

## JS Investments' takes measures on SECP's directives to Mutual Funds

**Karachi, November 7, 2008:** As per directives of Securities & Exchange Commission of Pakistan's (SECP) circular NBFC/MR-CIR/897) dated November 5, 2008, issued to all Asset Management Companies, JS Investments Limited (JSIL) has revaluated its portfolio of debt securities of JS Income Fund (JS IF) and JS Aggressive Income Fund (JS AIF). The revaluation has resulted in a downward adjustment of approximately 3.7% and 4.0% in the Nets Asset Values (NAVs) of JS IF and JS AIF respectively. As per SECP's circular the revaluations of debt securities at discounted rates will be effective till January 12, 2009.

Commenting on the impact of SECP's directives Najam Ali, CEO of JSIL, said **"SECP's action, while unilateral, should be taken in light of severe liquidity pressure gripping the financial sector as well as the mutual fund industry. This is a temporary phenomenon and will reverse as soon as liquidity situation in the industry improves. Investors in JS IF & JS AIF should draw comfort from the fact that our funds are one of the most liquid income funds in the industry. JS IF's investment portfolio consists of over 70 % of cash investments. Furthermore, we have invested in high investment grade Term Finance Certificates and their market value is far more than the forced discount presently incorporated in the NAV as a result of SECP's directives. There is no cause for concern and investors should remain assured of their investment. This is also a favorable opportunity for investors to benefit from discounted NAV's and make fresh investments as NAV appreciation going forward will be at a much higher yield as compared to the period July 01 - November 04, 2008. JS IF and JS AIF posted tax-free annualized return of 13.30 % and 12.40 % respectively during the period July 01 to November 04, 2008."**

JS IF is the one of the oldest Income Funds in Pakistan, and has the highest 5 star rating (Normal and Long Term) awarded by Pakistan Credit Rating Agency (PACRA). An interim payout of Rs. 3.05 per unit for JS IF and an interim payout of Rs. 2.75 per unit were announced by the management company in Q1 2008.

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### **For Press Information:**

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