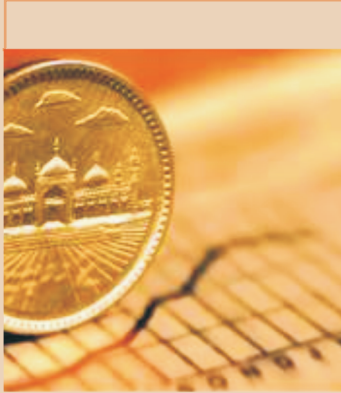


3rd Quarterly Report 2009




ASIAN
STOCKS FUND LIMITED

Managed by Safeway Fund Limited



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General Information

Name of Company

Asian Stocks Fund Limited

Legal Status

Public limited Company incorporated in Pakistan on June 13, 1994 under the Companies Ordinance, 1984. The ordinary shares of the Company are listed with all the stock exchanges of Pakistan, namely Karachi, Lahore & Islamabad Stock Exchange.

Registered Office

6th Floor, Standard Tower, 10-B, Block E-2, Gulberg III, Lahore.

Website

www.asianstocksfund.com
www.safewayfund.com

Company Registration No.

K-05404

National Tax Number (NTN)

0709734-4

Investment Advisor

Safeway Fund Limited

Custodian

Central Depository Company of Pakistan Limited

Board of Directors

Mr. Pervez Akhtar (Chairman)
Mr. Nihal Cassim (CEO & CIO)
Mr. Ali Altaf Saleem
Mr. Asif Haider Mirza
Mr. Muhammad Naguib
Mr. Asif Ali
Mr. Abdul Rouf

Statutory Auditors

A.F. Ferguson & Co., Chartered Accountants

Internal Auditors

Anjum Asim Shahid Rahman,
Chartered Accountants

Audit Committee

Mr. Muhammad Naguib (Chairman)
Mr. Asif Ali
Mr. Abdul Rauf

Chief Financial Officer

Ms. Tehmeena Khan

Company Secretary & Compliance Officer

Ms. Tehmeena Khan

Share Registrar

Corptech Associates (Pvt.) Limited
6th Floor, Standard Tower, 10-B, Block E-2, Gulberg III, Lahore.

Bankers

Bank Alfalah Limited
Standard Chartered Bank (Pakistan) Limited
Soneri Bank Limited

Legal Advisors

Ahmed & Qazi

Credit Rating Agency

JCR - VIS Credit Rating Company

Contact Us

9th Floor, Lakson Square Building No 1,
Maulana Deen Mohammad Wafai Road,
Karachi-74200, Pakistan.
Ph: 021-5620971-72
Fax: 92-21-5620978
Email: info@safewayfund.com



Directors' Report

The Directors' of Asian Stocks Fund Limited are pleased to present the third quarterly financial statements of the Company for the quarter and the nine months ended March 31st, 2009.

Financial and Operating Performance

During the quarter ended March 31, 2009, the KSE-100 index rose by 995.21 points or 16.97% to close at 6,860.22 while the KSE-30 Index rose by 1,894.64 points or 34.54% to close at 7,379.98. The Fund's NAV rose from Rs. 4.74 to Rs. 5.43 or 14.56% in the same period. On a year to date basis, the KSE-100 index is down by 44%, the KSE-30 index is down by 48.5% and the Fund is down by 37.9%. The Fund's earning for the quarter ended March 31, 2009 was Rs. 64.02m, higher than the corresponding period of the prior year of Rs. 37.92m. During the quarter the Fund also recognized an impairment loss on its available for sale investments of Rs. 26.96m. The earnings for the quarter represented a quarterly EPS of Rs. 0.71, and a cumulative year to date loss per share of Rs. 2.21. The performance of the quarter and nine months ended March 31, 2009 is shown below:-

	Rupees in Thousands	
	3 months Jan- March 2009	9 months July- March 2009
Income	93,338	(161,346)
Operating expenses and bank charges	(29,319)	(37,990)
Profit/(Loss) before tax	64,019	(199,336)
Taxation	-	-
Profit/(Loss) after tax	64,019	(199,336)
Earnings Per Share	0.71	(2.21)

A more detailed analysis of the performance of the Fund is discussed in the Fund Manager's Report on Fund Performance. This report has been reviewed by the Board of Directors and forms an integral part of this Directors' Report.

Impairment

As explained more fully in note 3, the investments in equity securities classified as available for sale have been valued at prices quoted on the KSE as of March 31, 2009. Due to the significant and in some cases, prolonged decline in the market prices of these investments, under IAS 39, the unrealized loss on these investments needs to be recognized as an impairment. The Company adopted the methodology permitted by the SECP through SRO 150(I)/2009 and opted to recognize the full impairment in equity, and not in the income statement on December 31, 2008. Under this SRO, 25% of the impairment arising on these investments, as adjusted for market pricing at March 31, 2009 (Rs. 26.960 million) has been recognized in the income statement during the quarter. The remainder will be recognized in the income statement, after adjustment for market prices, during the next three quarters.

Future Outlook

Future outlook has been considered in the Fund Manager's Report on Fund Performance.

Credit Ranking

The Fund's last available ranking from JCR – VIS is based on June 2008 performance. In this ranking the Fund was placed as MFR*1 for one year performance and MFR*4 for two year performance.

Acknowledgement

The Board places on record its thanks to the regulatory authorities, the stock exchanges, the Mutual Funds Association of Pakistan, the Investment Advisor, the Custodian and the Bankers of the Company for their continued cooperation and services. The Board also extends its gratitude to its shareholders for their trust reposed in us.

