

# Atlas funds

*Nurturing your investments*

Atlas Stock Market Fund

---

**THIRD QUARTER REPORT**

---

March 31, 2008

---

**(UN-AUDITED)**



Management Company

**Atlas Asset Management**

Rated AM3+by PACRA



### **Vision**

To be a market leader in providing quality fund management services with customer satisfaction as our premier goal.

### **Mission Statement**

We are committed to offering our investors the best possible returns on a diverse range of products; to meeting not only the customers' current and future requirements, but also exceeding their expectations. We aim to be the company with which people prefer to do business. We are committed to providing a stimulating and challenging environment in which all our people can be valuable contributors to the achievement of our vision, while achieving career progression and job satisfaction. We recognize that our success comes from our people. We are committed to the highest ethical and fiduciary standards and firmly believe that by placing the best interests of our clients first, we will also serve the best interest of our employees, our shareholders, and the communities in which we operate.

## **CONTENTS**

---

ORGANIZATION	2
CHAIRMAN'S REVIEW	4
INTERIM CONDENSED STATEMENT OF ASSETS AND LIABILITIES	5
INTERIM CONDENSED INCOME STATEMENT	6
INTERIM CONDENSED DISTRIBUTION STATEMENT	7
INTERIM CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS	8
INTERIM CONDENSED CASH FLOW STATEMENT	9
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS	10

---

# Atlas Stock Market Fund

## ORGANIZATION

### Management Company

Atlas Asset Management Limited

---

### Board of Directors of the Management Company

Chairman	Mr. Yusuf H. Shirazi
Vice Chairman & Chief Executive Officer Directors	Mr. M. Habib-ur-Rahman Mr. Michael Ferrer (w.e.f. March 4, 2008) Mr. Peter A. Smyth (uptil March 3, 2008) Mr. Tariq Amin Mr. M. P. Bhandara Mr. Frahim Ali Khan (w.e.f. October 10, 2007) Mr. Jawaid Iqbal Ahmed (uptil October 9, 2007)
Executive Director	Mr. Ali H. Shirazi
Company Secretary	Ms. Lilly R. Dossabhoy

---

## BOARD COMMITTEES

---

### Audit Committee

Chairman	Mr. Tariq Amin
Members	Mr. Michael Ferrer (w.e.f. March 4, 2008) Mr. Peter A. Smyth (uptil March 3, 2008) Mr. Frahim Ali Khan (w.e.f. October 10, 2007) Mr. Jawaid Iqbal Ahmed (uptil October 9, 2007)

---

### Human Resource Committee

Chairman	Mr. Frahim Ali Khan (w.e.f. October 10, 2007)
Members	Mr. Tariq Amin (uptil October 9, 2007) Mr. M. Habib-ur-Rahman Mr. Ali H. Shirazi

---

### Investment Committee

Chairman	Mr. M. Habib-ur-Rahman
Members	Mr. Frahim Ali Khan Mr. Tim Julien Mr. Ali H. Shirazi Mr. Muhammad Abdul Samad Mr. Khurram Aftab Ahmed Mr. Khalid Mahmood

---

### Management Committee

Chairman	Mr. M. Habib-ur-Rahman
Members	Mr. Ali H. Shirazi Ms. Lilly R. Dossabhoy Mr. Muhammad Abdul Samad Mr. Hassan Khan Syed Zeeshan Ali

---

# Third Quarter Report 2007-08

## ORGANIZATION

### Group Executive Committee

President	Mr. Aamir H. Shirazi
Members	Mr. Frahim Ali Khan
	Mr. Jawaid Iqbal Ahmed
	Mr. Iftikhar H. Shirazi
	Mr. Saquib H. Shirazi
	Mr. Bashir Makki

---

### Group Systems & Technology Committee

Chairman	Mr. Iftikhar H. Shirazi
Members	Mr. Zia Ullah Begg
	Syed Zeeshan Ali

---

### Trustee

Central Depository Company of Pakistan Limited  
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal  
Karachi - 74400

---

### Chief Internal Auditor

Mr. Saood Hasan

---

### Auditors

Ford Rhodes Sidat Hyder & Co.  
Chartered Accountants

---

### Legal Advisers

Mohsin Tayebaly & Co.

