,530</u>

- 6.1** The Fund had subscribed towards the 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 has been carried out by the issuer as at December 31, 2009. In addition, profit on the advance against subscription, due after 6 months from the date of subscription, has also not been received by the Fund. As at June 30, 2008, management had made a provision of Rs 18.75 million against the said advance, which was seventy five percent of the total amount of the advance. During the current period, the Board of Directors of the Management Company decided in their meeting that the said advance should be fully provided by the 455th day (January 7, 2010) from the due date to complete the public offering (October 9, 2008), in accordance with Circular no. 1 of 2009 issued by the Securities and Exchange Commission of Pakistan.

	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
	(Rupees in '000)	
7 PAYABLE TO HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY		
Management fee	609	945
Preliminary expenses and floatation costs incurred on behalf of the Fund	1,135	1,135
Annual listing fee paid by the management company on behalf of the Fund	30	30
Security deposits with National Clearing Company of Pakistan Limited	2,500	2,500
Security deposits with Central Depository Company of Pakistan Limited	100	100
Sales load payable	89	89
	<u>4,463</u>	<u>4,799</u>
8 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	204	269
Payable against redemption of units	644	-
Payable to brokers	-	22,380
Other payable	94	2
	<u>942</u>	<u>22,651</u>

9 TAXATION

No provision for taxation has been made as the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund intends to distribute at least 90 percent of such accounting income relating to the year ending June 30, 2010 to its unit holders. Accordingly, no tax liability has been recorded in the current period.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

10 CONTINGENCIES AND COMMITMENTS

Through Finance Act, 2008 an amendment was made in section 2(f) of the Workers' Welfare Fund Ordinance, 1971 (the WWF Ordinance) whereby the definition of 'Industrial Establishment' has been made applicable to any establishment to which West Pakistan Shops and Establishment Ordinance, 1969 applies. Management, based on a legal advice, is of a firm view that Collective Investment Schemes are paper entities and are not establishments, accordingly the WWF Ordinance is not applicable and therefore no provision is required in the financial statements. However, in a remotely probable event, if the Collective Investment Schemes are considered as industrial establishments, the impact on the NAV per unit will be Rs. (0.24) as of December 31, 2009.

Mutual Funds Association of Pakistan (MUFAP), of which the Management Company is a member, has filed a constitutional petition in the High Court of Sindh (SHC) praying it to declare that the Collective Investment Schemes are not establishments and as a result are not liable to pay contribution to the WWF. The legal proceedings in respect of the aforementioned petition are currently in progress.

11 EARNINGS PER UNIT

Earning per unit (EPU) for the period ended December 31, 2009 has not been disclosed as in the opinion of the management, the determination of weighted average units for calculating EPU is not practicable.

12 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 Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of 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 the NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them, if not disclosed elsewhere in these financial statements are as follows:

	(Un-audited) For the period ended December 31, 2009 (Rupees in '000)	(Un-audited) For the period ended December 31, 2008
12.1 Details of the transactions with connected persons are as follows:		
HBL Asset Management Limited - Management Company		
Management fee	5,598	6,339
Habib Bank Limited - Sponsor		
Bonus units : Nil (2008: 107,216 units)	-	10,000
Bank charges paid during the year/ period	15	2
Profit earned on bank deposits	453	1,266
Purchase of shares: Nil (2008: 103,000 shares)	-	15,690
Sale of shares: 102,703 ordinary shares (2008: Nil)	12,456	-
Loss on sale of shares	(4,041)	-
Directors and Executives of the Management Company and their relatives		
Bonus units issued: Nil (2008 : 2,445 units)	-	228
HBL Income Fund		
Purchase of Term Finance Certificates	-	34,998
OTHER ASSOCIATES		
BOC Pakistan Limited		
Sale of shares: 22,764 ordinary shares (2008: Nil)	2,641	-
Loss on sale of shares	(3,029)	-
International Industries Limited		
Purchase of shares: Nil (2008: 7,000 shares)	-	587
Sale of shares: 15,201 ordinary shares (2008: Nil)	939	-
Loss on sale of shares	(574)	-
Bonus shares received: Nil (2008: 3,740 shares)	-	-
Packages Limited		
Purchase of shares: 2,000 ordinary shares (2008: 10,700 shares)	301	1,986
Sale of shares: 3,500 (2008: Nil)	521	-
Loss on sale of shares	(417)	-
Central Depository Company of Pakistan Ltd. - Trustee		
Trustee remuneration	560	634
Central Depository Service charges	14	15
	December 31, 2009 (Un-audited)	June 30, 2009 (Audited)
12.2 Balances outstanding as at period / year end		
HBL Asset Management Limited - Management Company		
Management fee payable	609	945
Sales load payable	89	89
Preliminary expenses and floatation costs payable	1,135	1,135
Security deposit paid by Management Company on behalf of the Fund to National Clearing Company of Pakistan Limited - payable	2,500	2,500
Security deposit paid by Management Company on behalf of the Fund to Central Depository Company Limited - payable	100	100
Annual listing fee paid by Management Company on behalf of the Fund - payable	30	30
		20