On behalf of the Board of Directors

Nihal Cassim
Chief Executive

Lahore - April 27th, 2009



Fund Manager's Report on Fund Performance

Investment Philosophy & Strategy

The investment objective of the Fund is to provide its shareholders a vehicle for long-term capital appreciation. The investment philosophy and strategy, risk management policies and corporate governance policies have been more fully described in the Investment Advisor's Report on Fund Performance printed in the 2008 Annual Report.

Market Performance and Results of Operations

During the quarter ended March 31, 2009, the KSE-100 index rose by 995.21 points or 16.97% to close at 6,860.22 while the KSE-30 Index rose by 1,894.64 points or 34.54% to close at 7,379.98. The Fund's NAV rose from Rs. 4.74 to Rs. 5.43 or 14.56% in the same period. On a year to date basis, the KSE-100 index is down by 44%, the KSE-30 index is down by 48.5% and the Fund is down by 37.9%.

The Fund's earning for the quarter ended March 31, 2009 was Rs. 64.02m, higher than the corresponding period of the prior year of Rs. 37.92m. During the quarter the Fund also recognized an impairment loss on its available for sale investments of Rs. 26.96m. The earnings for the quarter represented a quarterly EPS of Rs. 0.71, and a cumulative year to date loss per share of Rs. 2.21.

Many positives have played out over the past three months. On the political front, the democratic forces displayed their street power to restore the judiciary, and on the economic front we have seen the build-up of a strong working team to address the economic issues of the country. Six months ago we had highlighted the delayed response to economic issues as a key factor responsible for the decline in the market. We are optimistic as we see that the fiscal and monetary arms are working intelligently to resolve the twin deficits, the circular debt matter, achieving and surpassing commitments made to the IMF, while still addressing local issues liquidity. Commodity inflation coming down and positive reforms planned on the capital market front further excite us as triggers to steer the economy in the right direction.

Improvements in corporate results will likely follow once the economy shows signs of turning around. We believe that the industrial and financial sectors have begun a difficult CY2009. Comparing and forecasting corporate results has been made difficult due to the SECP's resolution of the impairment recognition issue and the tailor made solution to split up of recognizing a 'floating' impairment over the 4 quarters is blurring corporate results outlook for the year. If indications of economic challenges (discussed below) being addressed are seen, we expect corporate results to play catch up with a lag of about 9 to 12 months. All in all if we try and look past the upcoming results which are well discounted in stock prices, we are very optimistic about the equity markets over other asset classes. There had been no significant change to the portfolio composition during the half year period, however portfolio realignment has been made in the last 3 months to concentrate investments in sectors which management believes to be resilient and whose cash flow suggest a yield to growth balance potential.

We view the following economic challenges and the working of the current economic team lead us to believe that positive steps will be taken to address each issue.

1. Deregulation of energy, food and pharmaceutical prices and passing on its impact on to wage inflation. We do not support the deregulation of fertilizer prices as yet.
2. Smarter fiscal policy to strongly discourage import of finished goods and incentives for value added production locally, to accommodate higher wages and control forex outflows.
3. Political and economic consensus to begin work on building a dam to address water and energy issues.
4. Securing further external assistance to subdue the impact on the crowding out by Government of the private sector.

However, as highlighted 6 months ago, we are still very concerned about the war within Pakistan and the corresponding law and order fears. The government by trial and error (whether it be through use of force, dialogue or Sharia) is trying to resolve the matter. Consensus has recently been reached on implementing Sharia in select areas of the North, but proper implementation will be critical in diffusing the rising concerns on the matter and to prevent dampening of efforts on the economic front.

Declaration by Directors

As required under the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Directors of the Investment Advisor state that the financial statements of Asian Stocks Fund Limited for the quarter and nine months ended March 31, 2009 give a true and fair view of the Fund.

Renewal of License

The Investment Advisor is required to renew its license on an annual basis. This renewal request has been submitted to the SECP and a response is awaited.

Future Outlook

Over a 12 month horizon we are extremely bullish and expect the markets to surpass the floor prices on the index and in many of our portfolio shares. As we see our economic concerns being addressed we expect to weight the portfolio in to more industrial and financial shares on the back of earnings growth rather than on the back of extremely discounted book value multiples. Towards the end of the year we see considerable fund flow in the market and a re-rating of multiples based on lower cost of money.

Acknowledgement

We extend our gratitude to the stock exchanges, the regulators, CDC, NCCPL and the Board of Asian Stocks Fund Limited, for their continued guidance and support, and to our team for their hard work and dedication.

For and on behalf of Safeway Fund Limited



NIHAAL CASSIM
Chief Executive Officer



Statement Of Assets And Liabilities

as at March 31, 2009 (Un-Audited)

		Unaudited March 31, 2009	Audited June 30, 2008
	Note	(Rupees in thousand)	
ASSETS			
Current assets			
Cash and bank balances		3,380	26,068
Short term investments	4	480,755	748,744
Receivable against continuous funding system		-	24,940
Receivable against sale of investments		-	1,310
Dividends receivable		3,782	4,412
Income tax refundable		1,134	1,133
Advances, deposits, other receivables and prepayments		3,112	674
		492,163	807,281
Non current assets			
Long term deposit		<u>2,575</u>	<u>3,575</u>
TOTAL ASSETS		494,738	810,856
Current liabilities			
Remuneration payable to Investment Adviser		4,898	1,493
Accrued expenses and other liabilities		583	1,705
Payable against purchase of investments		5	11,407
Unclaimed dividend		293	278
		<u>5,779</u>	<u>14,883</u>
NET ASSETS		<u>488,959</u>	<u>795,973</u>
SHAREHOLDERS' EQUITY			
Authorized share capital			
100,000,000 (June 30, 2008: 100,000,000) ordinary shares of Rs 10 each		<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up capital			
90,000,000 (June 30, 2008: 90,000,000) ordinary shares of Rs 10 each		900,000	900,000
Capital reserve			
Unrealised appreciation in fair value of investments classified as 'available for sale'	4.3	(80,883)	17,795
Revenue reserve			
Unappropriated income		<u>(330,158)</u>	<u>(121,822)</u>
		<u>488,959</u>	<u>795,973</u>
Contingencies and commitments			
		-	-

