

Valuation of Debt Securities by MUFAP

as required under the Non Banking Finance Companies and Notified Entities Regulations, 2008.

Valuation Rationale

MUFAP is happy to announce the new prices as calculated by its "Pricing Committee" in consultation with the SECP. The calculation of prices with this new mechanism is the first step towards valuation of debt securities based on traded prices and use of traded prices to value similar non traded debt securities. This step would be followed by several initiatives for the development of the bond market. The very next step is to build a trading platform for these securities, which as per SECP agreement with MUFAP will be available in a reasonably short period of time.

The need for this new mechanism was felt due to the poor liquidity conditions in the financial markets and bilateral transactions taking place between parties without a proper trading platform where proper price discovery can take place amongst buyers and sellers. Thus it was of utmost importance to evolve prices which were true reflection of the market dynamics. These prices incorporate all the pertinent variables that are required for a true and reflective price of a fixed income instrument. These include duration, maturity, credit spreads, ratings, coupon rates and trading details.

Investors should note that the prices of debt securities can be volatile in changing interest rate and liquidity environment, and the prices can move in both directions. However, the interest rate volatility is mitigated for debt securities with floating rate coupons, which is true for most TFCs.

MUFAP is endeavoring to create the best possible environment for investing where there is proper price discovery, transparency and efficiency in trading of debt securities and is striving to address the concerns of all participants involved.

Rates of Debt Securities as of July 1, 2009

VALUATION OF RATED INVESTMENT GRADE DEBT SECURITIES

S.No.	Code	TFCs and Sukuks	Traded / Non-Traded	Prices
GOVERNMENT GUARANTEED				
1	GIS/SUK/110309	GOP IJARA SUKUK (11-03-09)	Non-Traded	100.0000
2	KSEW/SUK/021107	KARACHI SHIPYARD & ENGINEERING WORKS LTD-SUKUK (02-11-07)	Non-Traded	98.8829
3	KSEW/SUK/040208	KARACHI SHIPYARD & ENGINEERING WORKS LTD-SUKUK (04-02-08)	Traded	98.0516
4	NIPC/SUK/110807	NATIONAL INDUSTRIAL PARK DEVEL. & MANAGEMENT Co. SUKUK (11-08-07)	Non-Traded	100.0314
5	PIA/TFC/200203	PAKISTAN INTERNATIONAL AIRLINE CORPORATION-TFC (20-02-03)	Non-Traded	99.5583
6	WAPDA/SUK/050106	WAPDA-SUKUK (01-05-06)	Traded	98.3511
7	WAPDA/SUK/130707	WAPDA-SUKUK (13-07-07)	Non-Traded	93.8935
RATED AA+				
8	JSCL/TFC/211204	JAHANGIR SIDDIQUI & COMPANY LTD-TFC (21-12-04)	Non-Traded	91.5503
9	JSCL/TFC/300905	JAHANGIR SIDDIQUI & COMPANY LTD-TFC (30-09-05)	Non-Traded	95.0166
10	JSCL/TFC/211106	JAHANGIR SIDDIQUI & COMPANY LTD-TFC (21-11-06)	Non-Traded	92.9997
11	JSCL/TFC/040707	JAHANGIR SIDDIQUI & COMPANY LTD-TFC (04-07-07)	Traded	91.5000
12	OLPL/TFC/250507	ORIX LEASING PAKISTAN LTD-TFC (25-05-07)	Traded	82.6416
13	PKIC/TFC/090805	PAK KUWAIT INVESTMENT COMPANY LTD-TFC (09-08-05)	Non-Traded	99.8586
14	PKIC/TFC/230206	PAK KUWAIT INVESTMENT COMPANY LTD-TFC (03-02-06)	Non-Traded	99.4951
15	PKIC/TFC/280306	PAK KUWAIT INVESTMENT COMPANY LTD-TFC (28-03-06)	Non-Traded	99.2872
RATED AA				
16	ENGRO/SUK/060907	ENGRO CHEMICAL PAKISTAN LTD-SUKUK (06-09-07)	Traded	98.2600
17	ENGRO/TFC/301107	ENGRO CHEMICAL PAKISTAN LTD-TFC (30-11-07)	Non-Traded	97.1895
18	ENGRO/TFC(I)/180308	ENGRO CHEMICAL PAKISTAN LTD-TFC (18-03-08) (PRP-I)	Non-Traded	88.0000
19	ENGRO/TFC(II)/180308	ENGRO CHEMICAL PAKISTAN LTD-TFC (18-03-08) (PRP-II)	Non-Traded	87.6667
20	OLPL/SUK/300607	ORIX LEASING PAKISTAN LTD-SUKUK (30-06-07)	Non-Traded	98.3000
21	OLPL/TFC/150108	ORIX LEASING PAKISTAN LTD-TFC (15-01-08)	Non-Traded	97.8760
22	PAFL/SUK/280208	PAK ARAB FERTILIZERS (28-02-08)	Traded	95.3691
23	SCB/TFC/200104	SCB (PAK) LTD-TFC (20-01-04)	Non-Traded	97.0462
24	SCB/TFC/010206	SCB (PAK) LTD-TFC (01-02-06)	Non-Traded	98.8818
25	SSGC/SUK/311207	SUI SOUTHERN GAS COMPANY - SUKUK (31-12-07) - I	Non-Traded	96.9000
26	UBL/TFC/100804	UNITED BANK LTD-TFC (10-08-04)	Non-Traded	86.4723
27	UBL/TFC/150305	UNITED BANK LTD-TFC (15-03-05)	Non-Traded	84.3690
28	UBL/TFC/080906	UNITED BANK LTD-TFC (08-09-06)	Non-Traded	96.6141
29	UBL/TFC/140208	UNITED BANK LTD-TFC (14-02-08)	Traded	91.9867
RATED AA-				
30	ABL/TFC/061206	ALLIED BANK LTD-TFC (06-12-06)	Non-Traded	96.7749
31	AKBL/TFC/040205	ASKARI BANK LTD-TFC (04-02-05)	Non-Traded	96.1712
32	AKBL/TFC/311005	ASKARI BANK LTD-TFC (31-10-05)	Non-Traded	95.5656
33	ANL/TFC/200905	AZGARD NINE LTD- TFC (20-09-05)	Non-Traded	88.4750
34	ANL/TFC/041207	AZGARD NINE LTD- TFC (04-12-07) PP	Non-Traded	98.5989
35	BAFL/TFC/231104	BANK ALFALAH LTD-TFC (23-11-04)	Non-Traded	97.5213
36	BAFL/TFC/251105	BANK ALFALAH LTD-TFC (25-11-05)	Non-Traded	96.0899
37	BAHL/TFC/150704	BANK AL-HABIB LTD-TFC (15-07-04) 10% cap	Non-Traded	89.6964
38	BAHL/TFC/070207	BANK AL-HABIB LTD-TFC (07-02-07)	Non-Traded	95.5943

