

**Investment philosophy**

JS IF is an income fund that aims to preserve investor's capital while providing a regular stream of current income on an annual basis which is higher than that offered by commercial banks on deposits of a similar liquidity profile as this fund. The fund operates a diverse portfolio of investment-grade debt securities, government securities and money market instruments. The fund maintains liquidity in the form of spread transactions and bank deposits.

**Key information**

Fund type	Open end
Category	Income Fund
Fund launch date	26 August, 2002
Fund Assets (PKR mn)	908.33
NAV (PKR)	88.44
Benchmark	BM IF <sup>1</sup>
Management fee	1.50%
Front-end Load	1.00%
Pricing mechanism	Forward
Trustee	MCB Financial Services Ltd
Dealing Days & Cut-off time	(Monday to Friday) 3:00 p.m
Auditor	Ernst & Young Ford Rhodes Sidat Hyder
Risk profile	Low To Medium
Listing	LSE
PACRA Rating	AA-(F)
Leverage	NIL
AMC Rating	In Progress

**Performance (%)**

Annualised performance <sup>2</sup>

	1M	6M	1Y	3Y	Launch
Fund	9.22	-24.43	-8.47	3.82	7.71
Benchmark	6.60	6.77	9.45	11.48	7.89
Difference	2.62	-31.20	-17.92	-7.66	-0.18

**Monthly performance (%)**

Annualised performance <sup>2</sup>

	FY11	FY10	FY09	FY08	FY07
Jul	9.22	9.32	13.22	9.96	9.71
Aug		10.48	11.26	9.58	9.45
Sep		13.41	13.88	8.94	10.35
Oct		37.73	14.68	10.09	9.07
Nov		-0.12	-27.24	8.86	10.31
Dec		0.57	14.41	8.56	11.13
Jan		4.78	12.43	10.09	10.61
Feb		11.66	15.08	8.43	9.96
Mar		-23.36	38.90	9.32	8.81
Apr		17.69	9.58	9.84	11.78
May		-72.06	15.35	9.58	8.69
Jun		-36.52	15.62	10.48	9.96
YTD <sup>2</sup>	9.22	-7.83	11.58	9.64	10.15
Benchmark <sup>2</sup>	6.60	9.13	14.23	10.61	9.98
Difference	2.62	-16.96	-2.65	-0.97	0.17

**Details of Non Compliant Investment**

Name of Investment	Type	Value before provision	Provision held (if any)	Value after provision	% of Net Assets	% of Gross Assets
Azgard Nine Ltd.	TFC	13,275,428	7,244,730	6,030,698	0.66	0.64
Dewan Cement Ltd	TFC	50,000,000	49,990,000	10,000	0.00	0.00
Maple leaf Cement Factory Ltd.	Sukuk	244,896	171,464	73,432	0.01	0.00

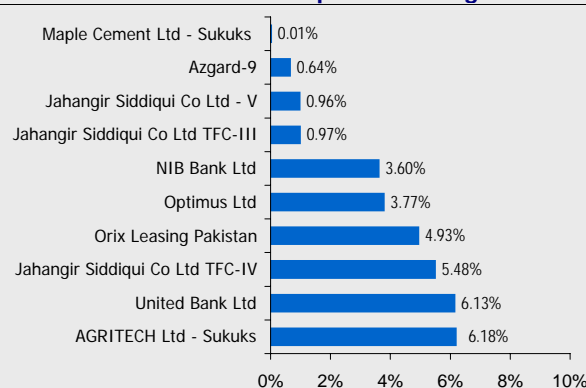
**Fund manager's review**

For the month of July 2010, JSIF yielded an annualized YTD return of 9.22% as compared to the benchmark of 6.60%. We have decreased our exposure to Treasury Bills and TFCs/ Sukuk's in the month of July 2010 by allocating 29.82% of the portfolio as compared to the previous month's allocation of 41.73%.

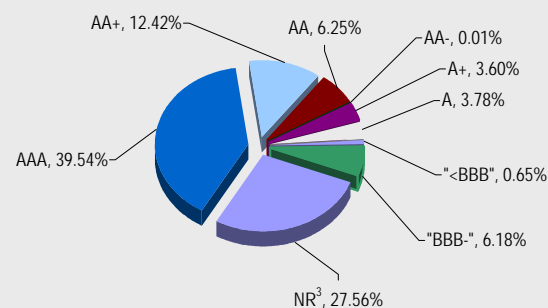
**Asset allocation (%)**

	Jul-10	Jun-10
Term Fin. Certificates/ Sukuks	32.68	42.17
Treasury bills	29.82	41.73
PIBs	9.71	8.94
Cash	0.23	5.45
Other	27.56	1.71
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

**TFCs/Sukuks allocation - Top Ten Holding**



**Asset quality (%age of total assets)**



**Statistical analysis**

	Fund	Benchmark
Beta	0.4	1.0
Standard Deviation	5.0%	1.2%
Largest Month Gain	3.7%	1.2%
Largest Month Loss	-10.3%	0.0%
% Positive Months	91.7%	100.0%
Weighted Avg. Maturity (Yr)	1.98	

**Investment Committee Members**

Mr. Rashid Mansur - Chief Executive Officer  
 Mr. Suleman Lalani - Executive Director & CFO  
 Mr. Syed Rehan Mobin - Fund Manager

**Contact us**

JS Investments Limited  
 Toll Free: 0800 - 00887  
 E-mail: [ir@jsil.com](mailto:ir@jsil.com)  
 Website: [www.jsil.com](http://www.jsil.com)

<sup>1</sup> From Jan'10, the benchmark was changed from 1M KIBOR to the Average of most recent published 3-month deposit rates of top 3 scheduled Commercial Bank by deposit size

<sup>2</sup> Annualized performance return is based as per MUFAP stated methodology.

<sup>3</sup> NR= Non Rated.