As per S.R.O. 150(I) / 2009 issued by Securities and Exchange Commission of Pakistan (SECP) on February 13, 2009, 25% impairment loss (amount to Rs. 26.960 million) on equity securities classified as Available for Sales as at March 31, 2009 has been transferred to the income statement while the remaining 75% impairment loss, (amounting to Rs. 80.883 million) has been reported in equity. Had the full 100% impairment loss been charged to the income statement, the loss for the nine months ended March 31, 2009 would have been higher by Rs. 80.883 million while the loss per share would have been higher by Rs. 0.90, and the profit for the three months ended March 31, 2009 would have been converted into a loss of Rs. 16.864 million and a loss per share of Rs. 0.19.

The annexed notes 1 to 9 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Income Statement

for the quarter and nine months ended March 31, 2009 (Un-Audited)

	Note	January to March		July to March	
		2009	2008	2009	2008
		(Rupees in thousand)		(Rupees in thousand)	
Income					
Return on investments	5	92,848	43,119	(162,881)	111,857
Other income		490	3,571	1,535	9,426
		93,338	46,690	(161,346)	121,283
Operating expenses					
Administrative and general expenses		509	917	2,755	3,566
Remuneration of investment adviser		1,848	4,529	8,237	13,272
Impairment charge on investments	4.3.1	26,960	3,317	26,960	3,317
		29,317	8,763	37,952	20,155
		64,021	37,927	(199,298)	101,128
Finance cost		2	3	38	11
Income/(loss) before tax		64,019	37,924	(199,336)	101,117
Taxation	6	-	-	-	-
Income/(loss) after tax		64,019	37,924	(199,336)	101,117
Earnings/(loss) per share		0.71	0.42	(2.21)	1.12
		(Rupees)			

As per S.R.O. 150(I) / 2009 issued by Securities and Exchange Commission of Pakistan (SECP) on February 13, 2009, 25% impairment loss (amount to Rs. 26.960 million) on equity securities classified as Available for Sales as at March 31, 2009 has been transferred to the income statement while the remaining 75% impairment loss, (amounting to Rs. 80.883 million) has been reported in equity. Had the full 100% impairment loss been charged to the income statement, the loss for the nine months ended March 31, 2009 would have been higher by Rs. 80.883 million while the loss per share would have been higher by Rs. 0.90, and the profit for the three months ended March 31, 2009 would have been converted into a loss of Rs. 16.864 million and a loss per share of Rs. 0.19.

The annexed notes 1 to 9 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Distribution Statement

for the quarter and nine months ended March 31, 2009 (Un-Audited)

	January to March		July to March	
	2009	2008	2009	2008
	(Rupees in thousand)		(Rupees in thousand)	
Unappropriated loss brought forward	(394,177)	(68,386)	(121,822)	(86,579)
Final dividend for the year ended June 30,2008: Rs 0.10 per share (June 30,2007: Rs 0.50 per share)	-	-	(9,000)	(45,000)
Net income/(loss) for the period	64,019	37,924	(199,336)	101,117
Unappropriated loss carried forward	<u>(330,158)</u>	<u>(30,462)</u>	<u>(330,158)</u>	<u>(30,462)</u>

As per S.R.O. 150(I) / 2009 issued by Securities and Exchange Commission of Pakistan (SECP) on February 13, 2009, 25% impairment loss (amount to Rs. 26.960 million) on equity securities classified as Available for Sales as at March 31, 2009 has been transferred to the income statement while the remaining 75% impairment loss, (amounting to Rs. 80.883 million) has been reported in equity. Had the full 100% impairment loss been charged to the income statement, the loss for the nine months ended March 31, 2009 would have been higher by Rs. 80.883 million while the loss per share would have been higher by Rs. 0.90, and the profit for the three months ended March 31, 2009 would have been converted into a loss of Rs. 16.864 million and a loss per share of Rs. 0.19.

The annexed notes 1 to 9 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Cash Flow Statement

for the nine months ended March 31, 2009 (Un-Audited)

	Note	July to March	
		2009	2008
		(Rupees in thousand)	
Cash flows from operating activities			
(Loss) / Income before tax		(199,336)	101,117
Adjustment for non-cash items:			
- Unrealised diminution in fair value of investments classified as 'held for trading'		130,631	6,652
- Capital gain on sale of investments classified as 'available for sale'		(2,365)	(23,669)
- Impairment charge on 'available for sale' investments	4	26,960	3,317
- Dividend income		(14,615)	(18,792)
- Mark up Income		(10,381)	(9,426)
- Remuneration of investment adviser		8,237	13,272
Profit before working capital changes		(60,869)	72,471
Effect on cash flow due to working capital changes:			
Decrease / (increase) in assets			
- Short term investments		14,085	(10,103)
- Receivable against continuous funding system		24,940	-
- Receivable against sale of investments		1,310	8,577
- Advances, deposits, other receivables and prepayments		(548)	(9,952)
Decrease in accrued expenses and other liabilities		(12,524)	(27,858)
		27,263	(39,336)
Cash (used in) / generated from operations		(33,606)	33,135
Remuneration of investment adviser		(4,832)	(26,187)
Taxes paid		(1)	(193)
Mark up received		8,491	9,613
Dividend received		15,245	16,550
Net cash (inflow) / outflow from operations		(14,703)	32,918
Cash flows from investing activities			
Sale proceeds of long term investments		-	-
Long term deposit		1,000	(2,575)
Dividend paid		(8,985)	(44,893)
Net cash outflow from financing activities		(7,985)	(47,468)
Net decrease in cash and cash equivalents		(22,688)	(14,550)
Cash and cash equivalents at the beginning of the period		26,068	215,653
Cash and cash equivalents at the end of the period		3,380	201,103

