

FUND OBJECTIVE

FBGF endeavors to provide investors with an opportunity to earn income and long-term capital appreciation by investing in a large pool of funds representing equity / non-equity investments in a broad range of sectors and financial instruments.

PERFORMANCE

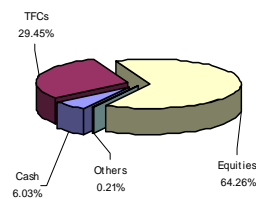
FBGF by the grace of Almighty Allah has maintained its excellent track record by mimicking its performance benchmark of KSE-100 during the month of January. KSE-100 index starting from 10066.68 level registered an increase of 11.98% during the month and closed at 11273.33. FBGF started its month with Rs.100.70 NAV, registered an increase in value of 8.63% and closed the month at per unit NAV of Rs.109.39. The average return of the open-ended equity funds was 6.72% during January vs. FBGF performance of 8.63% - i.e., FBGF out performed its peer group by a margin of 1.91%. This performance is a clear reflection of Fund Management's proactive and balanced asset allocation strategy. Asset allocation of the fund by in large remained similar to that of previous month. There, however were some minor adjustments through reduction in technology / communication sector and increase in cement sector in anticipation of increase in cement prices.

January was an eventful month with KSE 100 index maintaining an upward trend through broad base rallies in all the major sectors – i.e., Oil & Gas Exploration, Cement, Banking and Power. Budget apprehensions kept the market bearish during the first half of January; however, Prime Minister's announcement to extend capital gain tax holiday till June 2008 brought the bulls back and market witnessed an increase in index with heavy trading volumes.

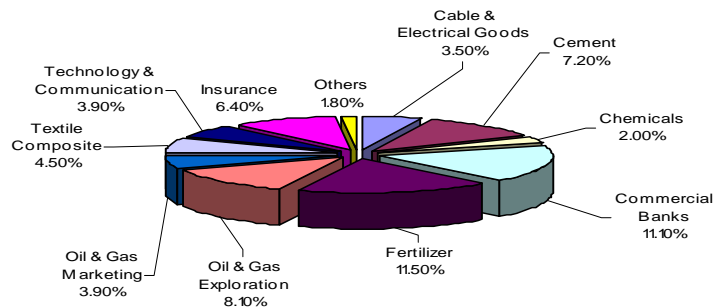
The KSE board's decisions to waive-off stamp duty on electronic transfer of shares together with delay in client level netting till March 1, 2007, positively impacted in restoring investor's confidence. Both these regulator changes brought fresh foreign portfolio investment as indicated by the balances in Special Convertible Rupee Accounts (SCRA), which surged to \$392 Mio by the end of the month.

The market at present is highly leveraged with CFS exposure touching its maximum limits. FAML Investment Committee is closely monitoring all the above changes in the market and has been proactively managing the fund in accordance with the market sentiment for now and going forward.

ASSET ALLOCATION (%)



SECTOR ALLOCATION (%)



RETURNS

| | |
|--------------------|--------|
| Month on Month | 8.69 % |
| Year To Date (YTD) | 9.11 % |
| Since Inception | 52.1% |

PORTFOLIO CHARACTERISTICS

| | |
|----------------|--------|
| P/E | 6.16 x |
| Dividend Yield | 2.73 % |

FUND INFORMATION

| | | | |
|-----------------------|-----------------------|-----------|---|
| Fund Type | Open Ended | Registrar | Gangjees Registrar (Pvt.) Ltd. |
| Fund Launch Date | 14 April 2004 | Trustees | Central Depository Company (CDC) of Pakistan Ltd. |
| Rating | MFR 3 Star by JCR-VIS | Auditors | A.F Ferguson a member firm of PWC |
| Performance Benchmark | KSE 100 Index | | |

MANAGED BY



FAYSAL ASSET MANAGEMENT LIMITED
COLLECTIVE WISDOM

Islamabad:
(051) 227 5096-9

Peshawar:
(091) 527 0176-8

(021) 111 329 725 (111 FAYSAL)
Customer Service: (021) 279 5377 – 279 5564
customerservices@faysalfunds.com
www.faysalfunds.com

Hyderabad:
(022) 272 8356

Faisalabad:
(041) 2644 481-5

Lahore:
(042) 575 5190-4

Quetta:
(081) 283 6451-3

Gujranwala:
(0553) 730 301- 4

Sialkot:
(052) 429 2501-5

Risk Disclosure:

All investments in mutual funds and securities are subject to market risks. Therefore, the NAV based prices of units cannot be guaranteed. Prices of units and any dividends and returns thereon may go up or down based on market conditions & past performance of the fund is not necessarily indicative of future results. Please consult your legal/financial advisor & read clause 2.6 and 2.7 of the offering document available at our web site for understanding the investment policies & risks.