3rd Quarter Report
March 31, 2010
(Un-audited)

AKD Income Fund

AKD Opportunity Fund

AKD Index Tracker Fund

Managed by: AKD Investment Management Ltd.

AKD INDEX TRACKER FUND

CONTENTS

CORPORATE INFORMATION

MANAGEMENT COMPANY
AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman
Mr. Farrukh Shaukat Ansari

Chief Executive Officer
Mr. Nadeem Naqvi

Directors
Mr. Imran Motiwala
Mr. Tauqfique Habib
Mr. Zahoor Motiwala
Mr. Asif Ikram
Mr. Ali Qadir Gilani *

COMPANY SECRETARY & CFO OF THE MANAGEMENT COMPANY
Mr. Muhammad Amin Hussain

AUDIT COMMITTEE

Chairman
Mr. Taufique Habib

Members
Mr. Asif Ikram
Mr. Zahoor Motiwala

INTERNAL AUDITORS
Ford Rhodes Sidat Hyder & Co.
Chartered Accountants
Progressive Plaza, Beaumont Road,
P.O. Box 15541, Karachi 75530.

TRUSTEE
Central Depository Company
of Pakistan Limited
CDC House 99-B, Block-B
S.M.C.H.S., Main Shahra-e-Faisal,
Karachi.

BANKERS
Bank Alfalah Limited
Bank Al-Habib Limited
Habib Metropolitan Bank Limited
KASB Bank Limited
MCB Bank Limited
Mybank Limited
Standard Chartered Bank (Pakistan) Limited

AUDITORS
M. Yousuf Adil Saleem & Co.
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharea Faisal, Karachi.

LEGAL ADVISER
Sattar & Sattar
Attorneys -at -law
3rd Floor, UBL Building,
I.I Chundrigar Road,
Karachi

REGISTRAR
Gangjees Registrar Services (Pvt.) Ltd.
516, Clifton Centre, Khayaban-e-Roomi,
Kehkashan, Block-5, Clifton, Karachi.
Tel: 35375714 - 35836920.

DISTRIBUTORS
AKD Investment Management Limited
BMA Capital Management Limited
IGI Investment Bank Limited
The Bank of Punjab
Alfalah Securities (Private) Limited
Reliance Financial Products (Private) Limited
Bulls & Bulls (Private) Limited

RATING
Asset Management Company
JCR-VIS: AM3 (AM-Three)

* Appointed in place of Mr. Ashraf Adamjee
subject to approval of SECP.

MISSION STATEMENT

AKDITF aims to provide investors with an instrument encapsulating the return and diversification of the KSE 100 index.

VISION

To become the standard innovation and diversification instrument for equity investors in Pakistan's capital market.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Index Tracker Fund (AKDITF) is pleased to present its report for the third quarter ending March 31, 2010

FUND'S FINANCIAL PERFORMANCE

In the third quarter of FY10, ending March 31, 2010, AKDITF posted a return of 9.60% versus KSE-100 Index return 8.43%, indicating an outperformance (tracking error) of 1.17%. AKDITF provided a return of 38.27% for the nine months period ending March 31, 2010. This meant an underperformance (tracking error) of 3.84% against the KSE-100 Benchmark that returned 42.11% during this period.

INVESTMENT STRATEGY

In the third quarter of FY10, ending March 31, 2010 our Fund remained exposed to volatility in certain illiquid stocks, which we decided not to include in our portfolio in the previous rebalancing phase, due to their market impact in case of any urgent redemption requirements.

In the forthcoming rebalancing phase, we have addressed this problem by developing certain standards such as minimum stock weightage limits and daily volumetric limits in order to provide our investors a more encompassing tracking vehicle, having only systematic market risk and lowering transaction costs. Going forward we expect the Fund to deviate with in the limits of 5% - 7% much lesser than our 15% limits defined in our offering document.

