

April 2007

spot
light

Monthly
Roundup



Managed By

Atlas Asset Management

Rated AM3+ by PACRA

Atlas
funds

Nurturing your investments

Message From The Editor

Dear Readers,

AAML's Board meeting was held on April 25, 2007 to review and announce the third quarter results for Atlas Income Fund (AIF), Atlas Stock Market Fund (ASMF), Atlas Fund of Funds (ATFF) and results for the period (October 17, 2006 to March 31, 2007) for Atlas Islamic Fund (AISF).

The salient highlights for the third quarter/ period ended March 31, 2007 are as follows:

	AIF	ASMF	ATFF	AISF
Net Assets (Rs. in mn)	2,877	1,279	574	470
NAV Per Unit/ Certificate (Rs.)	535.68	600.55	10.93	504.65
Income Per Unit/ Certificate (Rs.)	35.36	61.24	0.46	4.63
Return (%)	9.42% (annualized)	11.39% (for the period)	4.44% (for the period)	0.93% (for the period)

The copies of the third quarter accounts are available on the website of Atlas Asset Management Limited and the printed copies have been mailed to all investors.

Mr. David Hatton, Director and CRO, ING Vysya Life Insurance Company Pvt. Ltd., visited AAML during April 24-25, 2007 in reference to the development of the pension fund being introduced by AAML under the Voluntary Pension System Rules, 2005.



Mr. David Hatton along with AAML's Directors and Senior Management

Best Wishes,

Editor

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All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends / returns thereon are dependent on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Please read the "Risk" & "Disclaimer" clauses of the respective funds' offering document and consult your investment legal advisor for understanding the investment policies and risks involved.

Editorial Team

Mashmooma Z. Majeed
Mazhar A. Sabir
Mehreen.Z.Naqvi
Uzma Hussain
Wasim Akram
Zeeshan Ahmed

Contact us for queries, comments or suggestions at
spotlight@atlasfunds.com.pk or
Ground Floor, Federation House, Shahrae-Firdousi, Clifton,
Karachi

In This Issue...

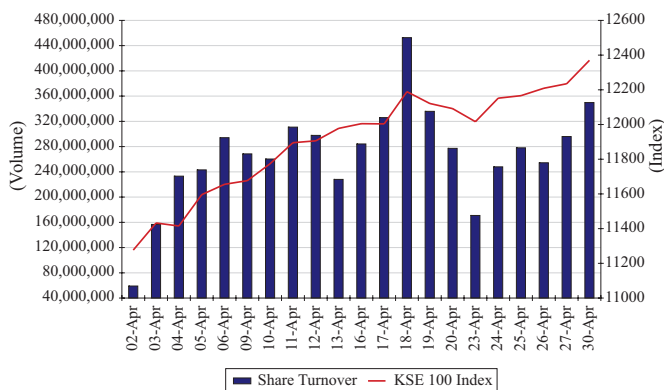
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Market Review

On the Stock Market Front

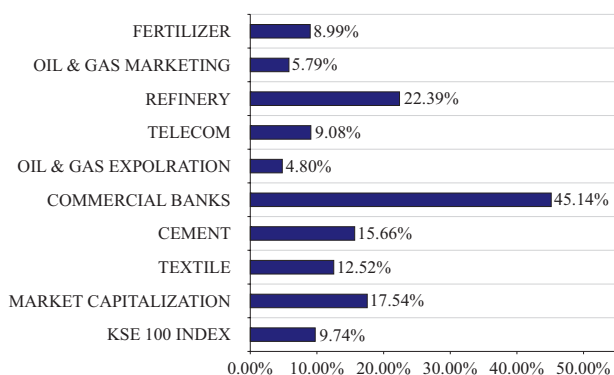
Bulls were largely in control during the month of April, 2007 as the market gained 1,098 points or 9.74% to close at 12,369. The rally was led by the banking sector on the back of strong first quarter results. The sector overall, increased by 45% during the month. This was followed by the refinery sector which also showed strong results owing to higher refining margins resulting from rising oil prices in the international market.