---

### Bankers

Atlas Bank Limited  
Bank Alfalah Limited  
KASB Bank Limited  
MCB Bank Limited  
Saudi Pak Commercial Bank Limited  
Soneri Bank Limited  
NIB Bank Limited

---

### Registered Office

Ground Floor, Federation House, Sharae Firdousi  
Clifton, Karachi - 75600  
Tel: (92-21) 111-MUTUAL (111-6-888-25)  
(92-21) 5379501-04  
Fax: (92-21) 5379280  
Email: info@atlasfunds.com.pk  
Website: www.atlasfunds.com.pk

---

# Atlas Stock Market Fund

## CHAIRMAN'S REVIEW

It is my pleasure to present the accounts for the nine months period ended March 31, 2008, of the financial year 2007-08.

### The Economy

Pakistan's economy continues to show its strength despite challenges at domestic and international economic environment - higher commodity prices and rising oil import bill resulting in inflationary pressure and trade imbalances. Adequate policy action by the government is likely to overcome these issues. The State Bank of Pakistan strives to keep inflation at its targeted level while keeping growth prospects of the economy through its prudent and timely use of monetary policy instruments and other related measures.

### Fund Operations

During the nine months period of FY07-08, the KSE-100 index increased by 9.83% from 13,772 as on June 30, 2007 to 15,125 as on March 31, 2008. The KSE- 100 index during the period was largely driven by the commodity sectors as the higher international commodity prices resulted in higher margins which helped the Refinery, OMCs and Fertilizer sectors to outperform the market. The banking sector performed decently well, despite one time provisioning impact.

The Net Asset Value per unit of the Fund has increased by 11.1%, from Rs. 595.84 per unit to Rs 662.00 per unit as of March 31, 2008. The Equity Portfolio exposure was mainly in Oil & Gas Exploration & Production, Banking, and Fertilizer Sectors. The Earnings per Unit stood at Rs.82.29 during the period under review.

### Fund Rating

The Pakistan Credit Rating Agency Limited has maintained the asset manager rating of "AM3+" assigned to the Company. The rating reflects the Company's strong capacity to manage the risks inherent in asset management and the asset manager meets high investment management industry standards and benchmarks.

PACRA has assigned a "4 star" rating to the Fund .This reflects a good performance relative to its peers. The "4 star" rating is a composite measure of returns and risk associated with the returns, measured by Sharpe Ratio.

### Future Prospects

The market was considerably volatile during the first half of FY07-08, however, managed to bounce back and remained largely range bound in the third quarter of FY07-08. Going forward, broad based economic reforms would definitely lead to sustainable economic growth and will help overcome the economic challenges. The Fund has built up its investment portfolio with strong ability to capitalize the economic growth.

ع کہ تیرے فرماؤں میں اور بھی ہیں

We look beyond horizons

### Acknowledgement

I would like to thank the Securities & Exchange Commission of Pakistan, the Board of Directors, the Group President, Mr. Aamir H. Shirazi and the Group Executive Committee for their guidance. I also thank ING for their continuing support. I thank the CEO, Mr. M. Habib-ur-Rahman, and his team for their sincerity of purpose. I also thank the unit holders for their confidence reposed in the Fund.



Yusuf H. Shirazi  
Chairman

Karachi: April 28, 2008


# Third Quarter Report 2007-08


## INTERIM CONDENSED STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT MARCH 31, 2008

		March 31, 2008 Un-audited ----- Rupees -----	June 30, 2007 Audited -----
	Note		
<b>ASSETS</b>			
Cash at banks	4	247,420,691	248,985,046
Balances due from brokers		2,213,655	1,850,940
Receivable against Continuous Funding System		-	170,242,040
Investments at fair value through profit or loss	5	1,441,326,275	1,149,711,423
Dividend receivable		9,267,387	4,272,500
Advances, prepayments & other receivables		62,277	29,777
Mark-up accrued		2,066,489	1,260,460
Security deposits	6	3,600,000	1,100,000
<b>TOTAL ASSETS</b>		<b>1,705,956,774</b>	<b>1,577,452,186</b>
<b>LIABILITIES</b>			
Payable to unit holders against redemption of units		305,655	9,514,541
Balances due to brokers		25,793,404	9,595,886
Accrued and other liabilities		508,766	759,678
Payable to Atlas Asset Management Limited - Management Company	7	4,288,828	33,805,481
Payable to Central Depository Company of Pakistan Limited - Trustee		234,330	202,205
Payable to Securities and Exchange Commission of Pakistan (SECP)		1,182,088	1,508,799
<b>TOTAL LIABILITIES</b>		<b>32,313,071</b>	<b>55,386,590</b>
<b>COMMITMENTS</b>		<b>-</b>	<b>-</b>
<b>NET ASSETS</b>		<b>1,673,643,703</b>	<b>1,522,065,596</b>
<b>Unitholders' funds (as per statement attached)</b>		<b>1,673,643,703</b>	<b>1,522,065,596</b>
		(No. of units)	
<b>Number of units in issue</b>		<b>2,528,150</b>	<b>2,187,372</b>
		(Rupees per unit)	
<b>Net Asset Value per unit</b>		<b>662.00</b>	<b>695.84</b>

