



DAWOOD CAPITAL MANAGEMENT LIMITED

TREASURE CHEST - NOVEMBER 2011

PAKISTAN ECONOMIC UPDATES

Economic Outlook

State Bank says that government borrowing rose by 55% to Rs 267.3 billion in the first four months as compare to the last year of the same period from the banking system for budgetary support. Conditions at the Railways deteriorated and it ran out of cash and could not pay salaries and pensions to its employees and pensioners, triggering protests. The Cabinet approval to grant India the 'MFN' status dominated much of the headlines with the expectations that it will boost trade between the two rival countries. On the other hand, rupee hit a record low while due to import payments the foreign exchange reserves saw a declined in the month of November to stand at 16.88 billion. The Oil and Gas Regulatory Authority has raised the prices of various petroleum products. The government provided Pakistan Steel Mills Rs 6 billion as immediate relief to avert any shutdown process.

Stock Market Review:

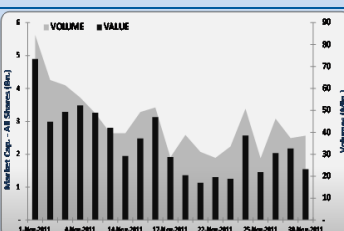
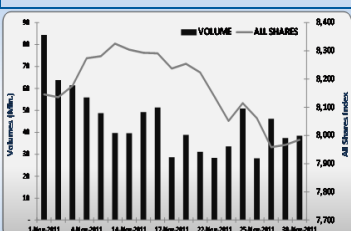
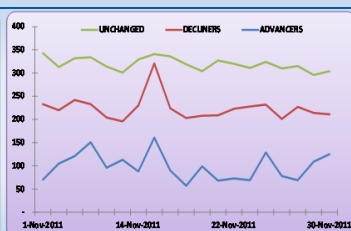
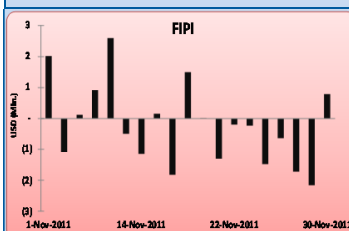
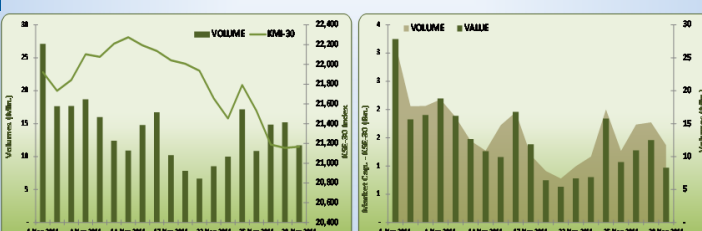
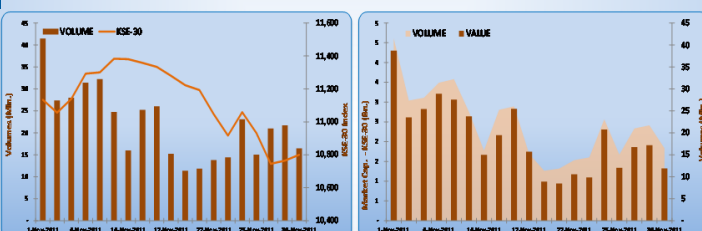
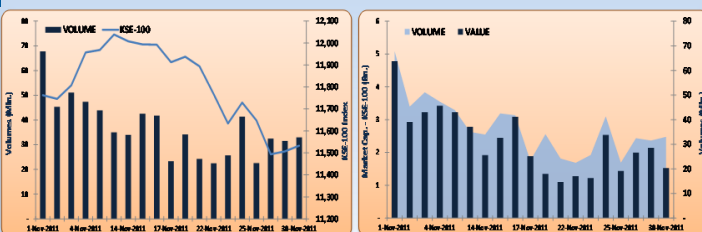
Due to political uncertainty, twist and turn in the relations with America after NATO attacks the stock market remained on the down side to close down at 2.8% in this month. The index witnessed extremely thin activity with trade volumes and traded values at record low levels. The teetering global economy particularly the weakening EURO zone also affected the local bourse. Even the expectations of lowering the discount rate by some analysts could not give much rise to the stock market. As long as there is not much improvement in the US-Pak relations and calmness in the mysterious memo issue along with other political issues so until then market is not expected to do much.

