

**PAKOMAN**  
ASSET  
MANAGEMENT



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**Financial** *Pulse*

## **Monthly Newsletter** **November 2014**

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# PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

November 2014

## Fund's Portfolio Investment Information

Asset Allocation	(% of Total Assets)	
	Nov 14	Oct 14
Cash	62.01	21.71
Stock / Equities	27.74	22.02
TFCs / Sukuks	6.43	6.60
Others including receivables	3.82	3.97
T-Bills	-	45.70
Leverage	-	-

Equity Sector Allocation	(% of Total Assets)	
	Nov 14	Oct 14
Construction & Materials	8.27	2.50
Pharma & Biotech	4.16	2.13
Household Goods	4.14	3.92
Personal Goods	3.05	1.50
Oil & Gas	2.56	6.86
Commercial Bank	1.54	1.02
Food Producers	1.51	0.66

## 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** Moderate - High

**AMC Rating** AM3- JCR-VIS

**Fund Ranking** 2 Star (Short Term) PACRA  
1 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

POAAAF witnessed a return of 3.07% in November 2014 against 1.76% return of benchmark on MoM basis, which reflects an outperformance of benchmark by 131 basis points. On YTD basis, the fund witnessed a return of 4.75% slightly up against benchmark return of 4.71%. During the month under review, investment in Construction and Materials sector was increased from 2.50% to 8.27% on the back of higher dispatches, lower coal prices and expectation of lower inflation. On the other hand, investment in Oil & Gas sector was decreased from 6.86% to 2.56% on the back of reduction of crude oil prices in international market. During the month of November 2014, sectors with major exposure were Construction & Materials, Pharma & Biotech, Households Goods, Personal Goods and Oil & Gas with exposure of 8.27%, 4.16%, 4.14%, 3.05% and 2.56% respectively.

## Asset Allocation

### Top Equity Holding (% of Assets)

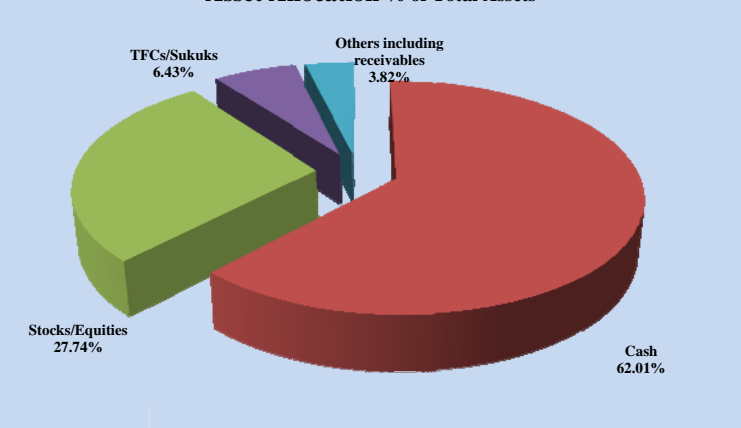
	Nov 14
D. G. Khan Cement	5.80
Pak Electron Ltd.	4.14
Searle Pakistan Ltd.	3.03
Fecto Cement	2.48
Attock Refinery	1.71
Indus Dyeing & Mfg Co.	1.46
Agritech Limited	1.33
Crescent Steel & Allied Products	1.17
Highnoon (Lab)	1.13
Nishat Chunian Ltd.	1.05

## Fund Returns

	POAAAF	BM*
Year-to-Date (YTD) %	4.75	4.71
Month-on Month (MoM)%	3.07	1.76

\*Benchmark 50% KSE-100 index + 50% average 6M KIBOR

## Asset Allocation % of Total Assets



## Basic Fund Information

Type of Scheme	Open-end
Nature of Scheme	Asset Allocation
Inception Date	Oct 30, 2008
Fund Size	PRs. 106.23 Million
Current NAV	PRs. 53.11 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 compliant investment	Type of Investment	Value of investment before Provision	Provision (if any)	Value of investment before Provision	% of Gross Asset		% of Net Asset	
					Before Provision	After Provision	Before Provision	After Provision
Azgard Nine	Non. Performing	5,420,660	5,420,660	-	4.86	-	5.10	-

**Disclosure** (As per Circular 17 of 2012) The scheme has maintained provision against WWF amounting to Rs. 2.04 million. If the above recognition had not been made, the net asset value per unit of the Scheme would be higher by 1.02 per unit / 1.92 percent. For details, investors are advised to read Note 6 of latest financial Statements of the Scheme.