The annexed notes 1 to 11 form an integral part of these interim condensed financial statements.

For Atlas Asset Management Limited  
(Management Company)

  
M. Habib-ur-Rahman  
Vice Chairman &  
Chief Executive Officer

  
Yusuf H. Shirazi  
Chairman

  
Tariq Amin  
Director

# Atlas Stock Market Fund

## INTERIM CONDENSED INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2008

	For the nine months ended March 31,		For the quarter ended March 31,	
	2008 Un-audited	2007 Un-audited	2008 Un-audited	2007 Un-audited
----- Rupees -----				
<b>INCOME</b>				
Mark-up income	17,533,760	29,326,827	5,389,794	9,294,612
Dividend income	43,795,657	39,530,271	14,315,588	9,489,446
Income on transactions in future market	-	23,231	-	-
Net gain on sale of investments	52,044,401	109,006,337	35,281,342	54,113,640
Unrealised gain on revaluation of investments at fair value through profit or loss	103,557,029	71,890,470	116,429,088	71,747,335
Element of income and capital gains included in price of units sold less those in units redeemed	(6,506,122)	(77,988,401)	(48,832,717)	(39,087,122)
	<b>210,424,725</b>	<b>171,788,735</b>	<b>122,583,095</b>	<b>105,557,911</b>
<b>EXPENDITURE</b>				
Remuneration of the Management Company	35,462,767	35,727,952	12,236,153	10,490,067
Remuneration of the Trustee	1,935,519	1,941,689	657,189	596,246
Annual fee - SECP	1,182,088	1,190,932	407,874	349,669
Bank and settlement charges	66,848	226,902	39,868	69,906
Annual listing fee	22,500	22,500	7,500	7,500
Annual rating fee	75,000	75,000	25,000	25,000
Legal and professional charges	66,666	76,000	25,000	12,500
Auditors' remuneration	307,450	230,000	137,750	60,000
Brokerage, Commission and Capital Value Tax	1,813,049	1,893,921	690,597	257,990
Printing charges	126,560	-	126,560	-
	<b>41,058,447</b>	<b>41,384,896</b>	<b>14,353,491</b>	<b>11,868,878</b>
<b>Net income for the period</b>	<b>169,366,278</b>	<b>130,403,839</b>	<b>108,229,604</b>	<b>93,689,033</b>
<b>Earnings per unit</b>	<b>66.99</b>	<b>61.24</b>	<b>42.81</b>	<b>44.00</b>

The annexed notes 1 to 11 form an integral part of these interim condensed financial statements.

For Atlas Asset Management Limited  
(Management Company)



M. Habib-ur-Rahman  
Vice Chairman &  
Chief Executive Officer



Yusuf H. Shirazi  
Chairman



Tariq Amin  
Director



# Third Quarter Report 2007-08

## INTERIM CONDENSED DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2008

	For the nine months ended March 31,	
	2008	2007
Note	Un-audited Rupees -----	
<b>Undistributed income brought forward</b>	<b>417,655,567</b>	<b>372,652,253</b>
Issue of Bonus units for the period @ Rs. 100 (2006 : Rs. 125) per unit 9	(218,737,154)	(289,447,467)
Net income for the period	169,366,278	130,403,839
<b>Undistributed income carried forward</b>	<b><u>368,284,691</u></b>	<b><u>213,608,625</u></b>

The annexed notes 1 to 11 form an integral part of these interim condensed financial statements.