KSE 100 Index and Share Turnover For the Month of April 2007



The average monthly volumes during the month remained at 268 million shares, higher by an impressive 67% as compared with the previous month.

Sector Performance For the Month of April 2007

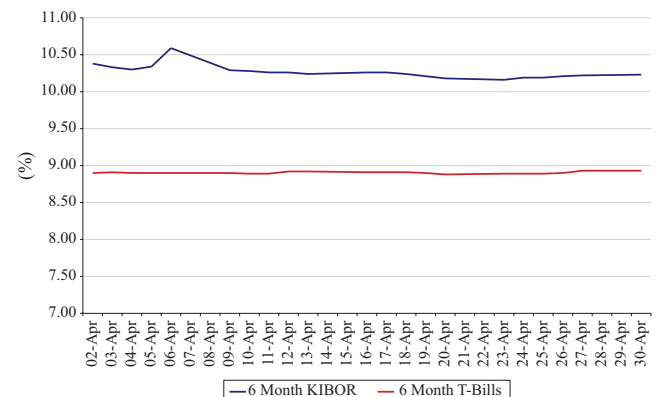


On the Money Market Front

During the month of April, 2007, State Bank of Pakistan raised the cut off yields of 3-months Treasury Bills by 4 bps to 8.69%. The yield for the 6-months Treasury Bill was also raised by 5 bps to 8.85%. The yield on 1-year T-Bill was raised by 3 bps to 9.08%. This reflects SBP's continuing effort to reduce the amount of excess liquidity in the market resulting from foreign inflows.

Despite SBP's continuing effort to mop up excess liquidity from the market, liquidity in the market remains to be on the higher side resulting in declining interest rates. 6-Months KIBOR, as a consequence, dropped by 15 bps during the month to close at 10.23%.

KIBOR vs T-Bills For the Month of April 2007



Major Result Announcements

COMPANIES	FY06	FY07	% Chg
Azgard Nine*	0.69	0.20	-71%
Pak Reinsurance	3.12	2.62	-16%
Fauji Fertilizer Co.	2.50	2.62	5%
MCB Bank	4.78	5.93	24%
Bank of Punjab	1.52	2.03	34%
Engro Pakistan	2.80	1.92	-31%
P.T.C.L.A**	3.00	2.33	-22%
Sui South Gas**	0.66	0.70	6%
Pakistan State Oil**	26.75	12.53	-53%

* 1Q 07 Result

** 3Q 07 Results

Atlas Income Fund

Fund Performance for the month ended April 30, 2007

Fund Information

Fund Launch date	March 22, 2004
Type	Open-end - Income Fund
Net Assets	Rs. 3.18 billion
NAV per Unit	Rs. 538.77
Management Fee	1%
Sales Load	2% (Front-end)
Listing	Lahore Stock Exchange (LSE)
Trustee	Central Depository Company of Pakistan (CDC).
Auditors	Hameed Chaudhri & Co.
Minimum Subscription	Rs. 5,000/-
Rating (by PACRA)	5 Star

Investment Objective

To achieve a good rate of current income consistent with reasonable concern for safety of principal and to provide the investors with liquidity and the facility to join or leave the fund at their convenience.

Investment Strategy

The Fund will invest mainly in high quality fixed income securities. In selecting debt instruments and government securities, the Fund will consider individual credit risks, with the understanding that market value of even high quality fixed rate securities can fluctuate with change in interest rate levels. The Fund may also invest in Continuous Funding System (CFS) and Spread Transactions.