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# PAK OMAN ISLAMIC ASSET ALLOCATION FUND

November 2014

## Fund's Portfolio Investment Information

Asset Allocation	(% of Total Assets)	
	Nov 14	Oct 14
Cash	55.40	63.93
Stock / Equities	22.34	15.67
Others including receivables	12.61	9.79
TFCs/SUKUK	9.65	10.61
Leverage	-	-

Equity Sector Allocation	(% of Total Assets)	
	Nov 14	Oct 14
Construction & Material	10.20	3.38
Pharma & Biotech	6.17	2.69
Oil and Gas	3.65	8.20
Industrial Metal & Mining	1.77	-
Food Producers	1.71	-
Personal Goods	1.04	-
-	-	-

## 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 a return of 2.66% in November 2014 against 1.41% return of benchmark on MoM basis, which reflects an outperformance of benchmark by 125 basis points. On YTD basis, the fund witnessed a return of 6.03% against benchmark return of 3.65% which reflects an outperformance of 238 basis points. During the month under review, investment in Construction and Materials sector was increased from 3.38% to 10.20% on the back of higher dispatches, lower coal prices and expectation of lower inflation. On the other hand, investment in Oil & Gas sector was decreased from 8.20% to 3.65% on the back of reduction of crude oil prices in international market. During the month of November 2014, sectors with major exposure were Construction & Materials, Pharma & Biotech, Oil & Gas, Industrial Metal & Mining and Food Producers with exposure of 10.20%, 6.17%, 3.65%, 1.77% and 1.71% respectively.

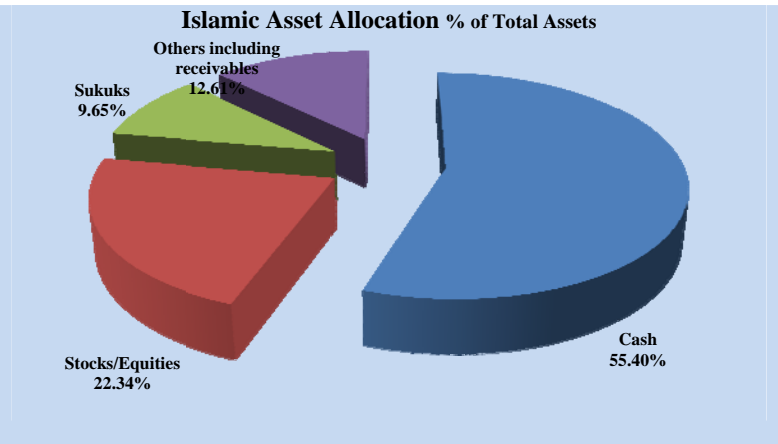
## Asset Allocation

Top Equity Holding (% of Assets)	Nov 14
D.G Khan Cement	7.15
Searle Pakistan Ltd.	3.66
Attock Refinery Ltd.	2.22
Fecto Cement	2.14
Highnoon (Lab)	1.95
Crescent Steel & Allied Products	1.61
Engro Foods Ltd	1.56
Pakistan Petroleum Ltd.	1.10
Nishat Mills	0.95

## Fund Returns

	POIAAF	BM*
Year-to-Date (YTD) %	6.03	3.65
Month-on Month (MoM)%	2.66	1.41

\*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.113.15 Million
Current NAV	PRs. 56.43 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

**Disclosure** (As per Circular 17 of 2012) The scheme has maintained provision against WWF amounting to Rs. 2.08 million. If the above recognition had not been made, the net asset value per unit of the Scheme would be higher by 1.03 per unit / 1.83 percent. For details, investors are advised to read Note 6 of latest financial Statements of the Scheme.

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# PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

November 2014

## Fund's Portfolio Investment Information

Asset Allocation	(% of Total Assets)	
	Nov 14	Oct 14
Cash	97.00	96.94
Ijarah	-	-
Sukuks	-	-
Others including receivables	2.99	3.06
Leverage	-	-

## Fund Returns

	POAIF	BM*
Year-to-Date (YTD) %	5.55	7.04
Month-on Month (MoM)%	5.47	6.99
Last 365 days %	4.71	6.93
Last 3 Years %	5.49	6.75
Since Inception%	7.74	6.99
*Benchmark 6 Month average deposit rates of 4 Islamic Banks		
Duration		1.00 day
Weighted Average Maturity		0.03 months

## 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

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.