As per S.R.O. 150(I) / 2009 issued by Securities and Exchange Commission of Pakistan (SECP) on February 13, 2009, 25% impairment loss (amount to Rs. 26.960 million) on equity securities classified as Available for Sales as at March 31, 2009 has been transferred to the income statement while the remaining 75% impairment loss, (amounting to Rs. 80.883 million) has been reported in equity. Had the full 100% impairment loss been charged to the income statement, the loss for the nine months ended March 31, 2009 would have been higher by Rs. 80.883 million while the loss per share would have been higher by Rs. 0.90, and the profit for the three months ended March 31, 2009 would have been converted into a loss of Rs. 16.864 million and a loss per share of Rs. 0.19.

The annexed notes 1 to 9 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Statement Of Movement In Equity And Reserves - 'Per Share'

for the quarter and nine months ended March 31, 2009 (Un-Audited)

	January to March		July to March	
	2009	2008	2009	2008
	(Rupees in thousand)		(Rupees in thousand)	
Net assets per share as at the beginning of the period	4.74	10.61	8.84	10.22
Dilution due to final dividend for the year ended June 30, 2008 - Rs 0.10 per share	-	-	(0.10)	(0.50)
Capital gain on sale of marketable securities	(0.35)	0.34	(0.62)	1.08
Unrealised appreciation / (diminution) in value of classified as 'held for trading'	1.32	0.08	(1.45)	(0.07)
Unrealised diminution in the value of investments classified as 'available for sale' recognised in the income statement through impairment	(0.30)	-	(0.30)	-
Other net operating income for the period	0.04	0.01	0.16	0.11
Net income/(loss) for the period	0.71	0.43	(2.21)	1.12
Unrealised diminution in the value of investments classified as 'available for sale'	(0.02)	(0.38)	(1.10)	(0.18)
Net assets per share as at the end of the period	5.43	10.66	5.43	10.66

As per S.R.O. 150(I) / 2009 issued by Securities and Exchange Commission of Pakistan (SECP) on February 13, 2009, 25% impairment loss (amount to Rs. 26.960 million) on equity securities classified as Available for Sales as at March 31, 2009 has been transferred to the income statement while the remaining 75% impairment loss, (amounting to Rs. 80.883 million) has been reported in equity. Had the full 100% impairment loss been charged to the income statement, the loss for the nine months ended March 31, 2009 would have been higher by Rs. 80.883 million while the loss per share would have been higher by Rs. 0.90, and the profit for the three months ended March 31, 2009 would have been converted into a loss of Rs. 16.864 million and a loss per share of Rs. 0.19.

The annexed notes 1 to 9 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Notes To And Forming Part Of The Financial Statements(Un-Audited)

for the quarter and nine months ended March 31, 2009

1. Legal status and nature of business

Asian Stocks Fund Limited ('The Company') is a public limited company incorporated in June 1994 under the Companies Ordinance, 1984 and registered with the Securities and Exchange Commission of Pakistan (SECP) as an Investment Company under the Investment Companies and Investment Advisers Rules, 1971 to carry on the business of a closed end investment Company. The Company commenced its business in July 1994 and is listed on Karachi, Lahore and Islamabad Stock Exchanges. Under Rule 46 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Company is required to be registered as an investment company with the SECP. Application for this registration has been made with the SECP.

Pursuant to the merger of Asian Capital Management Limited with and into Safeway Fund Limited, effective from December 31, 2008, as approved by SECP vide sanction order no. 1109/2008 dated December 22, 2008, the Company has entered into an agreement with Safeway Fund Limited to act as its Asset Management Company. Safeway Fund Limited is licensed as an Asset Management Company under Rule 5 of the Non-Banking Finance Companies (Established and Regulation) Rules, 2003.

The Company primarily invests in shares of listed companies.

2. Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), directives issued by the SECP and the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case the requirements differ, the provisions or directives of the Companies Ordinance, 1984, the requirements of the NBFC Rules and the NBFC Regulations shall prevail.

The disclosures made in these financial statements have, however, been limited based on the requirements of the International Accounting Standard 34, Interim Financial Reporting.

3. Significant accounting policies

The accounting policies adopted for the preparation of these financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended June 30, 2008, except for the following:

The International Accounting Standard Financial Instrument: Recognition and Measurement (IAS-39) requires that an impairment loss on available for sale investments be charged to income statement of the period. The SECP vide its S.R.O. 150(1)/2009 dated February 13, 2009 allowed Companies and Mutual Funds to account for the impairment loss as at December 31, 2008 on their available for sale investments under equity in the statement of assets and liabilities instead of charging it to the income statement. The SRO further states that such impairment loss, however, shall be treated as a charge to the income statement for the purposes of dividend distribution. Moreover, the amount of impairment loss taken to equity in December 31, 2008, shall be recognised, after adjustment of price movement if any, in the income statement on a quarterly basis during the calendar year ending on December 31, 2009.