	December 31, 2009 (Un-audited) (Rupees in '000)	June 30, 2009 (Audited) (Rupees in '000)
Habib Bank Limited - Sponsor		
Investment held in the Fund: 2,607,216 units (June 30,2009: 2,607,216 units)	248,494	211,028
Bank balances	45,931	311
Profit receivable on bank deposits	115	8
Ordinary shares held :108,805 shares (June 30, 2009 : 283,508 shares)	22,319	24,399
Directors and Executives of the Management Company and their relatives		
Investment held in the Fund: 57,358 units (June 30, 2009: 57,358 units)	5,467	4,643
HBL Income Fund		
Payable against purchase of Term Finance Certificates	-	22,281
Associated Companies		
New Jubilee Life Insurance Company Limited		
Ordinary shares held: 11,500 shares (June 30, 2009: 11,500 shares)	508	437
BOC Pakistan Limited		
Ordinary shares held: 6,036 shares (June 30, 2009 : 28,800 shares)	772	3,312
International Industries Limited		
Ordinary shares held: 12,739 shares (June 30, 2009: 27,940 shares)	748	1,260
Packages Limited		
Ordinary shares held: 6,345 shares (June 30,2009 : 7,845 shares)	914	1,232
Central Depository Company of Pakistan Ltd. - Trustee		
Remuneration payable	61	95

13 GENERAL AND CORRESPONDING FIGURES

There were no significant reclassifications of corresponding figures except the following:

- Provision in respect of advance against subscription towards issue of Term Finance Certificates has been shown separately in the condensed interim cash flow statement.
- Figures have been rounded off to the nearest thousand rupees.

14 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on February 24, 2010.

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

Chief Executive

Director

DISTRIBUTION NETWORK

1. Branches of Habib Bank Limited

Sindh Karachi

Habib bank Limited
Bahadurabad Branch,
Mariam Complex, Bahadurabad, Karachi.
Phone: 021-4940585-6
Fax: 021-4940584

Habib bank Limited
Iqbal Library Branch
Gigar Muradabadi Road, Near Islamia College,
Karachi.
Phone: 021-4922310, 021-4913311
Fax: 021-4914411

Habib bank Limited
Tariq Road Commercial Center Branch,
172-u, Block-2, Karachi.
Phone: 021-4534748, 021-4534681
Fax: 021-4522627

Habib bank Limited
Shahra-e-Pakistan Branch,
F.B Area Karachi.
Phone: 021-6331445, 021-6317073
Fax: 021-6317086

Habib bank Limited
Corporate Branch,
2nd Floor, HBL Plaza, I.I. Chundrigar Road, Karachi.
Phone: 021-2418000
Fax: 021-2413839

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

Habib bank Limited
Foreign Exchange Branch,
M.A. Jinnah Road, Habib Squre, Karachi.
Phone: 021-9213996-97
Fax: 021-9213436

Habib bank Limited
Clifton Broadway Branch,
Broadway House, Karachi.
Phone: 021-5301074-76
Fax: 021-5873310

Habib bank Limited
Nursery Branch,
Main Shahra-e-Faisal, Jamshed Town, Karachi.
Phone: 021-4381304, 021-4524661
Fax: 021-4538482