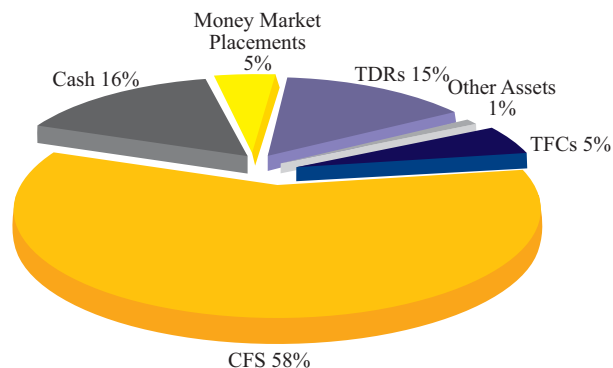
Fund Manager's Review

During the month, the net assets of the fund stood at Rs. 3.18 billion increasing by 11% on month on month basis. The year to date annualized return of the Fund comes to 9.23%.

During the month the management placed the Fund into short term tenor instruments i.e. money market placements. The asset allocation of the fund is as follows: Money market placement 5%, Term Deposits Receipts (TDR) 15%, Continuous Funding System (CFS) 58%, Term Finance Certificates (TFCs) 5% and Cash and other assets 17%. AIF has maintained an average duration of less than three months strategy. Investment in short term-high yield bank deposits was increased as these were delivering improved returns without any threat of valuation knocks.

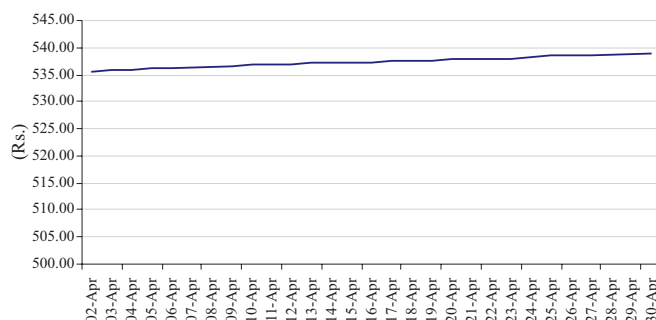
The Fund plans to increase its investments in the upcoming attractive Term Finance Certificates (TFCs) issues. A substantial portion of the AIF's assets currently comprises of CFS and short term bank deposits.

Asset Allocation



NAV Performance

AIF NAV PERFORMANCE
For the Month of April 2007



Returns*

	From	AIF
Month on Month	31-Mar-07	7.02%
Quarter on Quarter	31-Jan-07	8.03%
1 Year	30-Apr-06	8.91%
Year to date	30-Jun-06	9.23%
Since Inception	22-Mar-04	9.68%

*All returns are on an annualized basis

Key Interest Rates*

KIBOR 3 month	9.89%
KIBOR 6 month	10.23%
Discount Rate	9.50%
6 month T-Bills	8.93%
12 month T-Bills	9.10%
10- Year PIBs	10.04%
Inflation (CPI)	7.67%**

* Source: Business Recorder: dated April 30, 2007 & SBP's Website: www.sbp.org.pk

** March 2007

Atlas Stock Market Fund

Fund Performance for the month ended April 30, 2007

Fund Information

Fund Launch date	November 23, 2004
Type	Open-end - Equity Fund
Net Assets	Rs. 1.28 billion
NAV per Unit	Rs. 648.85
Management Fee	3%
Sales Load	2% (Front-end)
Listing	Lahore Stock Exchange (LSE)
Trustee	Central Depository Company of Pakistan (CDC)
Auditors	Hameed Chaudhri & Co.
Minimum Subscription	Rs. 5,000/-
Rating (by PACRA)	5 Star

Investment Objective

To achieve a good rate of current income consistent with the prospects of appreciation in the value of amount invested and to provide the investors with liquidity and the facility to join or leave the fund at their convenience.

Investment Strategy

The Fund will invest mainly in high quality equity securities. In selecting equity securities, the Fund will consider the reputation of the management, volume trading in the shares, profitability, dividend record and prospects of earning growth. The Fund may also invest in Term Finance Certificates, Continuous Funding System Transactions and Money Market Instruments.

