

CONTENTS

	Page No.
Fund's Information.....	2
Mission & Vision Statement.....	3
Report of the Directors of the Management Company.....	4
Condensed Interim Statement of Assets and Liabilities.....	6
Condensed Interim Income Statement.....	7
Condensed Interim Statement of Comprehensive Income.....	8
Condensed Interim Distribution Statement.....	9
Condensed Interim Statement of Movement in Unit Holders' Funds.....	10
Condensed Interim Statement of Cash Flows.....	11
Notes to the Condensed Interim Financial Statements.....	12

FUND'S INFORMATION

Management Company:	Alfalalah GHP Investment Management Limited 12th Floor, Tower 'A', Saima Trade Towers I.I. Chundrigar Road, Karachi.												
Board of Directors of the Management Company:	<table><tr><td>- Mr. Aqueel Hassan</td><td>Chairman</td></tr><tr><td>- Mr. Abdul Aziz Anis</td><td>Chief Executive</td></tr><tr><td>- Mr. Shahid Hosain Kazi</td><td>Director</td></tr><tr><td>- Mr. Hani Theodor Karl</td><td>Director</td></tr><tr><td>- Mr. Shakil Sadiq</td><td>Director</td></tr><tr><td>- Mr. Manocher Ahmed Jamal</td><td>Director</td></tr></table>	- Mr. Aqueel Hassan	Chairman	- Mr. Abdul Aziz Anis	Chief Executive	- Mr. Shahid Hosain Kazi	Director	- Mr. Hani Theodor Karl	Director	- Mr. Shakil Sadiq	Director	- Mr. Manocher Ahmed Jamal	Director
- Mr. Aqueel Hassan	Chairman												
- Mr. Abdul Aziz Anis	Chief Executive												
- Mr. Shahid Hosain Kazi	Director												
- Mr. Hani Theodor Karl	Director												
- Mr. Shakil Sadiq	Director												
- Mr. Manocher Ahmed Jamal	Director												
CFO & Company Secretary of the Management Company:	- Mr. Omer Bashir Mirza												
Audit Committee:	<table><tr><td>- Mr. Aqueel Hassan</td><td>Chairman</td></tr><tr><td>- Mr. Shakil Sadiq</td><td>Member</td></tr><tr><td>- Mr. Manocher Ahmed Jamal</td><td>Member</td></tr></table>	- Mr. Aqueel Hassan	Chairman	- Mr. Shakil Sadiq	Member	- Mr. Manocher Ahmed Jamal	Member						
- Mr. Aqueel Hassan	Chairman												
- Mr. Shakil Sadiq	Member												
- Mr. Manocher Ahmed Jamal	Member												
Fund Manager:	- Mr. Ather Medina												
Trustee:	Central Depository Company of Pakistan Limited. CDC House, 99-Block B, S.M.C.H.S., Main Shara-e-Faisal, Karachi												
Bankers to the Fund:	Bank Alfalah Limited (BAL) - Islamic Division												
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants 1st Floor, Sheikh Sultan Trust Building No. 2 Beaumont Road P.O. Box 8517, Karachi.												
Legal Advisor:	Bawany & Partners Room No. 404, 4th Floor Beaumont Plaza, 6-cl-10 Beaumont Road, Civil Lines Karachi.												
Registrar:	Alfalalah GHP Investment Management Limited 12th Floor, Tower 'A', Saima Trade Towers I.I. Chundrigar Road, Karachi.												
Distributor:	Bank Alfalah Limited - Islamic Banking Division												
Rating:	4 Star by PACRA												

MISSION STATEMENT

"Alfalah GHP Islamic Fund aims to provide its unit holders with sustainable, consistent and Shariah compliant return over a period of time through active asset allocation strategies towards equity and income asset classes."

VISION STATEMENT

"Alfalah GHP Islamic Fund aims to establish itself as the investment vehicle of choice for investors who seek to achieve sustainable, consistent and Shariah compliant return over the long term through investment exposure to equity and income asset classes."

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of Alfalah GHP Investment Management Limited (AGIM), the Management Company of Alfalah GHP Islamic Fund (AGIF) is pleased to present quarterly report on the affairs of AGIF to the unit holders for the quarter ended 31 March 2010.

Financial Performance

Net assets under management as on 31 March 2010 were Rs.348.76 million. During the period units worth Rs.0.12 million were redeemed.