For Atlas Asset Management Limited  
(Management Company)



M. Habib-ur-Rahman  
Vice Chairman &  
Chief Executive Officer



Yusuf H. Shirazi  
Chairman



Tariq Amin  
Director

# Atlas Stock Market Fund

INTERIM CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2008

	For the nine months ended March 31, 2008		For the quarter ended March 31, 2007	
	Un-audited Units	Un-audited Rupees	Un-audited Units	Un-audited Rupees
Net assets at the beginning of the period	2,187,372	1,522,065,596	2,315,580	1,534,738,648
Amount received on issue of units	400,005	240,926,600	724,537	404,280,585
Amount paid on redemption of units	(378,098)	(236,479,066)	(1,448,876)	(868,556,651)
	21,908	4,447,534	(724,339)	(464,276,066)
Element of income and capital gains included in prices of units sold less those in units redeemed	-	6,506,122	-	77,988,401
Issue of bonus units for the period	318,870	-	538,217	-
Cash payout against distribution for the period	-	(28,741,827)	-	-
Net income for the period	-	169,366,278	-	130,403,839
<b>Net assets at the end of the period</b>	<b>2,528,150</b>	<b>1,673,643,703</b>	<b>2,129,458</b>	<b>1,278,854,822</b>
<b>Net assets at the end of the period consist of:</b>				
Capital account		1,305,359,012		1,065,246,197
Undistributed income carried forward		368,284,691		213,608,625
		<b>1,673,643,703</b>		<b>1,278,854,822</b>

The annexed notes 1 to 11 form an integral part of these interim condensed financial statements.

For Atlas Asset Management Limited  
(Management Company)



M. Habib-ur-Rahman  
Vice Chairman &  
Chief Executive Officer



Yusuf H. Shirazi  
Chairman



Tariq Amin  
Director

# Third Quarter Report 2007-08

## INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2008

	Note	For the nine months ended March 31,	
		2008 Un-audited ----- Rupees -----	2007 Un-audited ----- Rupees -----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period		169,366,278	130,403,839
<b>Adjustments for:</b>			
Unrealised gain on revaluation of investments at fair value through profit or loss		(103,557,029)	(71,890,470)
Net gain on sale of investments		(52,044,401)	(109,006,337)
Element of income and capital gains included in prices of units sold less those in units redeemed		6,506,122	77,988,401
Remuneration of the Management Company		35,462,767	35,727,952
Remuneration of the Trustee		1,935,519	1,941,689
Cash generated from operations before working capital changes		57,669,256	65,165,074
<b>Changes in operating assets</b>			
Balances due from brokers		(362,715)	(1,604,250)
Receivable against continuous funding system		170,242,040	(180,039,085)
Dividend receivable		(4,994,887)	1,970,000
Advances, prepayments & other receivables		(32,500)	3,146,854
Mark-up accrued		(806,029)	(265,828)
		164,045,909	(176,792,309)
<b>Changes in operating liabilities</b>			
Payable to unit holders		(9,208,886)	9,960
Balances due to brokers		16,197,518	1,421,039
Accrued and other liabilities		(250,912)	156,143
Payable to Management Company against sales load		(532,525)	(396,693)
Payable to Trustee		(5,783)	8,570
Payable to SECP		(326,711)	(55,598)
		5,872,701	1,143,421
Remuneration paid to Management Company		(64,446,895)	(37,395,963)
Remuneration paid to Trustee		(1,897,611)	(1,947,242)
Security deposit		(2,500,000)	(1,000,000)
		(68,844,506)	(40,343,205)
Cash generated from/(used in) operating activities		158,743,360	(150,827,019)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of investments		(1,478,605,387)	(567,236,952)
Sale of investments		1,342,591,965	1,011,907,399
Cash (used in)/generated from investing activities		(136,013,422)	444,670,447
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts in respect of issue of units		240,926,600	404,280,585
Paid on redemption of units		(236,479,066)	(868,556,651)
Cash payout against distribution for the period		(28,741,827)	-
Cash used in financing activities		(24,294,293)	(464,276,066)
Net decrease in cash and cash equivalents		(1,564,355)	(170,432,638)
Cash and cash equivalents at the beginning of the period		248,985,046	316,165,831
Cash and cash equivalents at the end of the period	4	<b>247,420,691</b>	<b>145,733,193</b>

The annexed notes 1 to 11 form an integral part of these interim condensed financial statements.

