

## 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 May 26, 2009

### VALUATION OF RATED INVESTMENT GRADE DEBT SECURITIES

S.No.	Code	TFCs and Sukuks	Traded / Non-Traded	Prices
<b>GOVERNMENT GUARANTEED</b>				
1	GIS/SUK/110309	GOP IJARA SUKUK (11-03-09)	Non-Traded	97.7030
2	KSEW/SUK/021107	KARACHI SHIPYARD & ENGINEERING WORKS LTD-SUKUK (02-11-07)	Non-Traded	95.9137
3	KSEW/SUK/040208	KARACHI SHIPYARD & ENGINEERING WORKS LTD-SUKUK (04-02-08)	Traded	93.1429
4	NIPC/SUK/110807	NATIONAL INDUSTRIAL PARK DEVEL. & MANAGEMENT Co. SUKUK (11-08-07)	Non-Traded	97.1114
5	PIA/TFC/200203	PAKISTAN INTERNATIONAL AIRLINE CORPORATION-TFC (20-02-03)	Non-Traded	98.0069
6	WAPDA/SUK/050106	WAPDA-SUKUK (01-05-06)	Traded	100.0000
7	WAPDA/SUK/130707	WAPDA-SUKUK (13-07-07)	Non-Traded	90.4961
<b>RATED AA+</b>				
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	88.4300
12	OLPL/TFC/250507	ORIX LEASING PAKISTAN LTD-TFC (25-05-07)	Non-Traded	99.8459
13	PKIC/TFC/090805	PAK KUWAIT INVESTMENT COMPANY LTD-TFC (09-08-05)	Non-Traded	99.8237
14	PKIC/TFC/230206	PAK KUWAIT INVESTMENT COMPANY LTD-TFC (03-02-06)	Non-Traded	99.4651
15	PKIC/TFC/280306	PAK KUWAIT INVESTMENT COMPANY LTD-TFC (28-03-06)	Non-Traded	99.3356
<b>RATED AA</b>				
16	ENGRO/SUK/060907	ENGRO CHEMICAL PAKISTAN LTD-SUKUK (06-09-07)	Traded	99.9600
17	ENGRO/TFC/301107	ENGRO CHEMICAL PAKISTAN LTD-TFC (30-11-07)	Traded	98.0000
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	99.4508
21	OLPL/TFC/150108	ORIX LEASING PAKISTAN LTD-TFC (15-01-08)	Non-Traded	99.4413
22	PAFL/SUK/280208	PAK ARAB FERTILIZERS (28-02-08)	Traded	95.6415
23	SCB/TFC/200104	SCB (PAK) LTD-TFC (20-01-04)	Non-Traded	97.0160
24	SCB/TFC/010206	SCB (PAK) LTD-TFC (01-02-06)	Non-Traded	100.6317
25	SSGC/SUK/311207	SUI SOUTHERN GAS COMPANY - SUKUK (31-12-07) - I	Traded	96.9000
26	UBL/TFC/100804	UNITED BANK LTD-TFC (10-08-04)	Non-Traded	86.7604
27	UBL/TFC/150305	UNITED BANK LTD-TFC (15-03-05)	Non-Traded	84.9895
28	UBL/TFC/080906	UNITED BANK LTD-TFC (08-09-06)	Non-Traded	98.4650
29	UBL/TFC/140208	UNITED BANK LTD-TFC (14-02-08)	Traded	93.1308
<b>RATED AA-</b>				
30	ABL/TFC/061206	ALLIED BANK LTD-TFC (06-12-06)	Traded	100.3275
31	AKBL/TFC/040205	ASKARI BANK LTD-TFC (04-02-05)	Non-Traded	96.7687
32	AKBL/TFC/311005	ASKARI BANK LTD-TFC (31-10-05)	Traded	97.3500
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	98.7770
35	BAFL/TFC/231104	BANK ALFALAH LTD-TFC (23-11-04)	Non-Traded	97.0006
36	BAFL/TFC/251105	BANK ALFALAH LTD-TFC (25-11-05)	Traded	98.0000
37	BAHL/TFC/150704	BANK AL-HABIB LTD-TFC (15-07-04) 10% cap	Non-Traded	89.0448
38	BAHL/TFC/070207	BANK AL-HABIB LTD-TFC (07-02-07)	Traded	99.5000
39	CPBM/SUK/250907	CENTURY PAPER & BOARD MILLS LTD- SUKUK (25-09-07)	Traded	97.5500

