

PSM/6291/246/08

23 April 2008

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi.



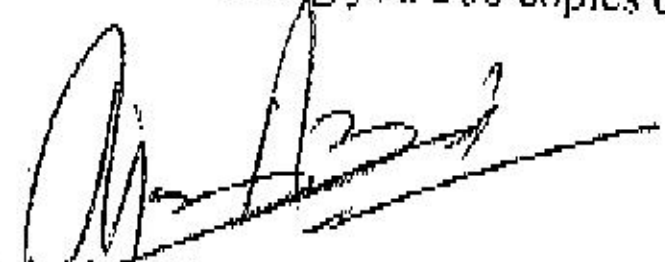
FORM-7

**PAKISTAN STOCK MARKET FUND (PSM)
FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 31ST MARCH 2008**

We are pleased to inform you that the Board of Directors of Arif Habib Investment Management Limited, (The Management Company) of Pakistan Stock Market Fund (PSM) in their meeting held on 23rd April 2008 at 3:00 P.M. at 2/1, R.Y. 16, Old Queens Road, Karachi, have approved the following financial results:

Note	Nine months ended 31st March		Quarter ended 31st March	
	2008	2007	2008	2007
	(Rupees in '000)			
Income				
Capital gain / (loss) on sale of investments	195,366	97,105	98,495	(8,865)
Dividend income	96,589	79,496	35,532	19,518
Income from Continuous Funding System	-	4,102	-	588
Profit on deposit accounts with banks	21,687	40,251	11,965	21,999
Other income	7,120	3,968	2,294	491
	<u>320,762</u>	<u>224,922</u>	<u>148,286</u>	<u>33,731</u>
Unrealised gain in fair value of investments 'at fair value through profit or loss'	117,114	100,791	137,734	223,070
Unrealised gain / (loss) on revaluation of derivative financial instruments	10,394	-	10,394	(70)
Total income	<u>448,270</u>	<u>325,713</u>	<u>296,414</u>	<u>256,731</u>
Operating expenses				
Remuneration of Arif Habib Investment Management Limited - Management Company	52,085	76,350	17,536	21,564
Remuneration of Central Depository Company of Pakistan Limited - Trustee	3,357	3,383	1,126	1,053
Annual fee - The Securities and Exchange Commission of Pakistan	2,606	2,632	878	806
Brokerage	5,082	9,134	2,624	3,705
Settlement and bank charges	810	669	363	178
Fees and subscriptions	150	184	53	65
Legal and professional charges	87	373	23	107
Auditors' remuneration	497	436	140	147
Amortisation of preliminary expenses and floatation costs	-	333	-	81
	<u>64,674</u>	<u>93,494</u>	<u>22,743</u>	<u>27,706</u>
Net income from operating activities	<u>383,596</u>	<u>232,219</u>	<u>273,671</u>	<u>229,025</u>
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	306,237	49,427	(127,438)	(255,398)
Net income / (loss) for the period	<u>689,833</u>	<u>281,646</u>	<u>146,233</u>	<u>(26,373)</u>

We will be sending you 300 copies of printed Accounts for distribution amongst the members of the Exchange.


Syed Ajaz Ahmed
Company Secretary

Arif Habib Investment Management Limited

2/1, R.Y.16, Old Queens Road, Karachi-74000

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