39	CPBM/SUK/250907	CENTURY PAPER & BOARD MILLS LTD- SUKUK (25-09-07)	Non-Traded	97.5502
40	FABL/TFC/121107	FAYSAL BANK LTD (12-11-2007)	Non-Traded	95.0542
41	FRSCL(A)/TFC/170107	FINANCIAL REC'BLES SEC'ZATION CO. LTD-TFC CLASS "A"	Non-Traded	98.7108
42	FRSCL(B)/TFC/170107	FINANCIAL REC'BLES SEC'ZATION CO. LTD-TFC CLASS "B"	Non-Traded	98.4238
43	KASBS/TFC/270607	KASB SECURITIES LTD- TFC (27-06-07)	Non-Traded	87.5001
44	PACE/TFC/150208	PACE (PAKISTAN) LTD-TFC (15-02-08)	Traded	83.0000
45	PAFL/TFC/301107	PAK AMERICAN FERTILIZER LTD-TFC (30-11-07)	Non-Traded	97.4367
46	PAFL/TFC/140108	PAK AMERICAN FERTILIZER LTD-TFC (14-01-08)	Traded	87.0406
47	PAFL/SUK/060808	PAK AMERICAN FERTILIZER LTD-SUKUK (06-08-08)	Traded	89.6597
48	PAFL/TFC/011208	PAK AMERICAN FERTILIZER LTD-TFC (01-12-08)	Non-Traded	100.6070
49	PMCL/TFC/310506	PAKISTAN MOBILE COMMUNICATION LTD-TFC (31-05-06)	Traded	100.7500
50	PMCL/TFC/011007	PAKISTAN MOBILE COMMUNICATION LTD-TFC (01-10-07)	Non-Traded	87.1801
51	PMCL/TFC/281008	PAKISTAN MOBILE COMMUNICATION LTD-TFC (28-10-08)	Non-Traded	96.0213
52	RBS/TFC/100205	ROYAL BANK OF SCOTLAND - TFC (10-02-05)	Non-Traded	98.7819
53	SCIL/SUK/031206	SITARA CHEMICALS LTD - SUKUK - II (03-12-06)	Non-Traded	98.6655
54	SCIL/SUK/020108	SITARA CHEMICALS LTD - SUKUK - III (02-01-08)	Traded	99.9750