Fixed Income / Money Market Review

Due to tight liquidity, the money market rates remained on the higher side. Private banks continued to lend the government which must have deprived private sector borrowings from the bank. During the middle of the month heavy participation was witnessed in the Treasury bills (T-bills) auction on November 16, which fetched over Rs 200 billion worth of bids. During the last day of the month government sold treasury bills worth Rs108 billion in an auction. The central bank accepted the bids of Rs108.37 billion in three-, six- and twelve-month maturities against total bids worth Rs283.77 billion. The SBP had set a target of Rs100 billion for the auction. The cut-off yields in all the three maturities have come down when compared with cut-off yield in the auction held on November 16.

STOCK MARKET STATISTICS

Index	Nov-11	Oct-11	Return	Avg. Vol.	Avg. Val.		Nov-11	Oct-11
KSE-100	11,532.83	11,868.88	-2.83%	36.82	2.33	Avg. Vol.	45.04 M	91.83 M
KSE-30	10,800.24	11,243.40	-3.94%	21.92	2.11	Mkt. Cap.	3.00 B	3.10 B
KMI-30	21,166.76	22,166.78	-4.51%	13.95	1.47	FIPI	\$ (4.19) M	\$ (82.20) M
All-Shares	7,984.53	8,215.84	-2.82%	45.04	2.37	6M KIBOR	11.91%	12.27%



INVESTMENT COMMITTEE

Tara Uzra Dawood	Chief Investment Officer
Syed Kabiruddin	Member
Muhammad Abbas	Fund Manager Fixed Income
Muhammad Aslam	Assistant Fund Manager Equity
Zeehan Swalaheen	Research Associate

CUTT-OFF TIMINGS OF FUNDS

	Cut-Off Timings		
	Business Day	Business Hours	Cut-Off Timings
DMF	Monday - Friday	9:00 AM - 5:00 PM	9:00 AM - 5:00 PM
	Saturday	9:00 AM - 1:30 PM	9:00 AM - 1:30 PM
DIF	Monday - Friday	9:00 AM - 5:00 PM	9:00 AM - 12:00 PM
	Saturday	9:00 AM - 1:30 PM	9:00 AM - 12:00 PM

DAWOOD CAPITAL MANAGEMENT LIMITED

5B Lakson Square Building No. 1, Sarwar Shaheed Road, Karachi-74200, Pakistan
 Tel: (92 21) 35621001-6 Fax: (92 21) 35621010
 Email: dcm@firstdawood.com
 URL: www.edawood.com

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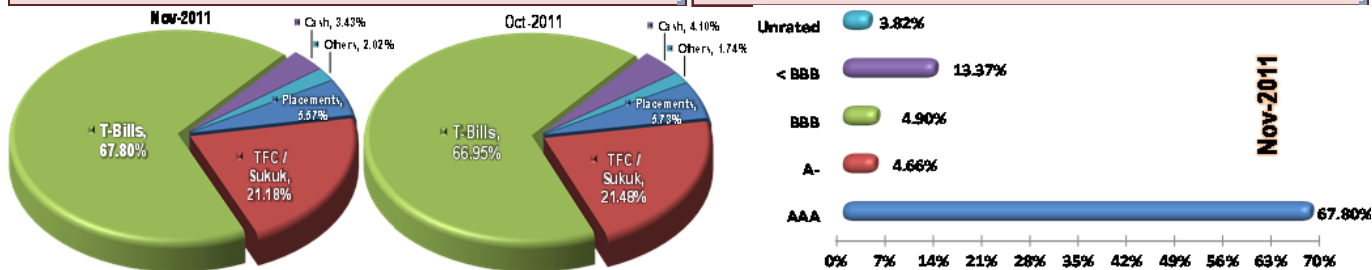


DAWOOD INCOME FUND (FORMERLY DAWOOD MONEY MARKET FUND)