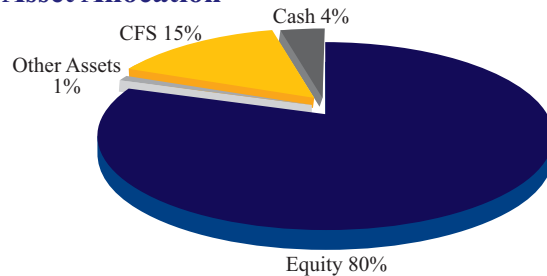
Fund Manager's Review

During the month the Atlas Stock Market Fund (ASMF) earned 8.04% return whereas the KSE 100 Index increased by 9.74% slightly under performing the market, while out performing other peer funds' average returns. The Net Assets of the Fund decreased by 0.15% due to some redemptions. During the month the highest NAV of Atlas Stock Market Fund was Rs. 648.85 and lowest NAV was Rs. 599.87.

The equity investment remained at 80% during the month and this exposure helped us to perform with the index during the period under review. Major investments remained in the Oil & Gas Exploration & Banking sectors and both sectors increased by 4.8% & 45% respectively. The ASMF's asset allocation as a share of total assets were as follows: Equities 80%, CFS 15% and 5% cash, and 1% other assets and net of receivables/ paybles.

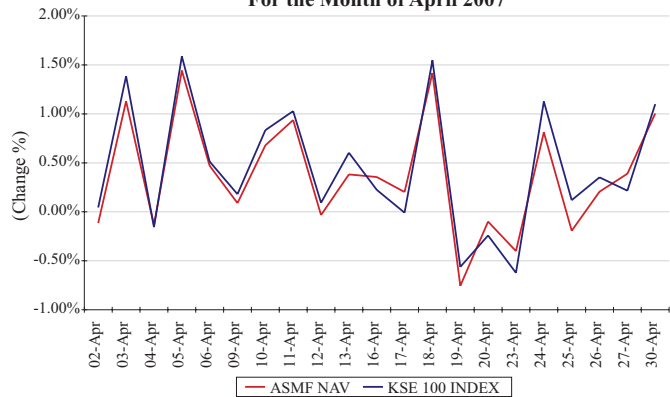
Currently the market is trading at all time high levels and the Fund's stance would be 'neutral' for upcoming month.

Asset Allocation



NAV Performance

ASMF vs KSE 100 INDEX For the Month of April 2007

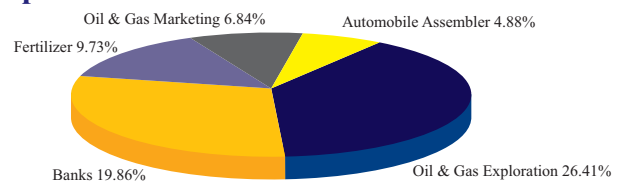


Returns*

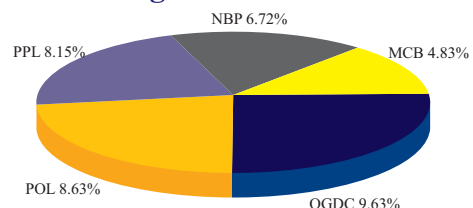
	From	ASMF
Month on Month	31-Mar-07	8.04%
Quarter on Quarter	31-Jan-07	7.90%
1 Year	30-Apr-06	5.36%
Year to date	30-Jun-06	20.65%
Since Inception	23-Nov-04	65.99%

*All returns are for the respective periods mentioned and have not been annualized.

Top Five Sectors



Top Five Holdings



Atlas Islamic Fund

Fund Performance for the month ended April 30, 2007

Fund Information

Fund Launch date	January 15, 2007
Type	Open-end - Islamic Equity Fund
Net Assets	Rs. 474.47 million
NAV per Unit	Rs. 509.81
Management Fee	3%
Sales Load	1% (Front-end) (Back-end as per the following slab): 1.5% (For redemption in first year of investment) 1% (For redemption in second year of investment) 0.5% (For redemption in third year of investment) Nil (After 3 years of investment)
Listing	Lahore Stock Exchange (LSE)
Trustee	Central Depository Company of Pakistan (CDC).
Auditors	Hameed Chaudhri & Co.
Shariah Board	Mr. Javed Ahmed Ghamidi Dr. Khalid Zaheer
Minimum Subscription	Rs. 5,000/-
Rating	Not Applicable

Investment Objective

To achieve maximum return for Unitholders while at all times observing prudent investment practices, high professional standards, all applicable laws, and the Shariah Code, in addition to maintaining a moderate risk profile.