Habib bank Limited
Khayaban-e-Saadi Branch,
Block-2, Clifton, Karachi.
Phone: 021-5810045-46
Fax: 021-5810047

Habib bank Limited
Shahra-e-Jahangir Branch,
Block L, North Nazimabad, Karachi.
Phone: 021-6648034-6629671
Fax: 021-6642090

Jacobabad

Habib Bank Limited
Quid-e Azam Road,
Jacobabad.
Phone: 0722-653977,0722-650933

Punjab Lahore

Habib bank Limited
Allama Iqbal Town Branch
Dubai Chowk, Lahore.
Phone: 042-7840560, 042-7841464
Fax: 042-7446584

Habib Bank Limited
Bank Square, Model Town Branch,
Lahore.
Phone: 042-5915574-75, 042-5844842
Fax: 042-5915573

Habib Bank Limited
The Mall Road Branch, 5, Bank square,
Nila Gumbad, Lahore.
042-7232422-27-35-51-37-46
Fax: 042-7232537-479

Habib Bank Limited
Cantonment Branch
322-H. Sarwar Road, Cantt Lahore.
Phone: 042-6622620-6
Fax: 042-6622625

Habib Bank Limited
Gulberg Main Market Branch,
Lahore.
Phone: 042-5757575, 042-5755602,
Fax: 042-5760636

Habib Bank Limited
Lahore Development Authority Branch
7-Egertan Road, Data Gunj Bukhsh Town, Lahore.
Phone: 042-6375299/6375974-76-78
Fax: 042-6302032

Habib Bank Limited
19-Ali Block New Garden Town Branch, Lahore
Phone: 042-5912481-85
Fax: 042-5912486

Habib Bank Limited
Corporate Branch
Habib Bank Corporate Centre, 102,103 Upper Mall,
Lahore.
Phone: 042-6281655, 042-6281820, 042-6281665
Fax: 042-6281661

Gujranwala

Habib Bank Limited
Satellite Town Branch
Main Market, Satellite Town, Gujranwala.
Phone: 055-9200590-1
Fax: 055-9200590

Faisalabad

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

Habib Bank Limited
West Canal Road, Faisalabad.
Phone: 041-8532077
Fax: 041-8531985

Habib Bank Limited
HBL Corporate Centre
1152 Circular Road, Faisalabad.
Phone: 041-9200038
Fax: 041-9201041

Rawalpindi

Habib Bank Limited
Kashmir Road Branch
Kashmir Road Saddar, Cantt, Rawalpindi.
Phone: 051-5700107, 051-5582905
Fax: 051-5567928

Islamabad

Habib Bank Limited
Jinnah Avenue Branch, Islamabad
Phone: 051-2201761, 051-2201228
Fax: 051-2822290

Habib Bank Limited
Corporate Branch
Ground Floor, HBL Tower, Blue Area,
Islamabad
Phone: 051-2820683
Fax: 051-2822206

NWFP Peshawar

Habib Bank Limited
Arbab Road Branch
Peshawar Cantt. Peshawar.
Phone: 091-5272167, 091-9211161
Fax: 091-5278869

Balochistan Quetta

Habib Bank Limited
Complex Branch
Shahrah-e-Gulistan, Quetta.
Phone: 081-22836575, 081-2829379
Fax: 081-2825791

2. OTHER DISTRIBUTORS

Alfalah Securities (Pvt.) Limited
12th Floor, Saima Trade Tower,
I.I Chundrigar Road, Karachi.
Phone: 021-9217810-19
Fax: 021-9217827

ANZ Financial Consultant
F-26/2, Block-5, Kehkashan,
Clifton, Karachi.
Phone: 021-5379511
Fax: 021-5874348

Elixir Securities Pakistan (Pvt.) Limited
First Floor, P & O Plaza,
I.I Chundrigar Road, Karachi.
Phone: 021-111-354-947
Fax: 021-2420527- 2418925

IGI Investment Bank Limited
Floor-7, The Forum, Suit 701-713, G-20,
Block, Khayaban-e-Jami, Karachi.
Phone: 021-111-234-234
Fax: 021-111-567-567