AGIF earned a total income of Rs.18.01 million for the quarter ended 31 March 2010. Major sources of revenue were capital gains on sale of investments amounting to Rs.4.35 million, dividend income of Rs.5.93 million and profit on bank deposits of Rs.1.04 million. After accounting for expenses of Rs.3.08 million, the net income from operating activities for the period stands at Rs.14.93 million.

Fund Performance

During the first quarter of 2010, AGIF's NAV appreciated by 6.59% versus an increase of 6.94% in its benchmark during the same period. Being an asset allocation fund, AGIF maintains a small exposure in Islamic corporate bonds (Sukuk), which experienced price volatility in light of the credit problems being faced by the entire corporate debt market. This adversely affected AGIF's returns and resulted in a minor under performance by AGIF.

AGIF Return	Benchmark Return	Above (Under) Performance
6.59%	6.94%	(0.35%)

Asset Allocation

Equity	68.28%
Cash / Bank Balance	21.40%
Sukuks	7.58%
Others	2.74%
Total	100%

Future Outlook

Despite all odds, the economy is showing slow, but sure signs of recovery. Inflation, still at high levels, has nevertheless, reduced from the record levels touched last year. Remittances continue to grow at a healthy pace and provide strong support to the balance of payments account. Meanwhile a gradually building political consensus is moving the legislative agenda forward. These developments, coupled with an increased global appetite for frontier markets' risk, have led to strong inflows on account of foreign portfolio investment and have powered the market to break the 10,000 point level.

Going forward, we expect these factors to continue to drive the equity market higher. We also expect the government's huge appetite for funds to keep liquidity tight, and interest rates high, thus boding well for the investment opportunities available for AGIF.

Acknowledgement

The Board is thankful to the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, the Trustee, Central Depository Company of Pakistan Limited and the management of Karachi Stock Exchange (Guarantee) Limited for their continued co-operation and support. The Directors also appreciate the efforts put in by the management team for the growth and the meticulous management of the Fund.

For and on behalf of the Board

April 26, 2010
Karachi

Abdul Aziz Anis
Chief Executive



**CONDENSED INTERIM STATEMENT OF
ASSETS AND LIABILITIES (UNAUDITED)
AS AT 31 MARCH 2010**

	Note	31 March 2010 (Unaudited)	31 December 2009 (Audited)
		----- Rupees in '000 -----	
Assets			
Bank balances		76,858	72,196
Investments	5	272,398	265,262
Dividend and profit receivable		5,346	2,145
Deposits, prepayments and other receivables		2,752	2,753
Preliminary expenses and floatation costs		1,721	1,896
Total assets		<u>359,075</u>	<u>344,252</u>
Liabilities			
Payable to Alfalah GHP Investment Management Limited -Management Company		655	630
Payable to Central Depository Company of Pakistan Limited - Trustee		59	61
Payable to Securities and Exchange Commission of Pakistan - Annual fee		79	353
Payable against Purchase of Investment		8,276	14,762
Accrued expenses and other liabilities		1,249	1,130
Total liabilities		<u>10,318</u>	<u>16,936</u>
Net Assets		<u>348,757</u>	<u>327,316</u>
Unitholders' Funds (as per statement attached)		<u>348,757</u>	<u>327,316</u>
		(Number of units)	
Number of units in issue		<u>5,787,928</u>	<u>5,228,740</u>
		(Rupees)	
Net Asset Value per unit		<u>60.26</u>	<u>62.60</u>

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED 31 MARCH 2010**

	31 March 2010 (Unaudited)	31 March 2009 (Unaudited)
	----- Rupees in '000 -----	
Income		
Capital gain / (loss) on sale of investments	4,352	(34,962)
Dividend income	5,931	2,836
Profit on deposit accounts with banks	1,041	5,405
Unrealised appreciation in the value of investments - at fair value through profit or loss	6,362	-
Income from sukuk certificates	326	1,455
Total income / (loss)	18,012	(25,266)
Expenses		
Remuneration of Alfalah GHP Investment Management Limited - Management Company	1,874	1,899
Remuneration of Central Depository Company of Pakistan Limited - Trustee fee	173	174
Annual fee - Securities and Exchange Commission of Pakistan	79	80
Amortisation of preliminary expenses and floatation costs	175	175
Bank and settlement charges	121	25
Auditors' remuneration	178	122
Fees and subscriptions	101	28
Brokerage	381	211
Marketing expenses	-	36
Other charges	-	11
Total expenses	3,082	2,761
Net Income / (Loss) from operating activities	14,930	(28,027)
Net element of income and capital gains included in prices of units sold less those in units repurchased	5,277	1,952
Net Income / (Loss) for the period	20,207	(26,075)

