Golden Arrow Selected Stocks Fund Ltd.

For the month ending May 2011

Fund activity during the month

For the month of May, GASSFL posted a return of -1.08% against a benchmark return of 0.54%.

The month marked a period of sideways movement on account of lack of positive triggers. The performance drag owing to Fixed-Line segment continued this period as the company owing to lack sustainable revenue stream. The Company has reported that it is taking measures to resolve the issues. We however do not see any significant improvement in the accounts of the particular Company in the near future.

The market is expected to remain subdued going forward owing to the lack of positive triggers after the budget. We believe that the if US Fed does not embark on a QE3 after the QE2 ends in June, we may see some significant moves in international commodity prices that are expected to have a bearing on the domestic market.

Investment Objective

Disciplined and balanced fund management strategy focusing on fundamentally strong companies offering deep-value, coupled with few cherry-picked growth companies

Fund Information

Fund Type	Closed-end
Category	Equity
Date of Fund launch	May, 1983
Date of Manag. takeover	Sep, 2004
Assets under Management	973.556mn
NAV (31st May 2011)	PkR 6.40
Market Price (31st May 2011)	PkR 3.30
Benchmark	KSE100 Index
Dealing Days	Mon to Fri
Cut-off Timmings	9:00 am to 5:00 pm
Pricing Mechanism	Forward Pricing
Management Fee	2%
Risk Profile	Moderate / High
Trustee	CDC
Auditor	A. F. Fergusons & Co.
Asset Manager Rating	AM3

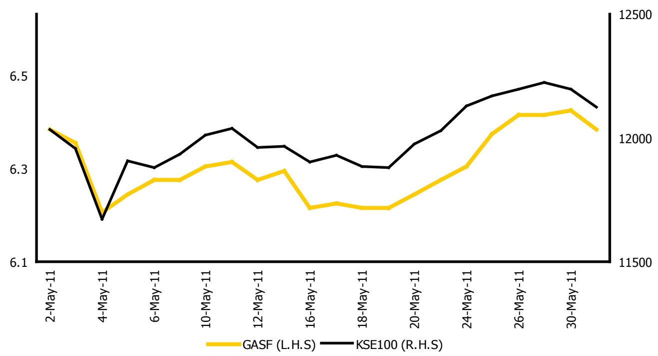
Portfolio Characteristics

Statistics	**FY10**
Price to Earnings Ratio	5.17x
EPS Growth	39.92%
Dividend Yield	4.78%
No. of Long Term Positions	71
Beta	0.58

Investment Committee Members

Mr. Imran Motiwala
Mr. Amin Hussain
Mr. Nadeem S. Siddique
Mr. Muhammad Yaqoob
Mr. Ahmed Hassan

Fund Performance



	FYTD	1 Month	3 Month	6 Month	1 Year
KSE 100	24.70%	0.54%	7.39%	7.91%	29.99%
GASF	15.94%	-1.08%	1.27%	16.36%	19.85%

Debt Securities (% of NAV)	Ratings	Apr 30, 2011
Worldcall Telecom Limited	A	1.74%
Kohat Cement Company Limited	Withdrawn by PACRA	1.33%

Top Ten Equity Holdings

Sui Southern Gas Company	8.56%	Muree Brewery	3.66%
Engro Foods Limited	6.40%	Bank Alfalah Limited	3.66%
Habib Bank Limited	6.12%	Thal Limited	2.82%
TRG Pakistan	5.48%	Din Textile	2.56%
Dawood Hercules	5.45%	Habib Metropolitan Bank	2.55%

Asset Allocation (% of Total Assets)	Apr 30, 2011	May 31, 2011
Equities	92.06%	94.98%
TFCs	3.88%	3.01%
Cash	3.10%	1.07%
Other Assets	0.96%	0.94%
Leverage	NIL	NIL

Sector Allocation (% of NAV)	Apr 30, 2011	May 31, 2011
Banks	19.68%	19.24%
Personal Goods	16.26%	15.57%
Chemicals	15.43%	11.79%
Gas Water and Multiutilities	9.74%	10.71%
Food Producers	1.52%	8.08%