

Dawood Family Takaful Limited

1701-A, Saima Trade Towers, I.I.Chundrigar Road, Karachi UAN: 111-338-786 Fax: (92-21) 3227188

Participant Investment Funds Fund Performance Report - September 30, 2009

Shariah Compliant Balanced Fund



Shariah Compliant Income Fund



DFTL-Shariah Compliant Unit Linked Investment Funds

	Balanced	Income
Net Asset Value Per Unit (Rs) at inception December 1, 2008	100	100
NAV Per Unit (Rs) as at September 30, 2009	112.19	109.87
Annualized Return since inception	14.62 %	11.85%
Asset allocation	Balanced	Income
Sukuks (Shariah compliant investment certificates)	90.72%	-
Shariah Compliant Bank Deposits	-	89.41%
Riba free account with Islamic Banks	9.28%	10.59%

Commentary

The investment committee follows best Asset Allocation policy specify maximum and minimum limits according to which fund is invested in a particular asset class. The range of allocation provides flexibility in investment decision based on prevailing market condition.

The net asset value (NAV) of the Fund is calculated on weekly basis. Weekly analysis of the NAV since inception to September 30, 2009 reveals that performance of the Funds is really impressive especially at time when world economy is facing terrible financial and liquidity crises.

Since inception, both the funds have achieved excellent profitability and growth rates and management is confident to maintain the same growth rate although since inception SBP discount rate has considerably declined.

'Shariah Compliant Balance Fund represents a balanced diversified investment fund. It was established with initial capital of Rs 5 million on December 1, 2008. The investment portfolio of the Fund is invested in balanced portfolio of Shariah Compliant equities and Shariah Compliant instruments with consistent returns. The fund provides balance mix of income returns as well as capital growth over the medium to long term by investing in high quality Shariah Compliant instruments with consistent returns and high growth equity securities. Capital growth with moderate level of income over medium to long run will be the prime driver for investment management. The fund is suitable to investors who are willing to accept moderate to high level of volatility in return for potential capital growth over the medium to long run.

'Shariah Compliant Income Fund represents a stable diversified investment fund. It was established with initial capital of Rs 5 million on December 1, 2008. The investment portfolio of the Fund is invested in Shariah Compliant Islamic investment certificates, cash and riba free short term money market instruments and income-yielding equities complying with Shariah principles. The fund provides moderate level of income with some potential for capital growth over the medium to long term by investing in high quality Shariah Compliant instruments with consistent returns. Stability of return and protection of principal over a long term investment horizon will be the prime driver for investment management. The fund is suitable to investors who are willing to accept low to moderate level of risk with stable returns.