### For Atlas Asset Management Limited (Management Company)



M. Habib-ur-Rahman  
Vice Chairman &  
Chief Executive Officer



Yusuf H. Shirazi  
Chairman



Tariq Amin  
Director

# Atlas Stock Market Fund

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN - AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2008

### 1. LEGAL STATUS AND NATURE OF BUSINESS

Atlas Stock Market Fund (the Fund) is an open ended Fund constituted by a trust deed entered into on May 29, 2004 between Atlas Asset Management Limited (AAML) as the management company and Central Depository Company of Pakistan Limited (CDC) as trustee.

Units of the Fund are offered for public subscription on a continuous basis since November 23, 2004, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Lahore Stock Exchange (Guarantee) Limited.

The objective of the Fund is to provide investors one window facility to invest in a diversified portfolio of equity securities offering consistent returns and growth. The Fund aims to deliver this objective mainly by investing in equity securities of companies that are paying regular dividend, have growth prospects or are actively traded. Any amounts which have not been invested in equity securities may be invested in corporate debt instruments or Government securities or placed in money market instruments, reverse repurchase agreements or future transactions. The investment objectives and policy are more fully defined in the Fund's Offering Document. The Trust Deed and Offering Document were revised on June 21, 2005, July 24, 2006, October 29, 2007, and March 6, 2008, with the approval of the Securities and Exchange Commission of Pakistan (SECP).

The investment activities and administration are managed by AAML situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.

### 2. BASIS OF PREPARATION

- 2.1 These interim condensed financial statements have been prepared in accordance with International Accounting Standard - 34 " Interim Financial Reporting" as applicable in Pakistan.
- 2.2 The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2007.
- 2.3 On November 21, 2007 the SECP has notified Non-Banking Finance Companies and Notified Entities Regulations, 2007 (the Regulations) containing revised disclosure requirements for financial statements of collective investment schemes. However, as per clarification received by Mutual Funds Association of Pakistan from the SECP, such requirements have not been adopted in these interim condensed financial statements.

### 3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim condensed financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2007.

	March 31, 2008	June 30, 2007
	Un-audited	Audited
Note	----- Rupees -----	-----

### 4. CASH AT BANKS

In PLS deposit accounts	4.1	<u>247,420,691</u>	<u>248,985,046</u>
-------------------------	-----	--------------------	--------------------

- 4.1 These carry rates of return ranging between 2.5% to 9.20% (June 30, 2007: 1.30% to 10%) per annum and include balance of Rs.33,277,855 (June 30, 2007: Rs.246,307,397) with Atlas Bank Limited (a related party).

# Third Quarter Report 2007-08

	March 31, 2008	June 30, 2007
	Un-audited	Audited
Note	----- Rupees -----	----- Rupees -----

## 5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Investments - held for trading - listed

5.1

1,441,326,275

1,149,711,423

### 5.1 INVESTMENTS - HELD FOR TRADING

Name of the investee company	Number of shares					Market Value as at March 31, 2008	Percentage of investment in relation to net assets of the Fund
	As at July 01, 2007	Purchases during the period	Bonus/Right Issue during the period	Sales during the period	As at March 31, 2008		
						Rupees	%

All holdings are in shares of Rs. 10/- each as otherwise stated.

#### Investment Banks/ Companies/ Securities

Arif Habib Securities Limited	-	210,000	-	135,000	75,000	13,233,750	0.79
Pakistan Industrial Credit and Investment Corporation Limited	115,000	-	-	115,000	-	-	-
	115,000	210,000	-	250,000	75,000	13,233,750	0.79

#### Commercial Banks

Allied Bank Limited	50,000	259,500	9,000	202,500	116,000	13,978,000	0.84
Askari Bank Limited	240,225	149,800	-	390,025	-	-	-
Bank Alfalah Limited	230,040	751,000	40,259	606,000	415,299	22,446,911	1.34
Habib Bank Limited	-	182,200	-	157,200	25,000	6,875,000	0.41
MCB Bank Limited	235,000	475,700	-	505,700	205,000	85,177,500	5.09
National Bank of Pakistan	371,000	135,800	37,500	131,800	412,500	96,112,500	5.74
NIB Bank Limited	-	75,000	-	75,000	-	-	-
Standard Chartered Bank Pakistan Limited	-	30,000	-	30,000	-	-	-
The Bank of Punjab	262,875	466,200	20,997	750,072	-	-	-
United Bank Limited	256,512	165,000	21,253	289,000	153,765	24,371,753	1.46
	1,645,652	2,690,200	129,009	3,137,297	1,327,564	248,961,664	14.88

