

Monthly Newsletter December 2014

Head Office PAK OMAN ASSET MANAGEMENT COMPANY LIMITED

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POAAAF

PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

December 2014

Fund's Portfolio Investment Information			
	(% of Total Assets)		
Asset Allocation	Dec 14	Nov 14	
Cash*	64.19	62.01	
Stock / Equities	27.62	21.31	
TFCs / Sukuks	5.65	6.43	
Others including receivables	2.54	10.25	
T-Bills	-	-	
Leverage	-	-	

	(% of Total Assets)		
Equity Sector Allocation	Dec 14	Nov 14	
Construction & Materials	13.88	8.27	
Pharma & Biotech	8.10	4.16	
Chemicals	3.32	1.33	
Oil & Gas	2.09	2.56	
Automobile Assembler	1.74	-	
Personal Goods	1.49	3.05	
Industrial Metal & Mining	1.11	1.17	

Investment Objective

POAAAF shall invest in a diversified portfolio of securities such as equities, profit bearing securities, placements, and other instruments, including securities available for investment outside Pakistan, subject to applicable laws.

Risk Profile of the Fund	Moderat	e - High
AMC Rating	AM3- Jo	CR-VIS
Fund Ranking	tar (Short Ter tar (Long Ter	′

Investment Committee Members

Mr. Awais Masood-CEO/MD

Mr. Malik Faiz Rasool - Fund Manager - Equity

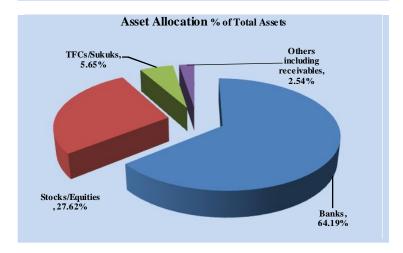
Mr. Imran Rahim Khan- Fund Manager - Money Market

Fund Commentary

POAAAF witnessed return of 1.83% in December, 2014 against 1.90% return of benchmark on MoM basis, which reflects meager down of benchmark by 07 basis points. On YTD basis, the fund witnessed return of 6.67% only 02bps down of benchmark return of 6.69%. During the month under review, investment in Construction and Materials sector was increased from 8.27% to 13.88% on the back of higher dispatches, lower coal prices and expectation of lower inflation. During the month of December 2014, sectors with major exposure were Construction & Materials, Pharma & Biotech, Chemicals, Oil & Gas and Auto Assembler with exposure of 13.88%, 8.10%, 3.32%, 2.09% and 1.74% respectively. The fund remained conservative and had 27.62% invested in stocks/equities, 5.65% in Sukuks and remaining in bank deposits.



Fund Returns	POAAAF	BM*	
Year-to-Date (YTD) %	6.67	6.69	
Month-on Month (MoM)% 1.83 1.90			
*Benchmark 50% KSE-100 index + 50% average 6M KIBOR			



Basic Fund Information			
Type of Scheme	Open-end		
Nature of Scheme	Asset Allocation		
Inception Date	Oct 30, 2008		
Fund Size	PRs. 108.17 Million		
Current NAV	PRs. 54.08 Per unit		
Benchmark	Benchmark 50% KSE-100 index + 50% average		
	6M KIBOR		
Dealing Day/cut off time	Mon-Fri 9:00am / 3:30pm		
Pricing Mechanism	Forward		
Front end load	2.5%		
Trustee	MCB Financial Services Ltd.		
Auditor	KPMG TaseerHadi& Co.		
Management Fee	2.00% p.a		

Name of non		Value of	Provision	Value of	% of Gr	oss Asset	% of N	et Asset
compliant investment	Type of Investment	investment before	(if any)	investment after	Before	After	Before	After
-		Provision	, ,	Provision	Provision	Provision	Provision	Provision
Azgard Nine	Non Performing	5,420,660	5,420,660	-	4.76	-	5.01	-
Maple Leaf	Below Inv. Grade	6,435,508	-	6,435,508	5.65	5.65	5.95	5.95
Disclosure The scheme has maintained provision against WWF amounting to Rs. 2.14 million. If the above recognition had not been made, the net asset value per unit of the								

As per Circular 17 of 2012) Scheme would be higher by 1.07 per unit / 1.98 percent. For details, investors are advised to read Note 6 of latest financial Statements of the Scheme.