ECONOMIC OUTLOOK

Pakistan's economy continues to indicate consolidation of recovery but there are several hurdles to cross before sustainable growth can be assured. A key factor hindering growth is high government borrowing both from commercial banks (about PkR190 billion) and non-banking sources (primarily National Savings Schemes). According to the recent Asian Development Bank's Outlook 2010 report, such high level of government borrowing is not desirable from the perspective of mobilization of deposits by commercial banks, credit availability for the private sector, and growth.

Added to the above is the issue of circular debt of the energy sector where over PkR200 billion is stuck up and high lending for commodity operations to the agri sector where mismanagement has led to above average wheat stocks bought at PkR950/40kg bag versus current internationally equivalent price of below PkR655/40kg bag.

Along with higher than budgeted spending on military operations and law & order, little is left over for development spending where, in our view, a shortfall of PkR250-PkR300 billion from budgetary estimates is likely. All of this has translated into sub optimal GDP growth, estimated at around 3.0%-3.2% in FY2010.

On a positive note however, inflation is showing signs of stabilization with core inflation dipping marginally below double-digits to 9.9% in March 2010. This is a good omen and indicates that a stable inflationary environment is likely for the year as a whole, although regulatory energy price increases will continue to make the headline inflation (CPI) numbers sticky.

In the real economy, while the public sector continues to drain away resources for current expenditure purposes, initial signs of private sector rebound are becoming visible. Large Scale Manufacturing (LSM) expanded by 7.5% year-on-year in January 2010. This is the highest growth for the LSM sector since January 2008. As a result, for the seven months in the current fiscal year, LSM rose by 2.3% YoY, after the sharp slump witnessed in 2009. Interestingly, the LSM growth was driven by robust expansion in the transport group, agro based industrial and importantly, in consumer durables industry including, refrigerators and air conditioners. This indicates some revival of end consumer demand. If this revival holds up, FY10 real GDP growth could come out at 3.0% - 3.2% and set the foundation for a 4% real GDP growth in FY11.

EQUITY MARKET REVIEW & OUTLOOK

In the quarter ending March 31, 2010, the Pakistan stock market was the 3rd best performing market in emerging Asia. Improving domestic political situation and relative better policy discipline eased investors' risk perception about Pakistan market. Additionally, relatively stable PkR/US exchange rate and foreign exchange reserves nearing US$15 billion also reduced risk concerns of foreign portfolio investors (FPIs) who brought in over US$160 million into the Pakistan market in the Jan-March quarter.

In the quarter ending March 31, 2010, the KSE-100 Index posted a return of 8.4% while in March itself, the Index rose by 5.4%. Within the broader market, Fertilizer led the field rising by 20% while Cement and Oil marketing sectors rose by 10% each.

Going forward, we expect the market momentum to continue building as economic growth gets further traction and corporate earnings visibility for FY11 improves. Of the three critical drivers of the stock market, i.e. MACRO ENVIRONMENT (Socio-Political & Economic), LIQUIDITY & INTEREST RATES and CORPORATE EARNINGS GROWTH OUTLOOK, there has been improvement in the first & the last. The remaining hurdle now is tight monetary policy. In our view, the State Bank of Pakistan is being excessively cautious in keeping interest rates higher than what is warranted at this stage of the business cycle. We feel that as foreign funding flows improve after the budget, the State Bank is likely to ease monetary policy & reduce its discount rate. Our projection for the discount rate is 11.5% in 4QCY2010. In view of the above, we are targeting KSE-100 Index to reach 12,000 levels by the year-end, and positioning our equity portfolios accordingly.