#### Insurance

Adamjee Insurance Company Limited	102,037	132,500	-	190,500	44,037	16,822,134	1.01
-----------------------------------	---------	---------	---	---------	--------	------------	------

#### Textile Composite

Nishat Mills Limited	155,050	75,000	-	130,000	100,050	10,750,373	0.64
----------------------	---------	--------	---	---------	---------	------------	------

#### Jute

Thal Limited (Face value Rs. 5/- per share)	-	19,500	-	-	19,500	4,782,375	0.29
--	---	--------	---	---	--------	-----------	------

#### Synthetic & Rayon

Dewan Salman Fibers Limited	35,500	-	-	35,500	-	-	-
-----------------------------	--------	---	---	--------	---	---	---

#### Cement

Attock Cement Pakistan Limited	50,000	20,000	-	70,000	-	-	-
D G Khan Cement Company Limited	115,000	335,000	-	275,000	175,000	19,775,000	1.18
Javedan Cement Company Limited	-	20,000	-	20,000	-	-	-
Lucky Cement Limited	125,000	315,000	-	340,000	100,000	13,975,000	0.84
Pakistan Cement Company Limited	-	225,000	-	175,000	50,000	535,000	0.03
	290,000	915,000	-	880,000	325,000	34,285,000	2.05

#### Refinery

Attock Refinery Limited	-	117,500	-	15,000	102,500	26,650,000	1.59
National Refinery Limited	90,000	142,500	-	115,000	117,500	39,656,250	2.37
	90,000	260,000	-	130,000	220,000	66,306,250	3.96

#### Power Generation & Distribution

Kot Addu Power Company Limited	50,000	157,700	-	36,600	171,100	8,991,305	0.54
The Hub Power Company Limited	75,000	560,000	-	125,000	510,000	16,294,500	0.97
	125,000	717,700	-	161,600	681,100	25,285,805	1.51