40	FABL/TFC/121107	FAYSAL BANK LTD (12-11-2007)	Non-Traded	95.4084
41	FRSCL(A)/TFC/170107	FINANCIAL REC'BLES SEC'ZATION CO. LTD-TFC CLASS "A"	Non-Traded	99.1000
42	FRSCL(B)/TFC/170107	FINANCIAL REC'BLES SEC'ZATION CO. LTD-TFC CLASS "B"	Non-Traded	98.8969
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)	Non-Traded	94.9137
45	<b>PAFL/TFC/301107</b>	<b>PAK AMERICAN FERTILIZER LTD-TFC (30-11-07)</b>	<b>Traded</b>	<b>97.5500</b>
46	PAFL/TFC/140108	PAK AMERICAN FERTILIZER LTD-TFC (14-01-08)	Non-Traded	97.7711
47	<b>PAFL/SUK/060808</b>	<b>PAK AMERICAN FERTILIZER LTD-SUKUK (06-08-08)</b>	<b>Traded</b>	<b>88.4959</b>
48	PAFL/TFC/011208	PAK AMERICAN FERTILIZER LTD-TFC (01-12-08)	Non-Traded	101.1578
49	PMCL/TFC/310506	PAKISTAN MOBILE COMMUNICATION LTD-TFC (31-05-06)	Non-Traded	100.7167
50	<b>PMCL/TFC/011007</b>	<b>PAKISTAN MOBILE COMMUNICATION LTD-TFC (01-10-07)</b>	<b>Traded</b>	<b>87.2053</b>
51	PMCL/TFC/281008	PAKISTAN MOBILE COMMUNICATION LTD-TFC (28-10-08)	Non-Traded	96.3825
52	RBS/TFC/100205	ROYAL BANK OF SCOTLAND - TFC (10-02-05)	Non-Traded	99.1511
53	SCIL/SUK/031206	SITARA CHEMICALS LTD - SUKUK - II (03-12-06)	Non-Traded	98.8603
54	<b>SCIL/SUK/020108</b>	<b>SITARA CHEMICALS LTD - SUKUK - III (02-01-08)</b>	<b>Traded</b>	<b>97.7000</b>
55	WTL/TFC/281106	WORLDCALL TELECOM LTD.TFC (28-11-06)	Non-Traded	100.2908
56	WTL/TFC/071008	WORLDCALL TELECOM LTD-TFC (07-10-08)	Non-Traded	97.6963

<b>RATED A+</b>				
57	AASML/TFC/211107	AL ABBAS SUGAR MILLS LTD-TFC (21-11-07)	Non-Traded	91.6500
58	BRRGM/TFC/070608	BRR GUARDIAN MODARABA (07-06-08)	Non-Traded	94.7677
59	EIBL/TFC/150307	ESCORTS INVESTMENT BANK LTD-TFC (15-03-07)	Non-Traded	98.7826
60	<b>HBFC/SUK/070508</b>	<b>HOUSE BUILDING FINANCE CORPORATION LTD - SUKUK (07-05-08)</b>	<b>Traded</b>	<b>94.6000</b>
61	<b>IGIBL/TFC/110706</b>	<b>IGI INV. BANK LTD-TFC (FIRST INT'I INV. BANK LTD. - TFC) (11-07-06)</b>	<b>Traded</b>	<b>96.9458</b>
62	<b>NIB/TFC/050308</b>	<b>NIB BANK LTD-TFC (05-03-08)</b>	<b>Traded</b>	<b>92.5000</b>
63	PEL/SUK/280907	PEL-SUKUK (28-09-07)	Non-Traded	97.6369
64	PEL/SUK/300608	PEL-SUKUK (30-06-08)	Non-Traded	91.7798
65	SEL/SUK/160707	SITARA ENERGY LTD-SUKUK (16-07-07)	Non-Traded	98.6674
66	<b>SNBL/TFC/050505</b>	<b>SONERI BANK LTD-TFC (05-05-05)</b>	<b>Traded</b>	<b>97.7500</b>