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED 31 MARCH 2010**

	31 March 2010 (Unaudited) ----- Rupees in '000 -----	31 March 2009 (Unaudited)
Net income / (loss) for the period	20,207	(26,075)
Other Comprehensive Income:		
Net unrealised appreciation during the year in the value of investments classified as 'available for sale'	6,631	98,666
Element of (loss) and capital (loss) included in prices of units sold less those in units repurchased - amount representing unrealized capital (losses)	-	(1,287)
Other comprehensive Income for the period	6,631	97,379
Total comprehensive Income for the period	26,838	71,304

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED 31 MARCH 2010**

	31 March 2010 (Unaudited)	31 March 2009 (Unaudited)
	----- Rupees in '000 -----	
Undistributed income / (loss) brought forward		
- Realized	130,699	40,162
- Unrealized	(97,347)	(93,868)
	<u>33,352</u>	<u>(53,706)</u>
Element of (loss) and capital (loss) included in prices of units sold less those in units repurchased - amount representing unrealized capital (losses)	-	(1,287)
Net income / (loss) for the period	20,207	(26,075)
Final distribution of bonus units declared for the year ended 31 December 2009: 561,164 Bonus units (2008: Nil units)	(33,356)	-
	<u>(13,149)</u>	<u>(27,362)</u>
Undistributed income / (loss) carried forward		
- Realized	111,188	12,800
- Unrealized	(90,985)	(93,868)
	<u>20,203</u>	<u>(81,068)</u>

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM STATEMENT OF
MOVEMENT IN UNIT HOLDER'S FUNDS (UNAUDITED)
FOR THE QUARTER ENDED 31 MARCH 2010**

	31 March 2010 (Unaudited)	31 March 2009 (Unaudited)
	----- Rupees in '000 -----	
Net assets at the beginning of the period	327,316	320,450
Redemption of 1,976 units (2009: 162,126 units)	(120)	(7,442)
Element of (income) and capital (gains) included in prices of units sold less those in units repurchased:		
- amount representing accrued (income) and realised capital (gains) - transferred to the Income Statement	(5,277)	(1,952)
- amount representing unrealised capital losses - transferred directly to the Distribution Statement	-	1,287
	(5,277)	(665)
Net unrealised appreciation during the period in the value of investments classified as 'at fair value through profit or loss'	6,631	98,666
Final distribution of bonus units declared for the year ended 31 December 2009: 561,164 Bonus units (2008: Nil Bonus units)	33,356	-
Capital gain on sale of investments	4,352	(34,962)
Net unrealised appreciation / (diminution) during the year in the value of investments classified as 'at fair value through profit or loss'	6,362	-
Other net income for the period	9,493	8,887
Element of (loss) and capital (losses) included in prices of units issued less those in units repurchased	-	(1,287)
Final distribution of bonus units declared for the year ended 31 December 2009: 561,164 Bonus units (2008: Nil units)	(33,356)	-
Net (loss) for the period less distribution	(13,149)	(27,362)
Net assets at the end of the period	348,757	383,647
	(Rupees)	
Net asset value per unit at the beginning of the period	62.60	42.25
Net asset value per unit at the end of the period	60.26	51.69

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED 31 MARCH 2010**

	31 March 2010 (Unaudited)	31 March 2009 (Unaudited)
	-----	-----
	Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period	20,207	(26,075)
Adjustments for:		
Dividend income	(5,931)	(2,836)
Profit on deposit accounts with banks	(1,041)	(5,405)
Unrealised appreciation in the value of investments - at fair value through profit or loss	(6,362)	-
Income from Sukuk Certificates	(326)	(1,455)
Amortization of preliminary expenses and floatation cost	175	175
Net element of (income) and capital (gains) included in prices of units sold less those in units repurchased	(5,277)	(1,952)
	1,445	(37,548)
(Increase)/ decrease in assets		
Investments	5,857	(90,867)
Deposits, prepayments and other receivables	1	(8,924)
	5,858	(99,791)
Increase/ (decrease) in liabilities		
Payable to Alfalah GHP Investment Management Limited - Management Company	25	9
Payable to Central Depository Company of Pakistan Limited - Trustee	(2)	-
Payable to Securities and Exchange Commission of Pakistan - Annual fee	(274)	80
Payable against Purchase of Investment	(6,486)	(8,127)
Accrued expenses and other liabilities	119	374
	(6,618)	(7,664)
Dividend received	2,824	846
Profit received on deposit accounts with banks	1,273	6,815
	4,097	7,661
Net cash flows from / (used in) operating activities	4,782	(137,342)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment against redemption of units	(120)	(7,442)
Net cash (used in) financing activities	(120)	(7,442)
Net increase / (decrease) in cash and cash equivalents during the period	4,662	(144,784)
Cash and cash equivalents at the beginning of the period	72,196	207,251
Cash and cash equivalents at the end of the period	76,858	62,467