The Company opted for the accounting treatment allowed by SECP vide above referred SRO in respect of its available for sale investments for the purposes of its December 31, 2008 accounts and an impairment loss as at December 31, 2008 amounting to Rs 98.399 million was accounted for in equity under the head "un-realized (diminution) / appreciation in fair value of investments classified as 'available for sale'" in statement of assets and liabilities. In accordance with the above mentioned SRO, the Company has recognised 25% of the impairment loss at December 31, 2008, adjusted for market movements to March 31, 2009 on March 31, 2009. This impairment loss amounts to Rs. 26,960 million. Had the full impairment loss been charged to the income statement in accordance with IAS-39, the net loss after tax for the quarter and nine months period March 31, 2009 would have been higher by Rs 80.90 million and the loss per share would have been Rs 0.19 and Rs 3.12 respectively for the quarter and nine months period ended March 31, 2009.

4. Short term investments

		March 31, 2009	June 30, 2008
		(Rupees in thousand)	
- Held for trading	- note 4.1	385,010	522,640
- Available for sale	- note 4.2	95,745	226,104
		<u>480,755</u>	<u>748,744</u>

4.1 Investments in marketable securities - 'at fair value through profit or loss'

Name of the Investee Company	Number of shares			Balance as at March 31, 2009			Percentage in relation to		
	As at July 01, 2008	Purchases / Adjustments during the period	Bonus / Rights	Cost	Carrying Cost (Rupees in thousands)	Market Value	Appreciation/ (diminution)	Net assets of the company (with market value of investments)	Fair carrying value of investments
Shares of listed companies- Fully paid ordinary shares of Rs 10 each unless stated otherwise									
RELATED PARTIES									
Food & Personal Care Products									
Shakarganj Foods Limited	148,000	-	-	538	2,115	511	(1,604)	0.10	0.02
				538	2,115	511	(1,604)	0.10	0.02
OTHERS									
Modaraba Companies									
Modaraba Al Mali	50,000	-	500	397	243	66	(177)	0.01	0.27
First Fidelity Leasing Modaraba	140,000	-	140,000	397	243	66	(177)	0.01	0.27
Investment Companies and Banks									
Arif Habib Securities Limited	-	239,871	-	2,247	2,247	3,108	861	0.64	0.03
Arif Habib Limited	-	620	-	-	-	-	-	-	-
Innovative Investment Bank Limited	20,000	-	-	-	-	-	-	-	-
Dawood Capital Management Limited	20,000	-	-	717	558	112	(446)	0.02	0.15
Dawood Equities Limited	-	10	2,000	-	-	-	-	-	-
First National Equities Limited	-	713	-	34	34	15	(19)	-	-
Jahangri Siddiqui & Company Limited	34,400	9,546	83,859	21,727	17,732	4,147	(13,585)	0.85	0.02
Javed Omer Vohra & Company Limited	-	2,307	-	-	-	-	-	-	-
JS Investment Limited	-	79	-	-	-	-	-	-	-
Perez Ahmed Securities Limited	-	770	-	24,725	20,571	7,382	(13,189)	1.51	0.20
Textile Composite									
Nishat Mills Limited	45,000	105,530	-	6,412	6,204	4,261	(1,943)	0.87	0.09
Nishat Mills Limited - R	-	22,500	-	-	-	-	-	-	-
Kohinoor Textile Mills Limited	250,850	-	-	5,982	3,479	1,262	(2,217)	0.26	0.17
Kohinoor Industries Limited	11,025	-	-	-	-	-	-	-	-
Nishat Chunan Limited	-	291	-	-	-	-	-	-	-
Dawood Lawrencepur Limited	-	29	-	-	-	-	-	-	-
Azgard Nine Limited	-	3	-	12,394	9,683	5,523	(4,160)	1.13	0.26

Name of the Investee Company	Number of shares			Balance as at March 31, 2009			Percentage in relation to			
	As of July 01, 2008	Purchases / Adjustments during the period	Bonus / Rights	Cost	Carrying Cost	Market Value	Appreciation / (diminution)	the company (with marked value of investments)	held by the company (with marked value of investments)	Fund carrying value of investments
	As at March 31, 2009	Sales / Adjustments during the period		(Rupees in thousands)						
Shares of listed companies- Fully paid ordinary shares of Rs 10 each unless stated otherwise										
Cement										
Zeal Pak Cement Factory Limited	587,000	-	-	3,294	1,608	270	(1,338)	0.06	0.14	0.06
Al-Abbas Cement Industries Limited	-	97	-	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	192,700	58	-	-	-	-	-	-	-	-
D.C. Khan Cement Company Limited	290,000	764,881	-	38,644	31,928	21,371	(10,557)	4.37	0.39	4.45
Dewan Cement Limited	-	276	-	-	-	-	-	-	-	-
Fauji Cement Limited	334,500	1,125	-	-	-	-	-	-	-	-
Lafarge Pakistan Cement Company Limited	-	2,454	-	-	-	-	-	-	-	-
Lucky Cement Limited	37,500	40,177	-	6	6	4	(2)	-	-	-
Pioneer Cement Limited	23,682	355	-	41,944	33,542	21,645	(11,897)	4.43	0.53	4.51
Commercial Banks										
NIB Bank Limited	165,300	62,382	-	649	419	344	(75)	0.07	-	0.07
Soneri Bank Limited	104,200	2,534	-	-	-	-	-	-	-	-
National Bank of Pakistan	222,710	247,776	-	40,580	34,994	26,499	(8,495)	5.42	0.03	5.51
Faysal Bank Limited	-	81,152	-	-	-	-	-	-	-	-
Meezan Bank Limited	-	19	-	-	-	-	-	-	-	-
The Bank of Punjab	252,741	673,453	-	12,578	8,754	6,667	(2,087)	1.36	0.11	1.39
Habb Bank Limited	-	179	-	-	-	-	-	-	-	-
United Bank Limited	118,000	229,611	-	26,665	20,462	17,843	(2,619)	3.65	0.03	3.71
Arif Habb Bank Limited	-	2,757	-	-	-	-	-	-	-	-
MCB Bank Limited	-	20,046	-	-	-	-	-	-	-	-
Askari Bank Limited	-	1,152	-	-	-	-	-	-	-	-
Saudi Pak Commercial Bank Limited	-	569	-	-	-	-	-	-	-	-
Bank Al Falah Limited	180,000	818,502	871,751	21,246	20,581	20,878	297	4.27	0.19	4.34
Allied Bank Limited	50,000	37,856	5,745	6,835	5,320	3,138	(2,182)	0.64	0.01	0.65
BankIslami Pakistan Limited	75,000	29,136	-	1,760	1,438	594	(844)	0.12	0.02	0.12
JS Bank Limited	-	7828	-	-	-	-	-	-	-	-
Bank Al Habb Limited	-	158	-	253	253	130	(123)	0.03	0.01	0.03
Atlas Bank Limited	-	43,300	-	110,566	92,221	76,093	(16,128)	15.56	0.40	15.82