TREASURE CHEST - NOVEMBER 2011

FUND STATISTICS		PERFORMANCE STATISTICS	
Name of Fund	Dawood Income Fund <i>(Formerly Dawood Money Market Fund)</i>	Net Assets	PKR 486.61 Mn
Structure	Open End	NAV	PKR 77.0117
Industry Category	Fixed Income	Wt. Avg. Time To Maturity	0.78 Years
Benchmark	Avg. 6 Month KIBOR	Standard Deviation	0.25%
Trustee & Custodian	MCB Financial Services Limited	Sharpe Ratio	0.22
Auditor	Ernst & Young Ford Rhodes	Information Ratio	0.16
Registrar	Gangjees Registrar Services (Pvt.) Ltd.	VAMI	1.06
Legal Advisor	Bawaney & Partners	Returns	
Launch Date	19-May-2003	Nov-2011	Oct-2011
Listing	KSE	DIF (DMMF)	9.79% 15.95%
Duration	Perpetual	Benchmark	11.91% 12.27%
Management Fee	1.00% per annum	Alpha	-2.12% 3.68%
Sales Load	1% Front End	HISTORIC RETURNS	
Pricing Mechanism	Forward	1 Month	3 Months
Leverage	Nil	6 Months	YTD
Risk Profile	Medium	9.79%	13.40%
AMC Rating	AM3-	16.56%	14.11%
Stability Rating	A- (f)	INVESTMENT OBJECTIVE	
To preserve the investor's capital while providing a return greater than that offered by other investments of similar risk profile through investments in a portfolio of money market instruments.			

Asset Mix	Nov-2011	Oct-2011	Credit Quality	Nov-2011	Oct-2011
Placements	5.57%	5.73%	AAA	67.80%	66.95%
TFC / Sukuk	21.18%	21.48%	A-	4.66%	4.84%
T-Bills	67.80%	66.95%	BBB	4.90%	4.92%
Cash	3.43%	4.10%	< BBB	13.37%	13.60%
Others	2.02%	1.74%	Unrated	3.82%	3.85%



DETAILS OF NON COMPLIANT INVESTMENT						
Name of Investment	Type	Value Before Provision	Provision (if any)	Value After Provision	% Net Assets	% Gross Assets
Escort Investment Bank Ltd. - TFC 15-03-07	TFC	552,570	-	552,570	0.11%	0.11%
Pace Pakistan Limited - TFC 15-02-08	TFC	9,403,856	-	9,403,856	193%	192%
Dewan Cement Ltd.	TFC	150,000,000	150,000,000	-	0.00%	0.00%
Invest Capital and Investment Bank Ltd. - TFC 05-09-07	TFC	30,000,000	15,000,000	15,000,000	3.08%	3.06%
Invest Capital and Investment Bank Ltd. - TFC 12-05-08	TFC	15,569,441	9,341,665	6,227,776	1.28%	1.27%
Eden Housing Ltd. - SUKUK 31-03-08	SUKUK	7,067,179	-	7,067,179	1.45%	1.44%
New Allied Electronics Industries Ltd. TFC 15-05-07	TFC	25,433,190	25,433,190	-	0.00%	0.00%
Kohat Cement Company Ltd. - SUKUK 13-12-07	SUKUK	18,747,459	-	18,747,459	3.85%	3.82%
Invest Capital Investment Bank Ltd.	COM	37,500,000	10,163,873	27,346,127	5.62%	5.57%
Trust Investment Bank Ltd.	COI	8,041,359	8,041,359	-	0.00%	0.00%
Total		302,315,054	217,970,086	84,344,967	17.33%	17.19%

DIF(DMMF) TOP TEN DEBT SECURITIES		
Investee Company	Type	%
Invest Capital Investment Bank Limited	COM	5.62%
Trust Investment Bank Limited	TFC	4.94%
Avari Hotels (Pvt) Limited	TFC	4.70%
Kohat Cement Company Limited	SUKUK	3.85%
Invest Capital and Investment Bank Limited	TFC	3.08%
Pace Pakistan Limited	TFC	1.93%
Eden Housing Limited	SUKUK	1.45%
Invest Capital and Investment Bank Limited	TFC	1.28%
Escort Investment Bank Limited	TFC	0.11%
Total		26.97%

FUND MANAGER'S COMMENTS

During the month, your fund shown a return of 9.79% pa and YTD return is still impressive 14.11%. DIF has completely liquid fund having major investments in short term T-Bills. Dawood Income Fund will continue to follow the same momentum in upcoming months as well.