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE QUARTER ENDED 31 MARCH 2010

1. LEGAL STATUS AND NATURE OF BUSINESS

The Alfalah GHP Islamic Fund (the Fund) was established through a Trust Deed under the Trusts Act, 1882, executed between Alfalah GHP Investment Management Limited, the Management Company and Central Depository Company of Pakistan Limited, the Trustee and is authorized under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Trust Deed was executed on 11 April 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with NBFC Rules 2003. The registered office of the Management Company is situated at 12th Floor, Tower A, Saima Trade Tower, I.I Chundrigar Road Karachi.

Alfalah GHP Islamic Fund (AGIF) is an open end asset allocation fund. The primary objective of the Fund is to seek long term capital appreciation and income from a diversified portfolio developed in consistence with the principles of Shariah. The investments of the Fund is diversified both in terms of securities within an asset class as well as across asset classes. All activities of the Fund are undertaken in accordance with the Islamic Shariah as per the guidelines given by Shariah Advisory Board of the Fund.

The Fund is listed on Karachi Stock Exchange. Units are offered for public subscription on continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

These condensed interim financial statements comprise of condensed interim statement of assets and liabilities as at 31 March 2010 and the related condensed income statement, statement of comprehensive income, distribution statement, statement of movement in unit holders' funds, statement of cash flows and notes thereto, for the quarter ended 31 March 2010.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the requirements of approved accounting standards as applicable in Pakistan, the requirements of Non Banking Finance Companies and Notified Entities Regulations 2008 and the directives issued by the SECP. The disclosures made in these financial statements have, however, been limited based on the requirements of International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and should be read in conjunction with the financial statements as at and for the year ended 31 December 2009. Approved accounting standards comprise of such IASs and International Financial Reporting Standards as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of these standards, the requirements of NBFC regulations 2008 and the said directives differ with the requirements of these standards, the requirements of the NBFC regulations 2008 and the said directives take precedence. These condensed interim financial statements are unaudited.

3. ACCOUNTING POLICIES

The Accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Fund for the year ended December 31, 2009.

4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objective and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2009.

		31 March 2010 (Unaudited)	31 December 2009 (Audited)
	Note	----- Rupees in '000 -----	
5. INVESTMENTS			
- Available for sale			
In quoted equity securities	5.1	94,362	87,544
In sukuk certificates	5.2	27,222	27,409
		121,584	114,953
- At fair value through profit or loss-held for trading			
In quoted equity securities	5.4	150,814	150,309
		272,398	265,262

5.1 In quoted equity securities

Name of the investee company	As at 01 January 2010	Purchases during the period	Bonus / rights issue	Sales during the period	As at 31 March 2010	Cost as at 31 March 2010	Market value as at 31 March 2010	Unrealized appreciation / (diminution) in the value of investments	Investment as a % of net assets	Market value as a % of total investments	Par value as percentage of issued capital of investee company
Banks											
BankIslami Pakistan Limited	400,000	-	-	-	400,000	2,699	2,312	(387)	0.66	0.85	0.08
						<u>2,699</u>	<u>2,312</u>	<u>(387)</u>			
Electricity											
Hub Power Company Limited	441,500	-	-	-	441,500	7,386	15,130	7,744	4.34	5.55	0.04
Kohinoor Energy Limited	475,000	-	-	-	475,000	9,919	15,010	5,091	4.30	5.51	0.28
						<u>17,305</u>	<u>30,140</u>	<u>12,835</u>			
Oil and Gas											
Oil and Gas Development Company Limited	170,000	-	-	-	170,000	10,949	22,076	11,127	6.33	8.10	0.00
Pakistan Oilfields Limited	50,000	-	-	-	50,000	6,837	11,692	4,855	3.35	4.29	0.02
						<u>17,786</u>	<u>33,768</u>	<u>15,982</u>			
Chemicals											
Fauji Fertilizer Company Limited	256,555	-	-	-	256,555	17,820	28,142	10,322	8.07	10.33	0.04
						<u>17,820</u>	<u>28,142</u>	<u>10,322</u>			
Grand total						<u>55,610</u>	<u>94,362</u>	<u>38,752</u>			