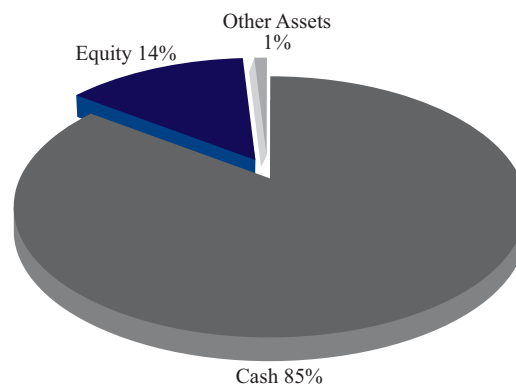
Investment Strategy

The Fund will invest mainly in a diversified, professional management investment portfolio of Shariah Compliant Securities, such as equities, debt securities and other Shariah Compliant instrument including Shariah Compliant securities available outside Pakistan.

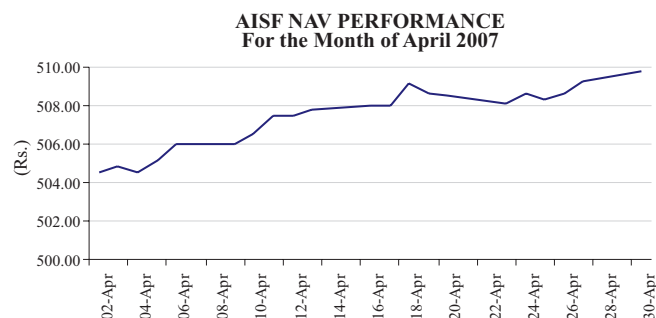
Fund Manager's Review

During the month of April the Fund's Net Asset Value (NAV) increased by 1.02% while the Funds' Net Assets increased by 1.07% to stand at Rs. 474 million. Investment in equities was gradually increased from 10% to 14% over the month as the KSE-100 Index was trading at all time high levels and a prudent investment approach was necessitated to be followed.

Asset Allocation



NAV Performance

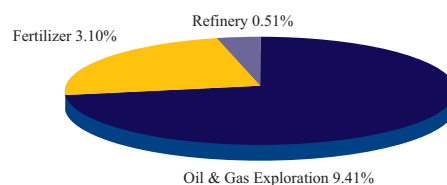


Returns*

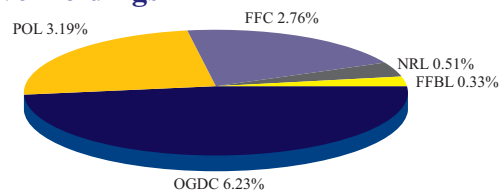
	From	AISF
Month on month	31-Mar-07	1.02%
Quarter on quarter	31-Jan-07	0.91%
Since Inception	15-Jan-07	1.96%

* All returns are for the respective periods mentioned and have not been annualized.

Sector Allocation



Top Five Holdings



Atlas Fund of Funds

Fund Performance for the month ended April 30, 2007

Fund Information

Fund Launch date	December 13, 2004
Type	Closed-end - Fund of Funds
Net Assets	Rs. 598.28 million
NAV per Unit	Rs. 11.40
Management Fee	1.75%
Listing	Karachi Stock Exchange (KSE)
Trustee	Muslim Commercial Financial Services (Pvt.) Ltd. (MCFSL)
Auditors	Hameed Chaudhri & Co.
Rating (by PACRA)	5 Star

This Fund is traded at Karachi Stock Exchange (KSE) and can be purchased on prevailing market price that is generally at a discount to NAV during the trading hours of KSE.