RATED A+				
55	AASML/TFC/211107	AL ABBAS SUGAR MILLS LTD-TFC (21-11-07)	Non-Traded	91.5924
56	BRRGM/TFC/070608	BRR GUARDIAN MODARABA (07-06-08)	Non-Traded	95.8710
57	EIBL/TFC/150307	ESCORTS INVESTMENT BANK LTD-TFC (15-03-07)	Non-Traded	99.4722
58	HBFC/SUK/070508	HOUSE BUILDING FINANCE CORPORATION LTD - SUKUK (07-05-08)	Non-Traded	94.6004
59	IGIBL/TFC/110706	IGI INV. BANK LTD-TFC (FIRST INTI INV. BANK LTD. - TFC) (11-07-06)	Non-Traded	96.9458
60	NIB/TFC/050308	NIB BANK LTD-TFC (05-03-08)	Traded	92.4402
61	PEL/SUK/280907	PEL-SUKUK (28-09-07)	Non-Traded	98.0710
62	PEL/SUK/300608	PEL-SUKUK (30-06-08)	Non-Traded	92.4170
63	SEL/SUK/160707	SITARA ENERGY LTD-SUKUK (16-07-07)	Non-Traded	98.9452
64	SNBL/TFC/050505	SONERI BANK LTD-TFC (05-05-05)	Non-Traded	96.5421

RATED A				
65	AZLM/TFC/310505	AL-ZAMIN LEASING MODARABA-TFC (31-05-05)	Non-Traded	93.7797
66	AML/SUK/210108	AMTEX LTD.-SUKUK (21-01-08)	Non-Traded	89.1808
66	EBS/SUK/080908	EDEN BUILDERS LTD.- SUKUK (08-09-08)	Traded	100.1456
66	EHL/SUK/311207	EDEN HOUSING LTD.- SUKUK (31-12-07)	Non-Traded	97.2614
66	EHL/SUK/310308	EDEN HOUSING LTD.- SUKUK (31-03-08)	Non-Traded	96.9145
66	EIBL/TFC/270904	ESCORT INVESTMENT BANK (27-09-04) (Cap @ 10%)	Non-Traded	100.0000
66	JDWS/SUK/190608	JDW SUGAR MILLS LTD. SUKUK (19-06-08)	Non-Traded	92.5814
66	JDWS/TFC/230608	JDW SUGAR MILLS LTD. SUKUK (23-06-08)	Traded	90.0000
66	KASHF/TFC/051107	KASHAF FOUNDATION - TFC (05-11-07)	Traded	95.0000
66	OPTI/TFC/101007	OPTIMUS LTD - TFC (10-10-07)	Non-Traded	95.5349
66	TRAKKER/TFC/150907	TRAKKER (15-09-07) - PPTFC	Non-Traded	98.9560
66	TRIBL/TFC/170704	TRUST INVESTMENT BANK LTD-TFC (17-07-04) 10% cap	Non-Traded	100.0000
66	TRIBL/TFC/151105	TRUST INVESTMENT BANK LTD-TFC (15-11-05)	Non-Traded	98.4755
66	TRIBL/TFC/040708	TRUST INVESTMENT BANK LTD-TFC (04-07-08)	Non-Traded	95.4472
66	WTL/TFC/281106	WORLDCALL TELECOM LTD.TFC (28-11-06)	Non-Traded	98.3420
66	WTL/TFC/071008	WORLDCALL TELECOM LTD-TFC (07-10-08)	Traded	95.1754

RATED A-				
67	AZLC/TFC/050907	ALZAMIN LEASING CORPORATION LTD-TFC (05-09-07)	Non-Traded	96.8960
68	AZLM/TFC/120508	AL-ZAMIN LEASING MODARABA LTD-TFC (12-05-08)	Non-Traded	94.7821
69	AVH/TFC/300409	AVARI HOTELS-TFC (30-04-09)	Non-Traded	93.1294
70	MLFC/SUK/031207	MAPLE LEAF SUKUK-(3-12-07)	Non-Traded	90.0101
71	QTML/SUK/260908	QUETTA TEXTILE MILLS LTD-SUKUK (26-09-08)	Non-Traded	86.2352
72	SSML/SUK/270907	SHAHMURAD SUGAR MILLS LTD-SUKUK (27-09-07)	Non-Traded	94.0039
73	SGML/TFC/220908	SHAKARGANJ MILLS LTD-TFC (22-09-08)	Non-Traded	91.9238
74	SMEL/TFC/160708	SME LEASING LTD-TFC (16-07-08)	Non-Traded	95.6402