DAWOOD ISLAMIC FUND

TREASURE CHEST - NOVEMBER 2011

FUND STATISTICS

Name of Fund	Dawood Islamic Fund
Structure	Open End
Industry Category	Islamic Asset Allocation
Benchmark	25% KMI-30 + 75% Savings Rate
Shariah Advisors	Prof. Mufti Munib-ur-Rehman Mufti Syed Sabir Hussain Mufti Zahid Siraj
Trustee & Custodian	CDC Pakistan Limited
Auditor	Ernst & Young Ford Rhodes
Registrar	Gangjees Registrar Services (Pvt.) Ltd.
Legal Advisor	Bawaney & Partners
Launch Date	14-Jul-2007
Listing	KSE
Duration	Perpetual
Management Fee	1.50% per annum
Sales Load	1.50% Front End
Pricing Mechanism	Forward
Risk Profile	Medium
AMC Rating	AM3-

PERFORMANCE STATISTICS

Net Assets	PKR 336.36 Mn
NAV	PKR 104.3469
Wt. Avg. Time To Maturity	1.45 Years
Standard Deviation	0.59%
Sharpe Ratio	(0.96)
Sortino Ratio	(2.50)
Information Ratio	0.11
VAMI	1.03

Returns	Nov-2011	Oct-2011
DIF	0.29%	0.15%
Benchmark	-0.82%	1.31%
Alpha	1.11%	-1.17%

HISTORICAL RETURNS

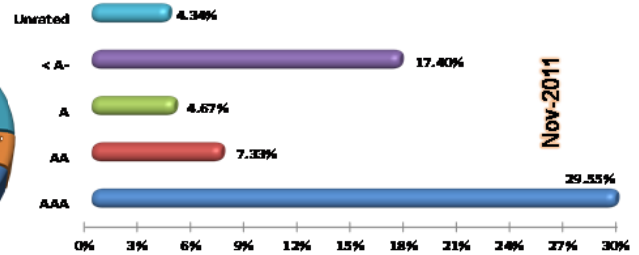
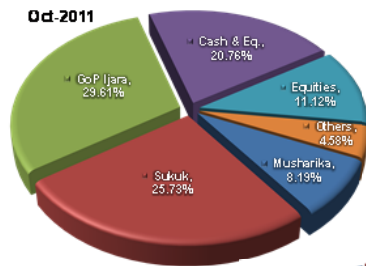
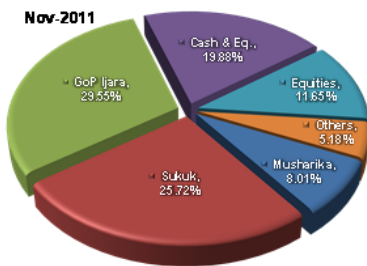
1 Month	3 Months	6 Months	YTD
0.29%	1.99%	-1.87%	2.54%

INVESTMENT OBJECTIVE

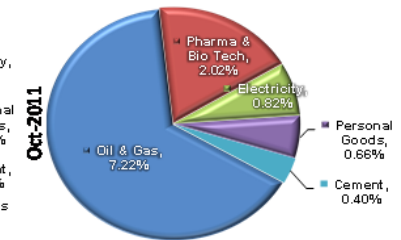
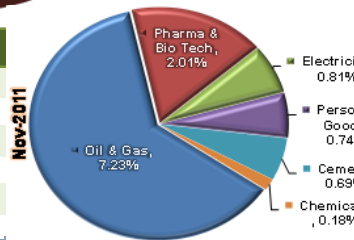
To provide Riba-Free "*Halal Munafa!*" to investors by investing maximum 25% of net assets in equities, while the high percentage of non-equity income provides stability.

Asset Mix	Nov-2011	Oct-2011
Musharika	8.01%	8.19%
Sukuk	25.72%	25.73%
GoP Ijara	29.55%	29.61%
Cash & Eq.	19.88%	20.76%
Equities	11.65%	11.12%
Others	5.18%	4.58%

Credit Quality	Nov-2011	Oct-2011
AAA	29.55%	29.61%
AA	7.33%	7.34%
A	4.67%	4.64%
< A-	17.40%	17.60%
Unrated	4.34%	4.35%



Equity Allocation	Nov-2011	Oct-2011
Oil & Gas	7.23%	7.22%
Pharma & Bio Tech	2.01%	2.02%
Electricity	0.81%	0.82%
Personal Goods	0.74%	0.66%
Cement	0.69%	0.40%
Chemicals	0.18%	0.00%