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Disclaimer: "This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved."

^{*} Operational Bank Account

PAK OMAN ISLAMIC ASSET ALLOCATION FUND



December 2014

Fund's Portfolio Investment Information			
	(% of Total Assets)		
Asset Allocation	Dec 14	Nov 14	
Cash *	58.58	55.40	
Stock / Equities	26.05	22.34	
TFCs/SUKUK	8.37	9.65	
Others including receivables	7.01	12.61	

	(% of Total Assets)		
Equity Sector Allocation	Dec 14	Nov 14	
Construction & Material	17.31	10.20	
Pharma & Biotech	10.19	6.17	
Chemicals	2.57	-	
Oil & Gas	1.84	3.65	
Industrial Metal & Mining	1.57	1.77	
Automobile Assembler	1.53	-	

Investment Objective

The primary objective is to provide investor(s) with competitive current income and long term capital growth primarily by investing in a diversified portfolio of shariah compliant investment, instruments, including shariah compliant securities available for investment outside Pakistan, subject to applicable laws.

Risk Profile of the Fund	Moderate – High
AMC Rating	AM3- JCR-VIS
Fund Ranking	4 Star (Short Term) PACRA

2 Star (Long Term) PACRA

Investment Committee Members

Mr. Awais Masood-CEO/MD

Mr. Malik Faiz Rasool - Fund Manager - Equity

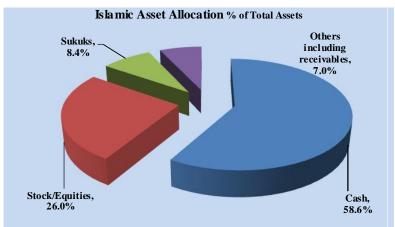
Mr. Imran Rahim Khan– Fund Manager – Money Market

Fund Commentary

POIAAF witnessed return of 0.60% in December, 2014 against 1.24% return of benchmark on MoM basis. On YTD basis, the fund witnessed return of 6.67% against benchmark return of 4.94% which reflects an outperformance of 173 basis points. During the month under review, investment in Construction and Materials sector was increased from 10.20% to 17.31% on the back of higher dispatches, lower coal prices and expectation of lower inflation. During the month of December 2014, sectors with major exposure were Construction & Materials, Pharma & Biotech, Chemicals, Oil & Gas and Industrial Metal & Mining with exposure of 17.31%, 10.19%, 2.57%, 1.84% and 1.57% respectively. The fund remained conservative and had 26.05% invested in stocks/equities, 8.37% in Sukuks and remaining in bank deposits.

Asset Allocation Top Ten Holding (% of Assets)	
	Dec 14
Maple Leaf Cement (SUKUK)	8.37
Ferozsons Laboratories	5.12
D.G Khan Cement	4.96
Searle Pakistan Ltd.	3.07
Fecto Cement	2.96
Engro Corporation	2.48
Mari Petroleum	1.78
Highnoon (Lab)	1.65
Crescent Steel & Allied Products	1.51
Honda Atlas Cars	1.48

Fund Returns	POIAAF	BM*	
Year-to-Date (YTD) %	6.67	4.94	
Month-on Month (MoM)%	1.24		
*Benchmark 50% Average deposit rates of 4 Islamic Banks + 50% KMI 30			



Basic Fund Information	
Type of Scheme	Open-end
Nature of Scheme	Shariah Compliant Asset Allocation
Inception Date	Oct 30, 2008
Fund Size	PRs.113.84 Million
Current NAV	PRs. 56.77 Per unit
Benchmark	50% Average deposit rates of 4 Islamic Banks + 50% KMI 30
Dealing Day/cut off time	Mon-Fri 9:00am / 3:30pm
Pricing Mechanism	Forward
Front end load	2.5%
Trustee	MCB Financial Services Ltd.
Auditor	KPMG TaseerHadi& Co.
Management Fee	2.00% p.a