RATED BBB+				
75	SEARL/TFC/090306	SEARLE PAKISTAN LTD-TFC (09-03-06)	Non-Traded	96.0176

RATED BBB				
76	SPLC/TFC/130308	SAUDI PAK LEASING COMPANY LTD-TFC (13-03-08)	Non-Traded	74.0000
77	TELE/TFC/270505	TELECARD LTD-TFC (27-05-05)	Non-Traded	95.5191

RATED BBB-				
78	GCL/TFC/180108	GHARIBWAL CEMENT-TFC (18-01-08)	Non-Traded	88.9407
79	SLCL/TFC/280306	SECURITY LEASING CORPORATION LTD-PPTFC (28-03-06)	Non-Traded	93.9738
80	SLCL/SUK/010607	SECURITY LEASING CORPORATION LTD-SUKKUK (01-06-07) - I	Non-Traded	90.5035
81	SLCL/SUK/190907	SECURITY LEASING CORPORATION LTD-SUKKUK (19-09-07) - II	Non-Traded	89.9192

VALUATION OF RATED NON-INVESTMENT GRADE DEBT SECURITIES

S.No.	Code	TFCs and Sukuks	Traded / Non-Traded	Prices
1	FDIBL/TFC/110907	FIRST DAWOOD INVESTMENT BANK LTD. TFC (11-09-07)	Non-Traded	75.0000
2	KCCL/SUK/131207	KOHAT CEMENT-SUKKUK (20-12-07)	Traded	75.0000
3	TSH/TFC/260608	THREE STAR HOSIERY (25-06-08)	Non-Traded	75.0000

VALUATION OF NON-RATED DEBT SECURITIES

S.No.	Code	TFCs and Sukuks	Traded / Non-Traded	Prices
1	AAHL/TFC/230806	AL ABBAS HOLDINGS (PVT) LTD-TFC (23-08-06)	Non-Traded	75.0000
2	ATML/SUK/150408	ARZOO TEXTILE MILLS LTD-SUKUK (15-04-08)	Non-Traded	75.0000
3	CTM/TFC/170604	CRESCENT TEXTILE MILLS LTD-TFC (17-06-04)	Non-Traded	75.0000
4	DAWH/SUK/180907	DAWOOD HERCULES-SUKUK (18-09-07)	Non-Traded	96.4659
5	DFSML/TFC/201204	DEWAN FAROOQUE SPINNING MILLS LTD-TFC (20-12-04)	Non-Traded	75.0000
6	DGKC/SUK/080508	DGKC DIMINISHING MUSHARKAH (08-05-08)	Non-Traded	95.6509
7	GHL/TFC/230806	GHANI HOLDING (PVT) LTD-TFC (23-08-06)	Non-Traded	75.0000
8	JCL/TFC/101106	JAVEDAN CEMENT LTD-TFC (10-11-06)	Non-Traded	75.0000
9	PHO/TFC/311208	PAK HY-OILS LTD-TFC (31-12-08)	Non-Traded	75.0000
10	SPL/SUK/190808	SITARA PEROXIDE LTD-SUK (19-08-08)	Non-Traded	75.0000
11	VDL/TFC/301108	VISION DEVELOPERS (PVT) LTD (30-11-08)	Non-Traded	75.0000

VALUATION OF NON-PERFORMING DEBT SECURITIES

S.No.	Code	TFCs and Sukuks	Traded / Non-Traded	Prices
1	DCL/TFC/	DEWAN CEMENT LTD	Non-Traded	A/C to NPA
2	NAEL/TFC/150507	NEW ALLIED ELECTRONIC (15-05-07)	Non-Traded	A/C to NPA
3	NAEL/SUK/270707	NEW ALLIED ELECTRONIC - SUKUK (27-07-07)	Non-Traded	A/C to NPA
4	NAEL/SUK/031207	NEW ALLIED ELECTRONIC - SUKUK (03-12-07)	Non-Traded	A/C to NPA

Applicability for Traded Securities (Bold Highlighted):
Jul 1, 2009 (Prices will change on daily basis)
Applicability for Non-Traded Securities:
Jun 27 to Jul 10, 2009.

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