Golden Arrow Selected Stocks Fund

For the month ending November 2010

Fund activity during the month

The Golden Arrow Selected Stocks Fund Ltd. (GASSFL) posted a return of 15.04% against the benchmark return of 15.56% in the financial Year-to-Date (June 30–Nov 30) although the November performance was sub-par due to liquidations related to dividend payment of GASSF and some portfolio repositioning. The benchmark Index recorded a 6% rise in Nov, making it one of the best performers amongst Asian region markets. The resilience of the trend that persisted in the KSE can be judged from the fact that the discount rate hike was completely brushed aside by market participants.

During the month the fund mangers rotated positions to gain exposure to undervalued segments in the Banking, Personal Goods, Chemicals and Construction Materials sectors. As a result, the Fund accumulated some trading gains to provide a boost to the net assets. We believe that the market still has a room for further upside. We remain committed to our strategy of focusing on under-valued stocks that served us well in the past year. The peaked valuations of the Index heavy-weights mean that they may not outperform the market significantly going forward.

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	966.512mn
NAV (30th Nov 10)	PkR 6.35
Market Price (30th Nov 10)	PkR 3.01
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
Asset Manager Rating	AM3

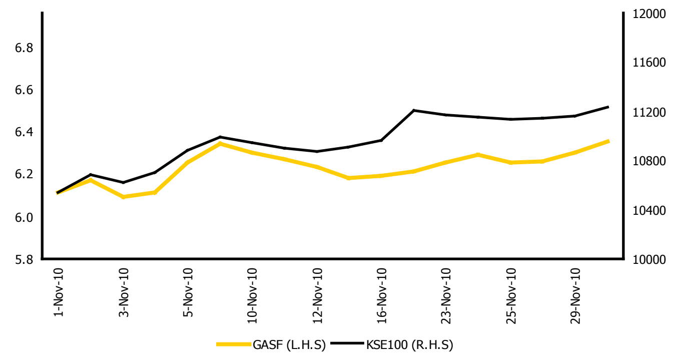
Portfolio Characteristics

Statistics	**FY10**
Price to Earnings Ratio	13.36x
EPS Growth	14.03%
Dividend Yield	2.65%
No. of Long Term Positions	56
Beta	0.65

Investment Committee Members

Mr. Nadeem Naqvi
Mr. Imran Motiwala
Mr. Amin Hussain
Mr. Muhammad Yaqoob
Mr. Ahmed Hassan

Fund Performance



	FYTD	1 Month	3 Month	6 Month	1 Year
KSE 100	15.56%	6.00%	14.49%	20.46%	22.03%
GASF	15.04%	2.92%	17.16%	18.91%	10.05%

Debt Securities (% of NAV)	Ratings	Nov 30, 2010
Al-Abbas Sugar Mills Limited	A+	1.72%
JDW Sugar Mills Limited	A	1.11%
Kohat Cement Company Limited	Withdrawn by PACRA	1.34%

Top Ten Equity Holdings

Sui Southern Gas Company	13.65%	Habib Metropolitan Bank	3.07%
TRG Pakistan	8.20%	Sui Northern Gas Pakistan	2.91%
Dawood Hercules	7.13%	Thal Limited	2.81%
Habib Bank Limited	5.06%	Muree Brewery	2.67%
Pak Datacom Limited	4.30%	Bank of Khyber	2.42%

Asset Allocation (% of Total Assets)	Oct 29, 2010	Nov 30, 2010
Equities	91.63%	82.14%
TFCs	4.02%	3.62%
Cash	1.27%	12.23%
Other Assets	3.09%	2.01%
Leverage	NIL	NIL

Sector Allocation (% of NAV)	Oct 29, 2010	Nov 30, 2010
Banks	18.37%	19.60%
Gas Water and Multiutilities	18.18%	16.56%
Personal Goods	17.55%	11.89%
Chemicals	11.88%	11.72%
Support Services	8.06%	8.20%