



JS FUND OF FUNDS (JS FOF)

MUTUAL FUND RATING (APRIL 2008)

NORMAL: ★★★★★ (4-STAR)
LONG-TERM Not Applicable

FUND: JS Fund of Funds (Formerly UTP – Fund of Funds)

FUND CATEGORY: Fund of Funds

FUND TYPE: Open-end

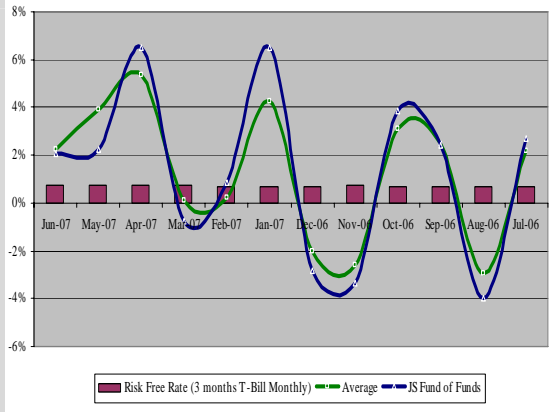
LAUNCH DATE: October 2005

ASSET MANAGER: JS Investments Limited (Formerly JS ABAMCO Limited)

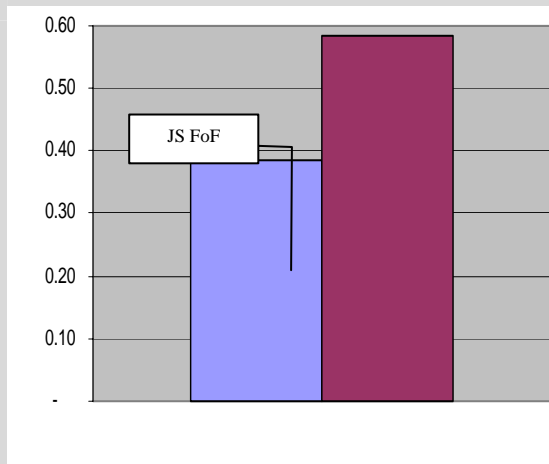
ASSET MANAGER RATING: AM2+ (by PACRA)

TRUSTEE Central Depository Company of Pakistan (CDC)

ABSOLUTE RETURN – MONTHLY



SHARPE RATIO (FY-07)



RATING

The star ratings measure the performance of the funds not only on the returns given by these funds over the period of analysis but also on the risk – measured by variability in return over monthly periods. The rating of a fund is comparable only to ratings of other funds in the same category. A fund of funds means a fund that mainly invests in other funds with such investments forming at least around 50% of its net assets at all time.

PACRA assigns two types of star ratings, differentiated based on period of review; (i) normal star ratings based on performance during the trailing 12 months, and (ii) long-term star ratings based on performance during the trailing 36 months period.

JS FoF (Category: fund of funds, open-end) has been assigned 4-star rating (normal) based on the performance during FY07. As the fund is launched in October 2005, it has a history of shorter than the requisite three years at end-Jun'07; hence, a long-term rating is not applicable.

ASSET MANAGER

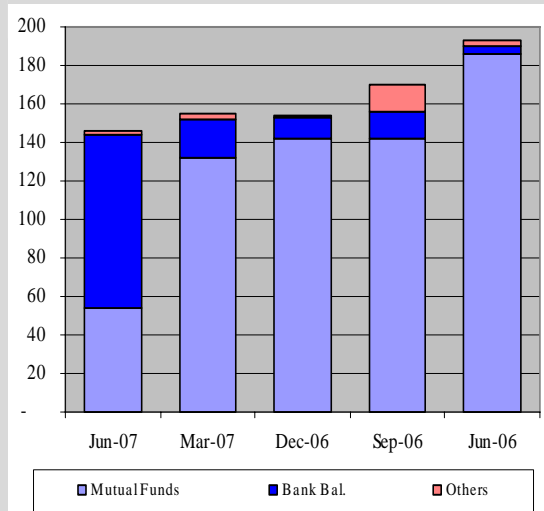
Incorporated in 1995, JS Investments Limited (JSIL) is the leading private sector asset management company in Pakistan. It is a subsidiary of Jahangir Siddiqui & Company Limited, JSCL, (52% shareholding at end-Dec07). Starting as a traditional securities firm, JSCL now functions as a holding company for Jahangir Siddiqui (JS) Group for its interest within the financial sector - brokerage, asset management, and banking. The Group also has investments in major industries namely the textiles, fertilizer, technology & media, commercial real estate, energy & natural resources and aviation. JSIL went public on March 21, 2007 with some members of the JS family divesting a portion of their holding through an offer for sale.