Name of the Investee Company	Number of shares				Balance as at March 31, 2009			Percentage in relation to		
	As of July 01, 2008	Purchases / Adjustments during the period	Bonus / Rights	Sales / Adjustments during the period	Cost	Carrying Cost	Market Value	Appreciation / (diminution)	Net Assets of the company (with market value of investments)	Fund carrying value of investments
Shares of listed companies- Fully paid ordinary shares of Rs 10 each unless stated otherwise										
Insurance										
Beema Pakistan Company Limited	200,000	-	-	-	518	460	460	-	0.09	0.48
Pakistan Reinsurance Company Limited	-	292	-	292	-	-	-	-	-	-
Adamjee Insurance Company Limited	-	37	-	37	-	-	-	-	-	-
EFU General Insurance Limited	-	32	-	32	-	-	-	-	-	-
Refinery										
Attock Refinery Limited	17,500	20,182	2,000	27,500	1,804	1,804	1,031	(773)	0.21	0.01
Boscor Pakistan Limited	140,000	2,784	-	2,784	2,382	1,848	904	(944)	0.18	0.04
Pakistan Refinery Limited	-	192	-	192	4,186	3,652	1,935	(1,717)	0.39	0.05
Synthetic & Rayon										
Dewan Salmaan Fibre Limited	-	603	-	603	-	-	-	-	-	-
Transport										
Pakistan International Container Terminal Limited	-	122	-	122	-	-	-	-	-	-
Pakistan National Shipping Corporation Limited	10,000	274,500	-	250,000	1,931	1,913	1,408	(505)	0.29	0.03
Power Generation and Distribution										
The Hub Power Company Limited	334,000	1,532	-	-	10,121	9,570	6,919	(2,651)	1.42	0.03
Kohinoor Energy Limited	112,500	-	-	500	4,057	3,041	2,856	(185)	0.58	0.07
Karachi Electric Supply Corporation Limited (Ordinary share of Rs 3.5 each)	749,000	-	-	-	4,044	4,097	1,873	(2,224)	0.38	0.01
Kot Addu Power Company Limited	-	164	-	164	18,222	16,708	11,648	(5,060)	2.38	0.11
Oil and Gas Exploration Companies										
Oil & Gas Development Company Limited	621,410	200,782	-	175,000	77,242	74,003	46,643	(27,360)	9.54	0.02
Pakistan Petroleum Limited	277,500	105,085	23,710	186,100	49,026	47,219	38,153	(9,066)	7.80	0.03
Pakistan Oilfields Limited	15,000	237,744	18,400	15,000	41,201	41,132	43,816	2,684	8.96	0.11
Mari Gas Company Limited	10,000	33,033	-	43,033	167,469	162,354	128,612	(33,742)	26.30	0.16