DETAILS OF NON COMPLIANT INVESTMENT

Name of Investment	Type	Value Before Provision	Provision (if any)	Value After Provision	% of Net Assets	% Gross Assets
Maple Leaf Cement Factory Limited	SUKUK	30,731,362	-	30,731,362	9.14%	9.01%
Maple Leaf Cement Factory Limited	SUKUK	1,295,469	-	1,295,469	0.39%	0.38%
New Allied Electronics Industries Limited	SUKUK	5,027,500	5,027,500	-	0.00%	0.00%
Kohat Cement Company Limited	SUKUK	14,796,732	-	14,796,732	4.40%	4.34%
Invest Capital Investment Bank Ltd.	COM	37,500,000	10,163,872	27,336,128	8.13%	8.01%
Total		89,351,062	15,181,372	74,169,690	22.05%	21.74%

DIF TOP TEN DEBT SECURITIES

Investee Company	Type	%
Gop Ijarah	SUKUK	29.55%
Maple Leaf Cement Factory Limited	SUKUK	9.01%
Invest Capital Investment Bank Limited	COI	8.01%
Engro Fertilizer Limited	SUKUK	7.33%
Pak Elektron Limited	SUKUK	4.67%
Kohat Cement Company Limited	SUKUK	4.34%
Maple Leaf Cement Factory Limited	SUKUK	0.38%
Total		63.29%

FUND MANAGER'S COMMENTS

During the month, DIF NAV increased by 0.29% as compared to its benchmark which was decreased by 0.82%. Thus DIF outperformed its benchmark by 1.11%. Exposure in GoP Ijarah SUKUK and blue chip stocks gave support during pressurized market conditions. Dawood Islamic Fund is still an extremely attractive investments for investors looking to take advantage of capital gains.