# Atlas Stock Market Fund

## 5.1 INVESTMENTS - HELD FOR TRADING (continued....)

Name of the investee company	Number of shares					Market Value as at March 31, 2008	Percentage of investment in relation to net assets of the Fund
	As at July 01, 2007	Purchases during the period	Bonus/Right Issue during the period	Sales during the period	As at March 31, 2008		
						Rupees	%
<b>Oil &amp; Gas Marketing Companies</b>							
Attock Petroleum Limited	50,000	126,200	7,500	88,700	95,000	52,060,000	3.11
Pakistan State Oil Company Limited	145,000	182,000	-	217,000	110,000	58,679,500	3.51
Shell Pakistan Limited	6,000	41,800	-	22,300	25,500	12,057,675	0.72
Sui Northern Gas Pipelines Limited	120,000	205,000	-	75,000	250,000	17,000,000	1.02
	321,000	555,000	7,500	403,000	480,500	139,797,175	8.35
<b>Oil &amp; Gas Exploration Companies</b>							
Oil & Gas Development Company Limited	990,000	764,500	-	704,500	1,050,000	140,595,000	8.40
Pakistan Oilfields Limited	308,000	148,000	-	90,000	366,000	134,468,400	8.03
Pakistan Petroleum Limited	365,000	225,500	38,000	128,500	500,000	130,525,000	7.80
	1,663,000	1,138,000	38,000	923,000	1,916,000	405,588,400	24.23
<b>Engineering</b>							
Pakistan Engineering Company Limited	-	2,000	-	2,000	-	-	-
<b>Automobile Assembler</b>							
Al- Ghazi Tractors Limited (Face value Rs. 5/- per share)	-	70,000	-	400	69,600	18,026,400	1.08
Indus Motor Company Limited	156,700	-	-	65,300	91,400	26,049,000	1.56
Millat Tractors Limited	-	190,500	-	82,600	107,900	32,046,300	1.91
Pak Suzuki Motor Company Limited	29,850	7,000	-	100	36,750	9,371,250	0.56
	186,550	267,500	-	148,400	305,650	85,492,950	5.11
<b>Transport</b>							
Pakistan International Container Terminal Limited	-	143,900	-	58,900	85,000	6,098,750	0.36
Pakistan National Shipping Corporation	-	50,000	-	12,300	37,700	3,089,515	0.18
	-	193,900	-	71,200	122,700	9,188,265	0.55
<b>Technology &amp; Communication</b>							
Pakistan Telecommunications Limited	609,900	630,100	-	840,000	400,000	18,160,000	1.09
NETSOL Technologies Limited	-	125,000	-	125,000	-	-	-
	609,900	755,100	-	965,000	400,000	18,160,000	1.09
<b>Fertilizer</b>							
Dawood Hercules Chemicals Limited	-	115,200	13,180	28,300	100,080	34,907,904	2.09
Engro Chemical Pakistan Limited	179,007	345,700	-	199,200	325,507	105,431,717	6.30
Engro Chemical Pakistan Limited-Right Shares	-	-	29,551	-	29,551	4,400,144	0.26
Fauji Fertilizer Bin Qasim Limited	915,000	852,500	-	417,500	1,350,000	61,222,500	3.66
Fauji Fertilizer Company Limited	465,000	137,900	-	152,900	450,000	63,225,000	3.78
	1,559,007	1,451,300	42,731	797,900	2,255,138	269,187,265	16.08
<b>Pharmaceuticals</b>							
GlaxoSmithKline Pakistan Limited	74,937	2,500	19,359	-	96,796	17,578,154	1.05
Sanofi-Aventis Pakistan Limited	-	5,800	-	5,800	-	-	-
	74,937	8,300	19,359	5,800	96,796	17,578,154	1.05
<b>Chemicals</b>							
ICI Pakistan Limited	75,000	140,000	-	110,000	105,000	21,052,500	1.26
Sitara Chemical Industries Limited	-	46,100	-	-	46,100	15,242,965	0.91
	75,000	186,100	-	110,000	151,100	36,295,465	2.17
<b>Paper &amp; Board</b>							
Packages Limited	110,000	44,500	19,500	69,000	105,000	39,611,250	2.37
						<b>1,441,326,275</b>	<b>86.12</b>

5.1.1 Cost of held for trading investments as on March 31, 2008: Rs.1,232,865,778 (June 30, 2007: Rs.889,959,805).

5.1.2 In accordance with Circular no. NBFC/ED/MISC/791 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan for the implementation of the Financial Institutions Margining System, the Fund has opted to provide collateral to the National Clearing Company of Pakistan Limited (NCCPL), as collateral against the Financial Institutions Margining System for regular trade in the form of pledge of securities. The above investments include 200,000, 500,000 and 100,000 shares of National Bank of Pakistan, Oil & Gas Development Company Limited, and Engro Chemical Pakistan Ltd. respectively, pledged with National Clearing Company of Pakistan Limited for such purpose.

# Third Quarter Report 2007-08

## 6. SECURITY DEPOSITS

This includes amount deposited with NCCPL against Institutional Delivery System Functionality for regular market trades amounting to Rs. 2.5 million (2006:Nil).

March 31, 2008	June 30, 2007
Un-audited	Audited
----- Rupees -----	

## 7. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)

Management fee	4,279,817	33,263,945
Sales load	9,011	541,536
	<u>4,288,828</u>	<u>33,805,481</u>

## 8. TAXATION

The Fund's income is exempt from income tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. As the management intends to comply with the said condition for the year ending June 30, 2008, no provision for taxation has been made in these interim condensed financial statements.

For the nine months ended	
March 31,	
2008	2007
Un-audited	Un-audited
----- Rupees -----	

## 9. TRANSACTIONS WITH CONNECTED PERSONS/RELATED PARTIES

### Atlas Asset Management Limited (Management Company)

Remuneration of the management company	35,462,767	35,727,952
Remuneration paid	64,446,895	37,395,963
Sales load	539,550	1,235,955

### Central Depository Company of Pakistan Limited (Trustee)

Trustee fee	1,935,519	1,941,689
Settlement charges	32,438	147,522

### Atlas Asset Management Company Limited - Staff Provident Fund

Bonus 182 (2007: 204) units	108,212	109,755
Sale of 1,879 (2007: Nil) units	1,150,000	-
Redemption of 2,142 (2007: Nil) units	1,414,666	-
Outstanding 1,000 (2007: 1,082) units	662,000	649,868