5.1.1 All shares have a face value of Rs. 10 each.

5.2 Investment in Sukuk Certificates

Name of the investee company	Maturity	Expected profit rates	As at 01 January 2010	Purchases during the period	Sales during the period	As at 31 March 2010	Cost as at 31 March 2010	Market value as at 31 March 2010	Unrealized appreciation / (diminution) in the value of investments	Investment as a % of net assets	Market value as a % of total investments	Par value as percentage of issued capital of investee company
Maple Leaf Cement Factory Limited	Dec 2013	6M KIBOR+ 1.7%	5,000	-	-	5,000	25,000	17,500	(7,500)	5.02	6.42	0.63
Karachi Shipyard Engineering Works Limited	Nov 2015	6M KIBOR+ 0.4%	2,000	-	-	2,000	10,000	9,722	(278)	2.79	3.57	0.24
Total							<u>35,000</u>	<u>27,222</u>	<u>(7,778)</u>			
Total Investment							<u>90,610</u>	<u>121,584</u>	<u>30,974</u>			

5.2.1 The nominal value of sukuk certificates is Rs. 5,000 each.

5.3 Net unrealised appreciation / (diminution) in the value of investments classified as 'available-for-sale'	Note	31 March 2010 (Unaudited)	31 December 2009 (Audited)
		----- Rupees in '000 -----	
Fair value of investments classified as 'available for sale'		121,584	114,953
Less: Cost of investments classified as 'available for sale'		(90,610)	(90,610)
Net unrealised appreciation / (diminution) in the value of investments		30,974	24,343
Impairment charged to income statement	5.3.1	-	11,490
		30,974	35,833
Impairment realized during the period / year on sale of investment		-	(3,306)
Net unrealized (appreciation) / diminution in the value of investments at the beginning of the period / year		(24,343)	5,040
Net unrealised appreciation / (diminution) in the value of investments at the end of the period / year		6,631	37,567
5.3.1 Particulars of impairment in the value of investments classified as 'available for sale'			
Opening balance		7,851	94,998
Impairment realized during the year on sale of investment		-	(98,637)
Charge for the year		-	11,490
Closing balance		7,851	7,851

5.4 Investment in quoted equity securities - 'at fair value through profit or loss'

Name of the investee company	As at 01 January 2010	Purchases during the period	Bonus / rights issue	Sales during the period	As at 31 March 2010	Cost as at 31 March 2010	Market value as at 31 March 2010	Unrealised appreciation / (diminution) in the value of investments	Investment as a % of net assets	Market value as a % of total investments	Par value as percentage of issued capital of investee company
Electricity											
Hub Power Company Limited	1,108,500	-	-	225,000	883,500	23,645	30,277	6,632	8.68	11.11	0.08
Kohinoor Energy Limited	10,000	-	-	-	10,000	299	316	17	0.09	0.12	0.01
						<u>23,944</u>	<u>30,593</u>	<u>6,649</u>			
Oil and Gas											
Shell Pakistan Limited	-	9,029	-	9,029	-	-	-	-	-	-	-
Pakistan State oil Company Limited	121,910	148,080	-	154,990	115,000	35,188	35,626	438	10.22	13.08	0.07
Oil & Gas Development Company Limited	55,000	95,000	-	70,000	80,000	9,434	10,389	955	2.98	3.81	0.00
Pakistan Oilfields Limited	90,000	95,000	-	95,000	90,000	20,706	21,046	340	6.03	7.73	0.04
Pakistan Petroleum Limited	162,500	85,000	-	107,500	140,000	26,297	27,359	1,062	7.84	10.04	0.01
						<u>91,625</u>	<u>94,420</u>	<u>2,795</u>			
Fertilizer											
Fauji Fertilizer Company Limited	143,445	100,000	-	150,000	93,445	9,625	10,250	625	2.94	3.76	0.01
						<u>9,625</u>	<u>10,250</u>	<u>625</u>			
Chemicals											
ICI Pakistan Limited	25,000	123,048	-	148,048	-	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>			
Fixed Line Telecommunication											
Pakistan Telecommunication Company Limited	150,000	425,000	-	125,000	450,000	8,982	9,454	472	2.71	3.47	0.01
						<u>8,982</u>	<u>9,454</u>	<u>472</u>			
Construction and Materials											
Lucky Cement Limited	-	175,000	-	100,000	75,000	6,054	6,097	43	1.75	2.24	0.02
						<u>6,054</u>	<u>6,097</u>	<u>43</u>			
Grand total						<u>140,230</u>	<u>150,814</u>	<u>10,584</u>			