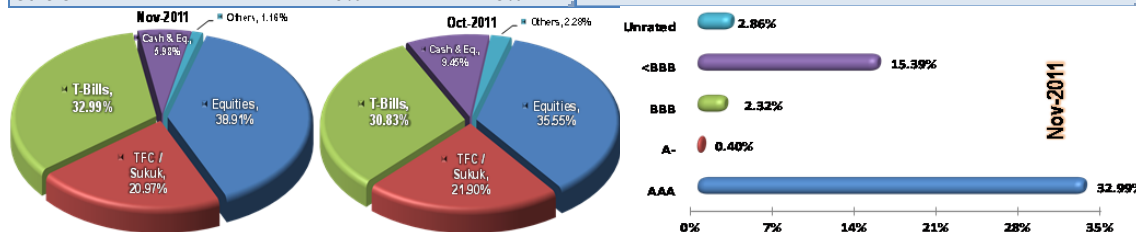


FIRST DAWOOD MUTUAL FUND

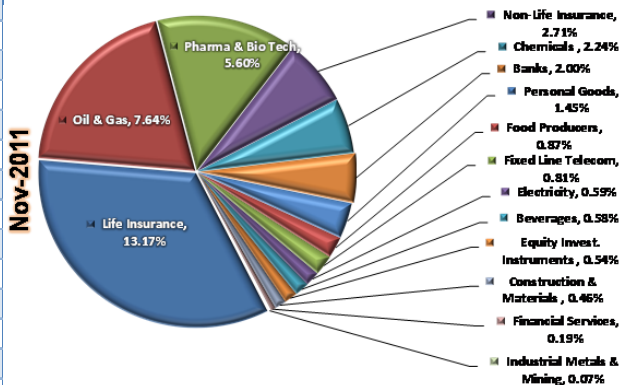
TREASURE CHEST - NOVEMBER 2011

FUND STATISTICS		PERFORMANCE STATISTICS			
Name of Fund	First Dawood Mutual Fund	Net Assets	PKR 512.50 Mn		
Structure	Closed End	NAV	PKR 8.82		
Industry Category	Balanced	Wt. Avg. Time To Maturity	0.87 Years		
Benchmark	50% KSE-100 + 50% Avg. 6 M KIBOR	Standard Deviation	3.00%		
Trustee & Custodian	CDC Pakistan Limited	Sharpe Ratio	(0.58)		
Auditor	Ernst & Young Ford Rhodes	Sortino Ratio	(0.75)		
Registrar	FD Registrar Services Pvt. Limited	Information Ratio	(0.51)		
Legal Advisor	Bawaney & Partners	VAMI	0.97		
Launch Date	23-Mar-2005	Returns	Nov-2011	Oct-2011	
Listing	KSE	FDMF	-2.97%	1.22%	
Management Fee	2.00% per annum	Benchmark	-0.92%	0.97%	
Pricing Mechanism	Forward	Alpha	-2.05%	0.26%	
Risk Profile	Medium - High	HISTORICAL RETURNS			
AMC Rating	AM3-	1 Month	3 Months	6 Months	YTD
		-2.97%	1.44%	-6.54%	-3.38%
		INVESTMENT OBJECTIVE			
		To preserve the investor's capital while providing a return greater than that offered by other investments of similar risk profile through investments in a mixed portfolio of money market, fixed income and stocks.			

Asset Mix	Nov-2011	Oct-2011	Credit Quality	Nov-2011	Oct-2011
Equities	38.91%	35.55%	AAA	32.99%	30.83%
TFC / Sukuk	20.97%	21.90%	A-	0.40%	0.39%
T-Bills	32.99%	30.83%	BBB	2.32%	2.18%
Cash & Eq.	5.98%	9.45%	<BBB	15.39%	16.62%
Others	1.16%	2.28%	Unrated	2.86%	2.70%



Equity Allocation	Nov-2011	Oct-2011
Life Insurance	13.17%	12.82%
Oil & Gas	7.64%	5.92%
Pharma & Bio Tech	5.60%	5.30%
Non-Life Insurance	2.71%	2.76%
Chemicals	2.24%	1.70%
Banks	2.00%	2.15%
Personal Goods	1.45%	1.32%
Food Producers	0.87%	0.72%
Fixed Line Telecom	0.81%	0.80%
Electricity	0.59%	0.51%
Beverages	0.58%	0.55%
Equity Invest. Instruments	0.54%	0.44%
Construction & Materials	0.46%	0.25%
Financial Services	0.19%	0.25%
Industrial Metals & Mining	0.07%	0.06%



DETAILS OF NON COMPLIANT INVESTMENT						
Name of Investment	Type	Value Before Provision	Provision (if any)	Value After Provision	% Net Assets	% Gross Assets
Escort Investment Bank Limited	TFC	1,105,140	-	1,105,140	0.22%	0.2%
Telecard Limited	TFC	6,826,313	2,047,894	4,778,419	0.93%	0.92%
Maple Leaf Cement Factory Limited	SUKUK	37,917,143	-	37,917,143	7.40%	7.33%
Maple Leaf Cement Factory Limited	SUKUK	1,598,214	-	1,598,214	0.31%	0.31%
Pace Pakistan Limited	TFC	6,717,040	-	6,717,040	1.3%	1.30%
B.R.R. Guardian Modaraba	SUKUK	18,515,625	-	18,515,625	3.6%	3.58%
Amtext Limited	SUKUK	22,500,000	3,500,000	9,000,000	1.76%	1.74%
Invest Capital and Investment Bank Limited	TFC	19,461,809	19,461,809	-	0.00%	0.00%
New Allied Electronics Industries Limited	TFC	7,366,577	7,366,577	-	0.00%	0.00%
Kohat Cement Company Limited	SUKUK	14,796,732	-	14,796,732	2.89%	2.86%
Total		136,804,593	42,376,280	94,428,313	18.43%	18.24%

FDMF TOP TEN DEBT SECURITIES		
Investee Company	Type	%
Maple Leaf Cement Factory Limited	SUKUK	7.40%
B.R.R. Guardian Modaraba	SUKUK	3.61%
Kohat Cement Company Limited	SUKUK	2.89%
Trust Investment Bank Limited	TFC	2.35%
Amtext Limited	SUKUK	1.76%
Pace Pakistan Limited	TFC	1.31%
Telecard Limited	TFC	0.93%
Avani Hotels (Pvt) Limited	TFC	0.41%
Maple Leaf Cement Factory Limited	SUKUK	0.31%
Escort Investment Bank Limited	TFC	0.22%
Total		21.18%

FUND MANAGER'S COMMENTS

During the month, FDMF had a return of -2.97% against the benchmark of -0.92%. Thus FDMF underperformed by 2.05%. This was due to the vulnerable stock market conditions which we hope will recover in long run.