

NEWSLETTER – JANUARY & FEBRUARY 2010

Dear Investors,

We wish that the beginning of 2010 has been for you as exciting and rewarding as it has been for all of us at KASB FUNDS.

The end of 2009 saw us ride out of the financial storm and launch the KASB CASH FUND and the beginning of this year heralded a new chapter in the mutual fund industry of Pakistan with KASB FUNDS's pioneering initiative of launching for you the Country's first Mutual Fund investing in the lucrative and ever popular asset class "GOLD".

While most Pakistani households have some exposure to gold through jewellery, it is only now finding favour as an investment option for Pakistani investors who have traditionally invested in property, national savings, bank deposits, stocks, TFCs or mutual funds. After the dramatic rise in gold prices in the last 5 years, investors have started to take notice. Rise in local gold prices has been due to a combination of an increase in international gold prices as well as Rupee depreciation, both of which have been substantial in the last 5 years as cumulative figures illustrated in the table below.

	1 yr	2 yr	5 yr
USD Gold	33%	38%	164%
PKR Gold	41%	87%	271%

To capitalize on the expected increase in gold prices, KASB Funds has launched KASB Capital Protected Gold Fund (KCPGF) that would be investing upto 19% of its size in gold while the rest would be invested in a Term Deposit leading to capital protection for investors. Thus, KCPGF provides investors:

- Exposure to the international price of gold
- Exposure to USD/PKR exchange rate
- Principal protection
- All the advantages of investing through a mutual fund structure.

The KASB CAPITAL PROTECTED GOLD FUND (KCPGF) was launched amongst much fanfare backed with a memorable media campaign that was aimed at our investors to better understand and relate with this advantageous new product and the astounding response says it all.

The IPO of KCPGF was launched on the 16th of February and was to end on 25th February but investor demand helped us **extend the closing date to the 19th of March 2010**.

If you aren't invested in the KASB CAPITAL PROTECTED GOLD FUND yet, Call us now and we'll show you how this Golden Opportunity can add another golden nugget to your investment portfolio.

Every day we at your asset management company are striving constantly to do more and do better for you. We are always available for any queries that you may have or for more customised investment solutions and advice, call us on 111-535-535 to talk to your friendly investment advisors or you can also email us at goldfund@kasb.com.

Regards,
Marketing Team