<b>RATED A</b>				
67	AZLM/TFC/310505	AL-ZAMIN LEASING MODARABA-TFC (31-05-05)	Non-Traded	95.9759
68	AML/SUK/210108	AMTEX LTD.-SUKUK (21-01-08)	Non-Traded	89.1808
69	<b>EBL/SUK/080908</b>	<b>EDEN BUILDERS LTD.- SUKUK (08-09-08)</b>	<b>Traded</b>	<b>99.8101</b>
70	EHL/SUK/311207	EDEN HOUSING LTD.- SUKUK (31-12-07)	Non-Traded	97.0468
71	EHL/SUK/310308	EDEN HOUSING LTD.- SUKUK (31-03-08)	Non-Traded	96.1440
72	EIBL/TFC/270904	ESCORT INVESTMENT BANK (27-09-04) (Cap @ 10%)	Non-Traded	100.0000
73	JDWS/SUK/190608	JDW SUGAR MILLS LTD. SUKUK (19-06-08)	Non-Traded	92.0523
74	JDWS/TFC/230608	JDW SUGAR MILLS LTD. SUKUK (23-06-08)	Non-Traded	92.0269
75	KASHF/TFC/051107	KASHAF FOUNDATION - TFC (05-11-07)	Non-Traded	98.3536
76	OPTI/TFC/101007	OPTIMUS LTD - TFC (10-10-07)	Non-Traded	94.7235
77	TRAKKER/TFC/150907	TRAKKER (15-09-07) - PPTFC	Non-Traded	98.3595
78	TRIBL/TFC/170704	TRUST INVESTMENT BANK LTD-TFC (17-07-04) 10% cap	Non-Traded	100.0000
79	TRIBL/TFC/151105	TRUST INVESTMENT BANK LTD-TFC (15-11-05)	Non-Traded	98.3593
80	TRIBL/TFC/040708	TRUST INVESTMENT BANK LTD-TFC (04-07-08)	Non-Traded	95.1275

<b>RATED A-</b>				
81	AZLC/TFC/050907	ALZAMIN LEASING CORPORATION LTD-TFC (05-09-07)	Non-Traded	95.9820
82	AZLM/TFC/120508	AL-ZAMIN LEASING MODARABA LTD-TFC (12-05-08)	Non-Traded	93.9797
83	AVH/TFC/011107	AVARI HOTELS-TFC (01-11-07)	Non-Traded	92.3631
84	<b>MLFC/SUK/031207</b>	<b>MAPLE LEAF SUKUK-(3-12-07)</b>	<b>Traded</b>	<b>90.0100</b>
85	QTML/SUK/260908	QUETTA TEXTILE MILLS LTD-SUKUK (26-09-08)	Non-Traded	85.4330
86	SSML/SUK/270907	SHAHMURAD SUGAR MILLS LTD-SUKUK (27-09-07)	Non-Traded	93.2164
87	SGML/TFC/220908	SHAKARGANJ MILLS LTD-TFC (22-07-08)	Non-Traded	90.6392
88	SMEL/TFC/160708	SME LEASING LTD-TFC (16-07-08)	Non-Traded	95.1672

<b>RATED BBB+</b>				
89	SPLC/TFC/130308	SAUDI PAK LEASING COMPANY LTD-TFC (13-03-08)	Non-Traded	74.0000
90	SEARL/TFC/090306	SEARLE PAKISTAN LTD-TFC (09-03-06)	Non-Traded	95.5141
91	SLCL/TFC/280306	SECURITY LEASING CORPORATION LTD-PPTFC (28-03-06)	Non-Traded	95.2509
92	SLCL/SUK/010607	SECURITY LEASING CORPORATION LTD-SUKUK (01-06-07) - I	Non-Traded	93.7866
93	SLCL/SUK/190907	SECURITY LEASING CORPORATION LTD-SUKUK (19-09-07) - II	Non-Traded	92.2490

<b>RATED BBB</b>				
94	GCL/TFC/180108	GHARIBWAL CEMENT-TFC (18-01-08)	Non-Traded	91.0915
95	TELE/TFC/270505	TELECARD LTD-TFC (27-05-05)	Non-Traded	96.1097

**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 (13-12-07)	Non-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	96.6041
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	95.0788
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	NAEIL/SUK/031207	NEW ALLIED ELECTRONIC - SUKUK (03-12-07)	Non-Traded	A/C to NPA

**Applicability for Traded Securities (Bold Highlighted):**

May 26, 2009 (Prices will change on daily basis)

**Applicability for Non-Traded Securities:**

May 16 to May 29, 2009.

(Page updated on May 26, 2009 at 4:15P. M.)