

PSM/11678/074/09
23 April 2009

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



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PAKISTAN STOCK MARKET FUND (PSM)
FINANCIAL RESULTS FOR THE NINE MONTHS AND QUARTER ENDED 31ST MARCH 2009

We are pleased to inform you that the Board of Directors of Arif Habib Investment Limited, (formerly Arif Habib Investment Management Limited) (The Management Company) of Pakistan Stock Market Fund (PSM) in their meeting held on 23rd April 2009 at 11:00 A.M. at 2/1, R.Y. 16, Old Queens Road, Karachi, have approved the following financial results:

	Nine months ended		Quarter ended	
	31 st March		31 st March	
	2009	2008	2009	2008
	(Rupees in '000)		(Rupees in '000)	
INCOME				
Capital (loss) / gain on sale of investments	(129,315)	195,366	(43,695)	98,495
Dividend income	66,222	96,589	16,399	35,532
Income from Continuous Funding System transactions	2,001	-	-	-
Profit on bank deposits	39,400	21,687	15,716	11,965
Other income	1,026	7,120	111	2,294
	(20,666)	320,762	(11,469)	148,286
Unrealised (diminution) / appreciation in fair value of investments 'at fair value through profit or loss'	(624,916)	117,114	277,996	137,734
Impairment loss in investment classified as 'available for sale'	(28,481)	-	(28,481)	-
Unrealised appreciation on revaluation of derivative financial instruments		10,394	-	10,394
Total income	(674,063)	448,270	238,046	296,414
EXPENSES				
Remuneration of the Management Company	30,133	52,085	7,604	17,536
Remuneration of the Trustee	2,332	3,357	627	1,126
Annual fee - Securities and Exchange Commission of Pakistan	1,551	2,606	358	878
Securities transaction cost	2,788	5,082	250	2,624
Settlement and bank charges	185	810	32	363
Fees and subscriptions	152	150	50	53
Legal and professional charges	113	87	37	23
Auditors' remuneration	617	497	270	140
Printing and related cost	267	-	64	-
Total expenses	38,138	64,674	9,292	22,743
Net (loss) / income from operating activities	(712,201)	383,596	228,754	273,671
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	85,846	306,237	7,220	(127,438)
Net (loss) / income for the period	(626,355)	689,833	235,974	146,233

In compliance with SRO 150(1)/2009 dated 13th February 2009 issued by Securities and Exchange Commission of Pakistan (SECP), during the quarter the Fund recognizes impairment loss of Rs 28.48 million and the remaining unrealised loss based on prices quoted on the Karachi Stock Exchange as of 31st March 2009 has been included in unit holders' fund under the head "Net unrealised diminution during the period in fair value of investments classified as available for sale". Had the Management Company followed the requirements of IAS 39, an amount of Rs. 65.74 million would have been recognized as impairment loss in the condensed interim income statement. This would have resulted in a decrease in the net unrealised diminution in fair value of investments classified as available for sale by Rs. 37.26 million with a corresponding increase in the loss for the period.

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

Yours faithfully,

Zaeshan

Zaeshan
Company Secretary

MAK

Zaeshan

Arif Habib Investments Limited

(Formerly: Arif Habib Investment Management Limited)

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

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