	31 March 2010 (Unaudited)	31 December 2009 (Audited)
	----- Rupees in '000 -----	
5.5 Net unrealised appreciation / (diminution) in the value of investments 'at fair value through profit or loss'		
Fair value of investments classified as 'at fair value through profit or loss'	150,814	150,309
Less: Cost of investments classified as 'at fair value through profit or loss'	<u>(140,230)</u>	<u>(142,298)</u>
Net unrealised appreciation in the value of investments	10,584	8,011
Net unrealised appreciation in the value of investments at the beginning of the period / year	<u>(8,011)</u>	-
Realized on disposal during the period	<u>3,789</u>	-
	(4,222)	-
Net unrealised appreciation in the value of investments at the end of the period / year	<u>6,362</u>	<u>8,011</u>

6. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah GHP Investment Management Limited being the Management Company, Funds managed by the Management company, Bank Alfalah Limited, GHP Arbitrium AG and MAB Investment Inc., being associated companies, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited -Employees' Gratuity Fund, directors and key management personnel of Alfalah GHP Investment Management Limited, Alfalah Securities having common directors with Alfalah GHP Investment Management Limited and Central Depository Company of Pakistan Limited (CDC) being the trustee of the Fund. The transactions with connected persons are in the normal course of business, at contractual rates and term determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules 2003 and NBFC Regulations 2008 and Trust Deed respectively.

Details of transactions and balances for the quarter ended 31 March 2010 with related parties / connected persons, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	31 March 2010 (Unaudited)	31 December 2009 (Audited)
	----- Rupees in '000 -----	
<i>Alfalah GHP Investment Management Limited - Management Company</i>		
Balance at the beginning of the period / year	630	671
Remuneration for the period / year	1,874	8,364
Sales load for the period / year	-	2
	<u>2,504</u>	<u>9,037</u>
Amount paid during the period / year	<u>(1,849)</u>	<u>(8,407)</u>
Balance at end of the period / year	<u>655</u>	<u>630</u>

	31 March 2010 (Unaudited)	31 December 2009 (Audited)
	----- Rupees in '000 -----	
Central Depository Company of Pakistan Limited		
Balance at beginning of the period / year	61	61
Remuneration for the period / year	173	753
CDS Charges	6	2
	<u>240</u>	<u>816</u>
Amount paid during the period / year	<u>(181)</u>	<u>(755)</u>
Balance at the end of the period / year	<u>59</u>	<u>61</u>
Deposit with Central Depository Company of Pakistan Limited	<u>200</u>	<u>200</u>

Bank Alfalah Limited		
Deposits at the end of the period / year	<u>76,830</u>	<u>72,168</u>
Profit on deposit accounts for the period / year	<u>1,041</u>	<u>11,670</u>
Bank charges for the period / year	<u>1</u>	<u>8</u>

	31 March 2010		31 December 2009	
	(Units in '000)	(Rupees in '000)	(Units in '000)	(Rupees in '000)
Units sold to	<u>-</u>	<u>-</u>	<u>243</u>	<u>15,366</u>
Units redeemed by	<u>-</u>	<u>-</u>	<u>243</u>	<u>15,502</u>
Bonus units distributed	<u>542</u>	<u>32,208</u>	<u>-</u>	<u>-</u>

	31 March 2010 (Unaudited)	31 December 2009 (Audited)
	----- Units in '000 -----	
Units held by	<u>5,590</u>	<u>5,048</u>
	(Rupees in '000)	
Cash dividend distributed	<u>-</u>	<u>14,943</u>

7. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 26, 2010 by the Board of Directors of the Management Company.

8. GENERAL

Figures have been rounded off to the nearest thousand rupees.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director