The seven-member BoD is reasonably diverse in terms of background and experience. The Chief Executive of JSIL, Mr. M. Najam Ali, is a Chartered Accountant with extensive exposure to the financial sector. The position of Chief Investment Officer (CIO) is currently vacant following the departure of the previous CIO in mid-07. The Investment Committee (IC) works under the guidance of the CEO in the interim. The fund manager of JS FoF is an MBA having reasonable experience in the financial sector.

JSIL has an asset manager rating of 'AM2+', which reflects the company's very strong capacity to manage the risks inherent in asset management. The company offers a wide range of mutual funds with varying risk/return profiles. Currently, the company is managing fourteen funds – eleven open-end and three closed-end – with assets under management aggregating to over PKR 40bln. JSIL has launched a pension saving scheme, having three underlying sub-funds. After launching a range of plain vanilla funds including balanced, income, equity, and Islamic, the company is focusing upon specialized products to tap specific investor needs.

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ASSET ALLOCATION



HOLDINGS (30-JUNE-07)

Entity	Holding as a %age of total portfolio
UTP Islamic Fund	44.2%
AKD Opportunity Fund	33.1%
Meezan Islamic Fund	22.8%
	100.0%

Total Equity Portfolio (PKR mln) 41
Equity Portfolio / Total Assets 27.9%

UNIT HOLDING PATTERN (30-JUN-07)

Category	%
Individuals	13.6%
Corporates	20.7%
Financial Institutions	33.8%
Pension/Provident Fund & others	31.9%
	100.0%

ANALYST

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PERFORMANCE

The Fund, as per its mandate, invests in a variety of funds. While the fund remained invested heavily in funds for most of FY07, the exposure has subsequently been reduced towards the year-end. The funds, thus released, were mainly deployed in bank balances. The gross redemption from investors exceeded the fresh investor interest in the fund during FY07 and the already small size of the fund contracted further.

While the fund's return during FY07 was comparable to peers, it exhibited high volatility as reflected by a low Sharpe ratio.

INVESTMENT OBJECTIVE AND METHODOLOGY

JS FoF is a fund of funds that aims for long-term capital appreciation for the investor, while diversifying the asset manager risk bundled together with the benefits of an asset allocation fund. The fund operates a diverse portfolio of equity, balanced, fixed income and money market funds (both open and closed ended) with the option to adjust the asset mix as equity markets rise or fall and the economy strengthens or weakens.

To reduce dependence on external resources and avoid conflict of interest with other group companies, JSIL has strengthened the composition of its Investment Committee (IC) after which the reference shareholder (JSCL) has been sufficiently distanced from the investment function. The IC, comprising the CEO, Chief Operating Officer (COO), the CIO (as the position is vacant, the CEO is looking after the role in the interim), Executive Director, Head of Research and Head of Business Planning and Development, is responsible for macro-level planning including asset allocation and overall investment policy. The fund manager, in consultation with CIO, executes the investment decisions under the broad guidelines prescribed by the IC.

RATING SCALE

- ☆☆☆☆☆ Superior Performance
- ☆☆☆☆ Good Performance
- ☆☆☆ Average Performance
- ☆☆ Weak Performance
- ☆ Poor Performance