Name of the Investee Company	Number of shares			Balance as at March 31, 2009			Percentage in relation to				
	As at July 01, 2008	Purchases / Adjustments during the period	Bonus / Rights	Sales / Adjustments during the period	Cost	Carrying Cost	Market Value	Appreciation/ (diminution)	Net Assets of the company (with market value of investments)	Net Assets of the company (with market value of investments)	Fund carrying value of investments
Shares of listed companies- Fully paid ordinary shares of Rs 10 each unless stated otherwise							(Rupees in thousands)				
Oil and Gas Marketing Companies											
Sui Northern Gas Pipelines Limited	300,000	11,380	-	311,380	-	-	-	-	-	-	-
Sui Southern Gas Company Limited	-	215	-	215	-	-	-	-	-	-	-
Attock Petroleum Limited	45,300	113,990	-	16	143,890	29,010	28,194	(816)	5.77	0.08	5.86
Pakistan State Oil Company Limited	-	-	-	15,400	-	29,010	28,194	(816)	5.77	0.08	5.86
Technology and Communication											
Pakistan Telecommunication Company Limited	500,000	1,364,547	-	250,000	1,614,547	35,936	26,931	(9,005)	5.51	0.04	5.60
TRC Pakistan Limited	240,000	10,028	-	10,000	240,028	1,452	322	(1,130)	0.07	0.06	0.07
Worldcall Telecom Limited	192,500	882,176	-	1,074,676	-	-	-	-	-	-	-
Eye Television Network Limited	-	77	-	77	-	-	-	-	-	-	-
Neisol Technologies Limited	-	3,092	-	3,092	-	-	-	-	-	-	-
Telecard Limited	-	1,171	-	1,171	-	-	-	-	-	-	-
Southern Networks Limited	50,000	-	-	-	50,000	293	67	(226)	0.01	0.10	0.01
					42,536	37,681	27,320	(10,361)	5.59	0.20	5.68
Chemicals											
ICI Pakistan Limited	43,200	10,024	-	48,200	5,024	370	483	113	0.10	-	0.10
Pakistan PTA Limited	-	4,373	-	4,373	-	-	-	-	-	-	-
BOC Pakistan Limited	-	11	-	11	-	-	-	-	-	-	-
					370	370	483	113	0.10	-	-
Fertilizer											
Fauji Fertilizer Bin Qasim Limited	570,500	520	-	-	571,020	20,528	9,776	(10,752)	2.00	0.06	2.03
Fauji Fertilizer Company Limited	70,013	123,401	-	193,414	-	-	-	-	-	-	-
Engro Chemicals Pakistan Limited	90,000	61,957	-	151,957	-	-	-	-	-	-	-
					23,962	20,528	9,776	(10,752)	2.00	0.06	2.03
Automobile Assembler											
Dewan Farooque Motors Limited	135,000	-	-	-	135,000	933	250	(683)	0.05	0.18	0.05
Pak Suzuki Motor Company Limited	115,000	22,300	-	-	137,300	14,716	7,487	(7,289)	1.53	0.17	1.56
Indus Motor Company Limited	-	42	-	42	-	15,709	7,737	(7,972)	1.58	0.35	1.61



Name of the Investee Company	Number of shares			Balance as at March 31, 2009			Percentage in relation to			
	As of July 01, 2008	Purchases / Adjustments during the period	Bonus / Rights	Sales / Adjustments during the period	As at March 31, 2009	Cost	Carrying Cost	Market Value	Net Assets of the company (with market value of investments)	Fiduciary value of investments
Shares of listed companies- Fully paid ordinary shares of Rs 10 each unless stated otherwise							(Rupees in thousands)			
Automobile parts & Assembler										
Honda Atlas Cars (Pakistan) Limited	-	334	-	334	-	-	-	-	-	-
Cable & Electrical Goods										
Pak Elektron Limited	-	25,554	-	25,500	54	1	1	1	-	-
Pharmaceuticals										
Abbott Laboratories Pakistan Limited	65,900	-	-	65,900	-	-	-	-	-	-
GlaxoSmithKline Pakistan Limited	10,300	-	-	10,300	-	-	-	-	-	-
Silara Peroxide Limited	50,500	49,609	-	109	100,000	5,521	4,842	2,027	(2,815)	0.41
						5,521	4,842	2,027	(2,815)	0.41
Engineering										
Dost Steel Limited	-	262	-	262	-	-	-	-	-	-
Itute										
Thal Limited (Ordinary share of Rs 5 each)	63,600	111,000	25,440	-	200,040	20,476	17,769	10,974	(6,795)	2.24
						20,476	17,769	10,974	(6,795)	2.24
Paper & Board										
Packages Limited	15,500	160	-	15,660	-	-	-	-	-	-
Textile Spinning										
D.S Industries Limited	-	812	-	812	-	-	-	-	-	-
Sugar & Allied Industries										
Faran Sugar Mills Limited	53,500	-	-	53,500	-	-	-	-	-	-



Name of the Investee Company	Number of shares			Balance as at March 31, 2009			Percentage in relation to					
	As of July 01, 2008	Purchases / Adjustments during the period	Bonus / Rights	Sales / Adjustments during the period	As at March 31, 2009	Cost	Carrying Cost	Market Value	Appreciation/ (diminution)	the company (with market value of investments)	the company (with market value of investments)	
Shares of listed companies- Fully paid ordinary shares of Rs 10 each unless stated otherwise												
Close End Mutual Fund												
JS Value Fund Limited	-	441	-	441	-	-	-	-	-	-	-	
Pakistan Premier Fund Limited	-	411	-	411	-	-	-	-	-	-	-	
PICIC Growth Fund Limited	-	211	-	211	-	-	-	-	-	-	-	
Miscellaneous												
Pace (Pakistan) Limited	-	63,652	-	63,652	-	-	-	-	-	-	-	
Tri Pack Films Limited	-	10	-	10	-	-	-	-	-	-	-	
Bonds												
Orix Leasing Pakistan Limited (Term finance certificate of Rs 5,000 each)	6,423	-	-	-	6,423	32,097	32,620	32,552	(68)	6.66	6.77	
Pak Arab Fertilizers - (Term finance certificate of Rs 5,000 each)	862	-	-	862	-	-	-	-	-	-	-	
Maple Leaf Cement Factory (SUKUK Certificate of Rs 5,000 each)	2,000	-	-	-	2,000	10,000	10,058	9,207	(851)	1.88	1.92	
Auto and Allied Industries												
Agriautos Industries Limited	43,400	-	8,680	-	52,080	3,617	3,591	1,456	(2,135)	0.30	0.30	
Total	8,503,016	7,188,962	1,041,585	5,305,022	11,428,541	582,038	515,641	385,010	(130,631)			