### Allwin Engineering Industries Limited - Employees Provident Fund

Bonus 8,416 (2007: 8,530) units	5,014,508	4,587,397
Sale of Nil (2007: 4916) units	-	3,000,000
Outstanding 58,561 (2007: 50,145) units	38,767,345	30,114,628

### Atlas Bank Limited

Interest income	6,289,887	2,070,880
Bank Charges	2,333	200
Bonus 9,633 (2007: 10,975) units	5,739,951	5,902,443
Outstanding 67,033 (2007: 58,195) units	44,375,775	34,948,954

# Atlas Stock Market Fund

For the nine months ended  
March 31,  
2008                      2007  
Un-audited              Un-audited  
----- Rupees -----

## 9. TRANSACTIONS WITH CONNECTED PERSONS/RELATED PARTIES (continued...)

### Atlas Capital Markets (Private) Limited

Brokerage commission	92,903	118,825
----------------------	--------	---------

### Atlas Fund of Funds

Bonus 11,047 (2007: 5,734) units	6,582,271	3,083,925
Sale of Nil (2007: 35,417) units	-	20,000,000
Outstanding 76,870 (2007:65,823) units	50,887,776	39,529,827

### Atlas Honda Limited

Bonus 1,176 (2007: 75,152) units	700,732	40,415,944
Sale of Nil (2007: 273,877) units	-	150,000,000
Redemption of 8,183 (2007:585,710) units	5,116,644	351,059,662
Outstanding Nil (2007: 86,647) units	-	52,035,682

### Atlas Insurance Limited

Bonus 4,514 (2007: Nil) units	2,689,462	-
Sale of 77,391 (2007: 26,895) units	49,000,000	15,000,000
Redemption of 4,514 (2007:Nil) units	2,654,119	-
Outstanding 104,286 (2007:26,895) units	69,037,324	16,151,563

### Honda Atlas Cars (Pakistan) Limited

Bonus Nil (2007: 51,984) units	-	27,907,991
Redemption of Nil (2007:275,158) units	-	170,103,298

### Shirazi Investments (Private) Limited

Bonus Nil (2007: 15,689) units	-	8,437,238
Redemption of Nil (2007:83,187) units	-	49,007,735

### Key Management Personnel of Management Company

#### Chief Executive Officer

Sale of 840 (2007:Nil) units	500,000	-
Outstanding 840 (2007:Nil) units	556,246	-

#### Directors

Bonus 7,081 (2007: 3,702) units	4,218,940	1,990,976
Sale of 6,338 (2007: 24,283) units	3,750,000	14,000,000
Redemption of 500 (2007:Nil) units	319,020	-
Outstanding 55,108 (2007: 55,189) units	36,481,456	33,143,995

#### Executives

Bonus 68 (2007: 309) units	40,526	166,367
Sale of 171 (2007: 90) units	101,882	50,000
Redemption of 340 (2007:91) units	211,410	56,395
Outstanding 304 (2007: 1,639) units	201,324	984,437

9.1 The transactions with connected persons/related parties are in the normal course of business at contracted rates and terms in accordance with market rates.

9.2 The outstanding balances of connected persons/related party are included in their respective notes to the interim condensed financial statements.



# Third Quarter Report 2007-08

## 10. DATE OF AUTHORIZATION FOR ISSUE

These interim condensed financial statements were authorized for issue by the Board of Directors of the Management Company on April 28, 2008.

## 11. GENERAL

Figures have been rounded off to the nearest rupee.

For Atlas Asset Management Limited  
(Management Company)



M. Habib-ur-Rahman  
Vice Chairman &  
Chief Executive Officer



Yusuf H. Shirazi  
Chairman



Tariq Amin  
Director

## **Atlas Asset Management Limited**

Ground Floor, Federation House, Sharae Firdousi, Clifton, Karachi - 75600

**UAN:** 111-MUTUAL (6-888-25) **Ph:** (92-21) 5379501-04 **Fax:** (92-21) 5379280

**Website:** [www.atlasfunds.com.pk](http://www.atlasfunds.com.pk)