Investment Objective

To provide investors a one-window facility to invest in a diversified portfolio of securities of closed-end & open-end schemes offering consistent returns and growth.

Investment Strategy

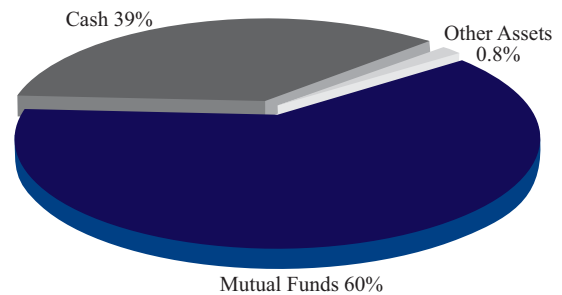
The Fund will invest mainly in other closed-end funds. In selecting the closed-end funds, the Fund will review the comparison of the Net Asset Value (NAV) with market value and the available discount, the portfolio of that fund and trading activities in the shares of the investee funds. The Fund may also invest in Unit Trust Schemes, CFS and Money Market Instruments.

Fund Manager's Review

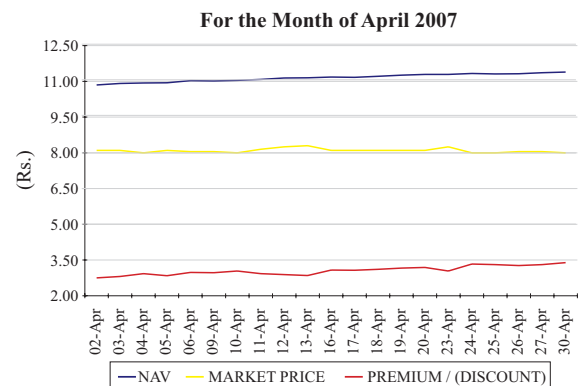
Atlas Fund of Funds NAV increased by 4.25% from Rs. 10.93 as at March 31, 2007 to Rs. 11.40 as on April 31, 2007. The net assets of the Fund stood at Rs. 598 million as at April 30, 2007 increasing from Rs. 574 million as at March 31, 2007, reflecting an increase of 4.21% on a month-on-month basis.

The average investment in mutual funds was 62% of the total portfolio. During the period UTP-AAAF was redeemed from the portfolio, which resulted in realised capital gains for the fund. As at April 30, 2007 the investment in closed-end funds was 45% of the net assets whereas the remaining portion which is 16% of the net asset value was invested in the open-end mutual funds.

Asset Allocation



NAV Performance

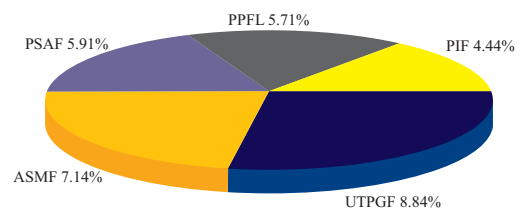


Returns*

	From	ATFF
Month on Month	31-Mar-07	4.25%
Quarter on Quarter	31-Jan-06	4.97%
1 Year	30-Apr-06	2.54%
Year to date	30-Jun-06	8.88%
Since Inception	13-Dec-04	34.00%

*All returns are for the respective periods mentioned and have not been annualized.

Top Five Holdings of Mutual Funds



A Page From Our Calendar



Investor Education

Diversification

Diversification is the idea of spreading out your money across many different types of investments which helps to control the risk of poor performance by a single investment. Successful investors know that diversifying their investments can help reduce the adverse impact of a single investment, thereby reducing risk without sacrificing returns. When one investment is down another might be up. Choosing to diversify your investment holdings reduces your risk tremendously as a diversified portfolio increases your chances for achieving long-term growth. Keep in mind, however, that diversification does not guarantee a profit or prevent losses to your portfolio.