1	Name of non		Value of	Provision (if any)	Value of	% of Gr	oss Asset	% of No	et Asset
	compliant investment	Type of Investment	investment before		investment after	Before	After	Before	After
	•		Provision		Provision	Provision	Provision	Provision	Provision
Ì	Maple Leaf	Below Inv. Grade	11.193.000	-	11.193.000	8.37	8.37	9.83	9.83

Disclosure

The scheme has maintained provision against WWF amounting to Rs. 2.09 million. If the above recognition had not been made, the net asset value per unit of the Scheme would be higher by 1.04 per unit / 1.84 percent. For details, investors are advised to read Note 6 of latest financial Statements of the Scheme.

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1.78%

^{*} Operational Bank Account



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

December 2014

Fund's Portfolio Investment Information			
	(% of Total Assets)		
Asset Allocation	Dec 14	Nov 14	
Cash	98.66	97.00	
Ijarah	-	-	
Sukuks	-	-	
Others including receivables	1.33	2.99	
Leverage	-	-	

Fund Returns	POAIIF	BM*	
Year-to-Date (YTD) %	5.80	6.99	
Month-on Month (MoM)%	5.78	6.98	
Last 365 days %	4.70	6.77	
Last 3 Years %	6.08	6.71	
Since Inception%	7.71	6.99	
*Benchmark 6 Month average deposit rates of 4 Islamic Banks			
Duration	on 1.00 day		
Weighted Average Maturity 0.03 more			

The primary objective is to provide investor(s) with competitive current income and long term capital growth primarily by investing in a diversified portfolio of shariah compliant investment, instruments, including shariah compliant securities available for investment outside Pakistan, subject to applicable laws.

Risk Profile of the Fund	Low		
AMC Rating	AM3- JCR-VIS		
Fund Ranking	AA- (f) PACRA		

Investment Committee Members

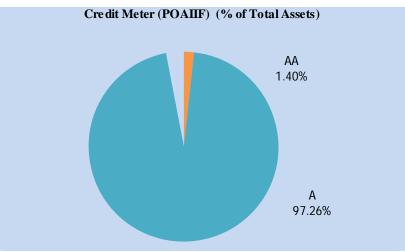
Mr. Awais Masood-CEO / MD

Mr. Malik Faiz Rasool– Fund Manager – Equity Mr. Imran Rahim Khan–Fund Manager – Fixed Income

Fund Commentary

POAIIF posted a return of 5.78% against its benchmark of 6.98% for the month of December 2014. On FYTD basis a fund posted a return of 5.80% against its benchmark of 6.99%. This return is due to the reason that fund is currently 98.66% invested in cash and cash equivalents and 1.33% in other receivables.

Credit Meter (POAIIF) (% of Total Assets)
AA	1.40
A	97.26



Receivable accounted for 1.33%

Type of Scheme	Open-end
Nature of Scheme	Shariah Compliant Income
Inception Date	Oct 30, 2008
Fund Size	PRs.146.813 Million
Current NAV	PRs.53.097 Per unit
Benchmark	6 Month average deposit rates of 4 Islamic Banks with minimum rating of A- and above
Dealing Day/cut off time	Mon-Fri 9:00am / 3:30pm
Pricing Mechanism	Forward
Front end load	1.00% (Currently Waived)
Trustee	MCB Financial Services Ltd.
Auditor	KPMG TaseerHadi& Co.

1.75% p.a

Disclosure
(As per Circular 17 of 2012)

The scheme has maintained provision against WWF amounting to Rs. 2.45 million. If the above recognition had not been made, the net asset value per unit of the Scheme would be higher by 0.89 per unit / 1.67 percent. For details, investors are advised to read Note 6 of latest financial Statements of the Scheme.