4.2 Investments in marketable securities - available for sale

Name of the Investee Company	Number of shares				Balance as at March 31, 2009		Percentage in relation to			
	As at July 01, 2008		As at March 31, 2009		Cost	Market Value	Appreciation/ (depreciation)	Net Assets of the company (with market investments)	Paid in capital of investee company (with market investments)	Total carrying value of investments (with market investments)
	Purchases during the period	Adjustments during the period	Bonus / Rights	Sales / Adjustments during the period						
Shares of listed companies - Fully paid ordinary shares of Rs 10 each unless stated otherwise										
RELATED PARTIES										
Commercial Banks										
Samba Bank Limited (Formerly Crescent Commercial Bank Limited)	499,382	-	-	-	499,382	9,067	2,267	(6,800)	0.46	0.47
						9,067	2,267	(6,800)	0.46	0.47
Engineering										
Crescent Steel and Allied Products Limited	989,966	287	98,996	-	1,089,249	50,056	16,001	(34,055)	3.27	3.33
						50,056	16,001	(34,055)	3.27	3.33
Sugar & Allied Products Limited										
Shakarganj Mills Limited	2,177,400	-	-	-	2,177,400	72,087	16,505	(55,582)	3.38	3.43
Shakarganj Mills Limited (Preference Shares)	180,000	2,000	-	14,500	1,67,500	1,671	1,499	(172)	0.31	0.31
						73,758	18,004	(55,754)	3.69	3.74
OTHERS										
Modarabas										
Crescent Standard Modaraba	659,500	-	-	-	659,500	2,803	284	(2,519)	0.06	0.06
						2,803	284	(2,519)	0.06	0.06
Power Generation and Distribution										
Altern Energy Limited	1,459,000	-	-	-	1,459,000	18,916	15,334	(3,582)	3.14	3.19
						18,916	15,334	(3,582)	3.14	3.19
Textile Composite										
Crescent Textile Mills Limited	1,422,570	-	-	128,200	1,294,370	46,435	42,546	(3,889)	8.70	8.85
						46,435	42,546	(3,889)	8.70	8.85
Leasing Companies										
AL-Zarira Leasing Corporation Limited (Formerly Universal Leasing Corporation Limited)	648,114	-	-	-	648,114	4,402	1,309	(3,093)	0.27	0.27
						4,402	1,309	(3,093)	0.27	0.27
Total	8,035,932	2,287	98,996	142,700	7,994,515	205,437	95,745	(109,692)		



		March 31, 2009	June 30, 2008
(Rupees in thousand)			
4.3 Net unrealised (diminution) / appreciation in the value of investments classified as 'available for sale'			
Market value	- note 4.2	95,745	226,104
Less: Cost	- note 4.2	(205,437)	(210,158)
Add: Impairment charge recognised in income statement	- note 4.3.1	28,809	1,849
		<u>(80,883)</u>	<u>17,795</u>
4.3.1 Impairment charge			
Opening balance		1,849	5,543
Add: Impairment charge recognised during the period		26,960	3,317
Less: Sales of investments		-	(7,011)
Closing balance		<u>28,809</u>	<u>1,849</u>

As per S.R.O. 150(I) / 2009 issued by Securities and Exchange Commission of Pakistan (SECP) on February 13, 2009, 25% impairment loss (amount to Rs. 26.960 million) on equity securities classified as Available for Sales as at March 31, 2009 has been transferred to the income statement while the remaining 75% impairment loss, (amounting to Rs. 80.883 million) has been reported in equity. Had the full 100% impairment loss been charged to the income statement, the loss for the nine months ended March 31, 2009 would have been higher by Rs. 80.883 million while the loss per share would have been higher by Rs. 0.90, and the profit for the three months ended March 31, 2009 would have been converted into a loss of Rs. 16.864 million and a loss per share of Rs. 0.19.

	January to March		July to March	
	2009	2008	2009	2008
(Rupees in thousand)				
5. Return on investments				
(Loss) / gain on sale of shares	(31,491)	30,304	(55,712)	97,585
Gain / (loss) on remeasurement of investments classified as 'held for trading'	118,511	7,131	(130,630)	(6,652)
Return on TFCs'	1,804	252	5,692	2,132
Income from continuous funding system	18	-	3,154	-
Dividend income	4,006	5,432	14,615	18,792
	<u>92,848</u>	<u>43,119</u>	<u>(162,881)</u>	<u>111,857</u>

6. Provision for taxation

In view of the available tax losses, no provision for taxation has been made during the period.



	January to March		July to March	
	2009	2008	2009	2008
7. Transactions with Connected Persons				
Remuneration to Investment Adviser				
Safeway Fund Limited	1,848	-	1,848	-
Asian Capital Management Limited	-	4,529	6,389	13,272
Dividend paid				
Shakarganj Mills Limited	-	-	3,753	18,764
Crescent Steel & Allied Products Limited	-	-	906	4,530
Samba Bank Limited (Formerly Crescent Commercial Bank Limited)	-	-	2,681	13,404
Safeway Fund Limited	-	-	18	90
Asian Capital Management Limited	-	-	922	4,500
Al-Zamin Leasing Corporation Limited (Formerly Crescent Leasing Corporation Limited)	-	-	-	293
Dividend income				
Crescent Steel & Allied Products Limited	-	990	-	3,050
Shakarganj Mills Limited	146	-	146	1,765
Payment for services - Director fees	40	-	115	15

8. Date of authorisation for issue

These financial statements have been authorized for issue on April 27, 2009 by the Board of Directors of the Company.

9. General

9.1 Figures have been rounded off to the nearest thousand rupees.

9.2 Corresponding figures have been re-arranged wherever necessary, for the purpose of comparison. However no significant rearrangements have been made

CHIEF EXECUTIVE OFFICER

DIRECTOR



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