The most basic level of diversification is to buy multiple stocks rather than just one stock. A single person can't invest in multiple high-priced stocks for the sole reason that his pockets are not likely to be deep enough. This limits him from diversifying his portfolio as well as benefiting from multiple investments. Investing through mutual fund route enables an investor to invest in many good stocks and reap benefits even through a small investment. This not only diversifies the portfolio and helps in generating returns from a number of sectors but reduces the risk as well. There is no greater advantage to using mutual funds than diversification because a

typical mutual fund will have dozens of different securities in their portfolio. When you put money into a mutual fund, it's pooled with money from other investors to create much greater buying power than you would have investing on your own. The fund uses that pooled money to build a diversified portfolio. Since a fund may own dozens of different securities, its success isn't dependent on how one or two holdings do. A poor performance by one of the companies in the portfolio will have much less of an effect on the total return and safety of your principal. Every Rupee you have invested in a mutual fund has this diversification.

Test Your Mutual Fund Knowledge...

Question of the Month

Which of the following functions do mutual fund companies perform for their investors?

- A) Record keeping and administration
- B) Professional management
- C) Diversification
- D) Lower transaction costs
- E) All of the above

The correct answer for previous month's question is (b) [False]. The narrower the focus, the greater the volatility. A broad-based fund will track the market average more closely than will a sector fund, and will have less price volatility due to better diversification. However the potential for gain is lower, at least in the short term.

Where To Apply

Sales Outlets:

KARACHI

1- C/o Atlas Bank Limited
P & O Plaza, I.I Chundrigar Road,
Karachi.
Phone: (92-21) 2463746-51
Fax: (92-21) 2463744,
Cell: 0300-9226850
Contact Person: Mr. Arbab Ahmed
Email:abd@atlasfunds.com.pk

2- C/o Atlas Bank Limited
Ground Floor, Nice Trade Orbit,
Plot # 44-A, Block-6, P.E.C.H.S.,
Shahra -e- Faisal, Karachi
Phone: (92-21) 4386184-87,
Fax: (92-21) 4386180, Cell: 0300-2254977
Contact Person: Mr. Salman Tahir
Email: str@atlasfunds.com.pk

3- C/o Atlas Bank Limited
Plot # 28, Block-3, Adam Arcade,
B.M.C.H.S., Karachi.
Phone: (92-21) 4145323-24
Fax: (92-21) 4145325,
Cell: 0334-3995647
Contact Person: Mr. M. Umer Ali
Email: mua@atlasfunds.com.pk

4- C/o Atlas Bank Limited
1/15, Hassan Square, Block 13-A,
Gulshan-e-Iqbal, Karachi.
Phone: (92-21) 4818759-63
Fax: (92-21) 4818720,
Cell: 0333- 3366833
Contact Person: Mr. Shahnawaz Tariq
Email: stk@atlasfunds.com.pk

5- C/o Atlas Bank Limited
B/53, Estate Avenue, S.I.T.E. Area,
Karachi.
Phone: (92-21) 2587533,35,37,111
Fax: (92-21) 2587672,
Cell: 0321- 2063267
Contact Person: Mr. M. Abdullah Khan
Email: mak@atlasfunds.com.pk

LAHORE

C/o Atlas Capital Markets
2nd Floor, Ajmal House,
27- Edgerton Road, Lahore.
Phone: (92-42) 6366170-4
UAN: (042) 111-688-825
Cell: 0300-8422570
Contact Person: Mr. Javaid Aslam
Email: jam@atlasfunds.com.pk

RAWALPINDI

C/o Atlas Bank Limited
Bank Road Branch,
60, Bank Road, Rawalpindi.
Phone: (92-51) 5566671, 5564123
Cell: 0334-5167035
Fax: (92-51) 5528148
V-PTCL: (92-51) 5856411
Contact Person: Mr. Mohsin Sarwar
Email: cms@atlasfunds.com.pk

Head Office:

Atlas Asset Management Limited
Ground Floor, Federation House, Sharae Firdousi, Clifton, Karachi-75600
Tel: (021) 5379501-04, 111-MUTUAL (6-888-25)
Fax: 5379280 Website: www.atlasfunds.com.pk