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Management Fee



PAK OMAN GOVERNMENT SECURITIES FUND

December 2014

Fund's Portfolio Investment Information (% of Total Assets)		
Asset Allocation	Dec 14	Nov 14
Cash	10.0	10.0
T-Bill	22.0	24.0
TFCs / Sukuks/PIBs	62.0	64.0
Others including receivables	6.0	2.0
Leverage	-	-

Fund Returns	POGSF	BM*		
Year-to-Date (YTD) %	8.58	8.93		
Month-on Month (MoM)%	30.69	8.70		
Last 365 days %	8.31	8.80		
Last 3 Years %	8.61	8.79		
Since Inception%	8.77	8.95		
*Benchmark 70% 6M T bill PKRV rates and 30% average most				
recent published 3 months deposit rates of A+ and above rated 3				
schedule banks				
Duration	Duration 662 day			
Weighted Average Maturity	23.00 months			

Investment	Object	tive
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The primary objective of Pak Oman Government Securities Fund (POGSF) is to provide its unit holders competitive returns from portfolio of investment with low credit risk with maximum possible preservation of capital via investing in Government Securities.

Risk Profile of the Fund	Low		
AMC Rating	AM3- JC	CR-VIS	
Fund Ranking	AA (f) P.	ACRA	

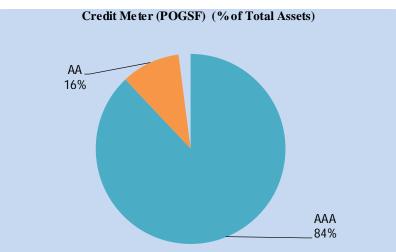
Investment Committee Members

Mr. Awais Masood-CEO / MD Mr. Malik Faiz Rasool-Fund Manager - Equity Mr. Imran Rahim Khan-Fund Manager-Fixed Income

Fund Commentary

POGSF posted a return of 30.69% against its benchmark of 8.70% for the month of December 2014. On FYTD basis, fund posted a return of 8.58% against its benchmark of 8.93%. This outstanding monthly return is due to the reason that the fund is invested in longer term 3 years PIB as the market is foreseeing a possible 50-100 bps DR cut in the upcoming monetary policy. Currently fund is 10% invested in cash and 84 % invested in govt. securities (TBills & PIBS) and 6% other receivables.

Cre dit Meter (POGSF) (% of Total Assets)				
AAA		84%		
AA		16%		



Receivable not accounted for 6.00%

Racic	Fund	Inform	ation

Type of Scheme Open-end Nature of Scheme Income Inception Date July 28, 2011 Fund Size PRs. 64.304 Million Current NAV PRs.10.552 Per unit Benchmark 70% 6M T bill PKRV rates and 30% average most recent published

3 months deposit rates of A+ and above rated 3 schedule banks

Dealing Day/cut off time Mon-Fri 9:00am / 3:30pm

Pricing Mechanism Forward Front end load

Trustee MCB Financial Services Ltd. Auditor A.F. Fergusons 7 Co.

Management Fee 1.10% p.a

Disclosure (As per Circular 17 of 2012) The scheme has maintained provision against WWF amounting to Rs. 1.25 million. If the above recognition had not been made, the net asset value per unit of the Scheme would be higher by 0.20 per unit / 1.94 percent. For details, investors are advised to read Note 6 of latest financial Statements of the Scheme.

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Pak Oman Advantage Fund (POAF)

Fund Commentary

POAF posted a return of 12.36% for the month of December 2014 against its benchmark of 9.65%. On FYTD basis, fund posted a return of 9.53% against its Benchmark of 10.00%. This better monthly return is mainly due to the impact of mark to market revaluation of TFC/Sukuks and investments in Government Securities (PIBS AND TBILLS) as per expectation of a possible 50-100 bps DR cut in the upcoming monetary policy.





POAF Pak Oman Advantage Fund (POAF)



Pak Oman Advantage Asset Allocation Fund (POAAAF)



Pak Oman Islamic Asset Allocation Fund (POIAAF)



Pak Oman Advantage Islamic Income Fund (POAIIF)

Head Office

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