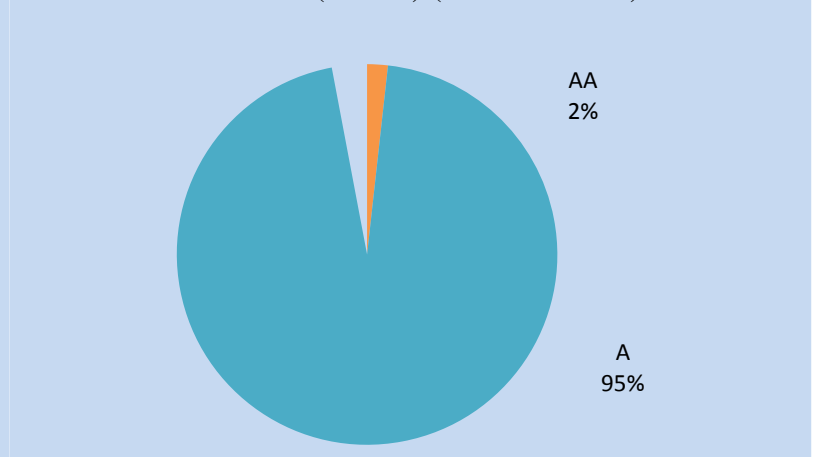
## Fund Commentary

POAIF posted a return of 5.47% against its benchmark of 7% for the month of November 2014. On FYTD basis a fund posted a return of 5.55% against its benchmark of 7%. This return is due to the reason that fund is currently 97.00% invested in cash and cash equivalents and 2.99% in other receivables.

## Credit Meter (POAIF) (% of Total Assets)

AA	1.76
A	95.26

## Credit Meter (POAIF) (% of Total Assets)



Receivable accounted for 2.99%

## Basic Fund Information

Type of Scheme	Open-end
Nature of Scheme	Shariah Compliant Income
Inception Date	Oct 30, 2008
Fund Size	PRs.146.257 Million
Current NAV	PRs.52.8216 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.
Management Fee	1.75% p.a

## Disclosure

(As per Circular 17 of 2012)

The scheme has maintained provision against WWF amounting to Rs. 2.435 million. If the above recognition had not been made, the net asset value per unit of the Scheme would be higher by 0.88 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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# PAK OMAN GOVERNMENT SECURITIES FUND

November 2014

## Fund's Portfolio Investment Information

Asset Allocation	(% of Total Assets)	
	Nov 14	Oct 14
Cash	10.0	4.95
T-Bill	24.0	93.50
TFCs / Sukuks/PIBs	64.0	0.00
Others including receivables	2.0	1.54
Leverage	-	-

## Credit Meter (POGSF) (% of Total Assets)

AAA	88%
AA	10%

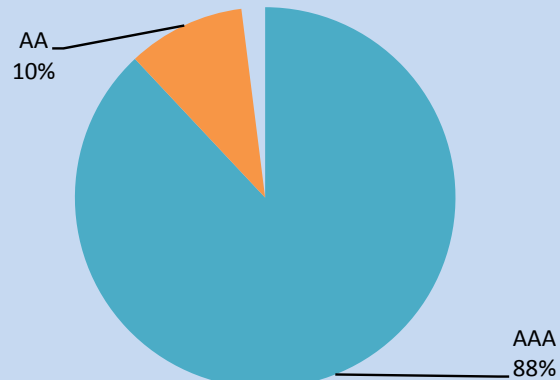
## Fund Returns

	POGSF	BM*
Year-to-Date (YTD) %	3.55	8.77
Month-on Month (MoM)%	-1.07	8.97
Last 365 days %	5.82	8.96
Last 3 Years %	7.03	8.75
Since Inception%	8.16	8.97

\*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	722 days
Weighted Average Maturity	24.05 months

## Credit Meter (POGSF) (% of Total Assets)



Receivable not accounted for 2.00%

## Investment Objective

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- 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

POGSF posted a return of -1.07% against its benchmark of 8.77% for the month of November 2014. On FYTD basis, fund posted a return of 3.55% against its benchmark of 8.97%. This depressed return is due to mark to market revaluation of PIBs as the fund is invested in longer term 3years PIB. The fund will soon realize healthy capital gains as the market is foreseeing a possible 50-100 bps DR cut. Currently fund is 10% invested in cash and 88 % invested in govt. securities(TBills & PIBS) and 2% other receivables.

## Basic Fund Information

Type of Scheme	Open-end
Nature of Scheme	Income
Inception Date	July28, 2011
Fund Size	PRs. 62.55 Million
Current NAV	PRs.10.2671 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	Nil
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. 1.201 million. If the above recognition had not been made, the net asset value per unit of the Scheme would be higher by 0.197 per unit / 1.92 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 4.70% for the month of November 2014 against its benchmark of 9.67%. On FYTD basis, fund posted a return of 7.31% against 10.05%. This return is mainly due to the impact of mark to market revaluation of TFC/ Sukuks and investments in Government Securities.



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)

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