For and on behalf of the Board

Naeem Naqvi
Chief Executive Officer

Karachi: April 29, 2010

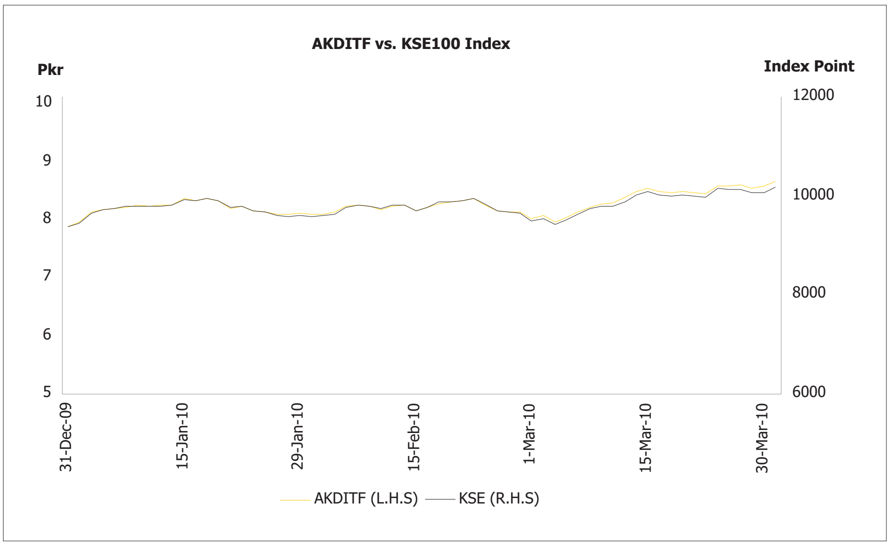
FUND MANAGER'S REPORT

FUND PERFORMANCE

The objective of AKD Index Tracker Fund is to track the KSE-100 index with up to 85% accuracy .For the Quarter ended March 31, 2010, the Fund's return was 9.60% while KSE-100's return was 8.43%. The outperformance (tracking error) of AKDITF by 1.17%for the quarter ended March 31, 2010 facilitated the fund to increase its YTD performance to 38.27% where as the market performance increased to 42.11%.

MARKET PERFORMANCE

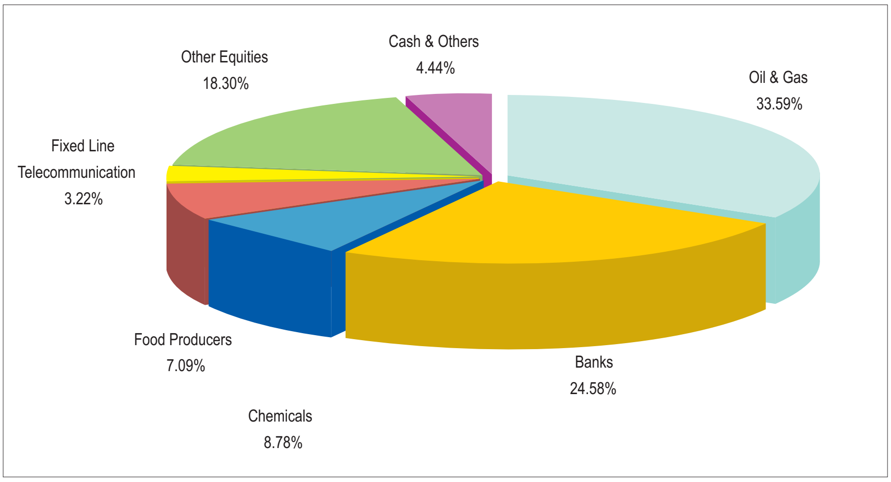
With the beginning of the new calendar year market started at 9,386, while witnessing a growth of 8.43%, the quarter closed at 10,178 During the quarter ,the overall activity at the exchange has also improved despite the market being cash (without margin financing) as average daily volumes stood at 168mn shares with a slight improvement of 3% YoY while a decent 8% QoQ. The market capitalization stood at USD34.3bn, up 7% QoQ in 1QCY10 while it improved by a healthy 35% compared to end March last year. The gradual economic recovery i.e. contained external deficits, subsidy elimination, relative stability in the PKR, more-than-expected foreign inflows coupled with healthy corporate earnings (from Fertilizer, Power, OMCs, E&P, Refineries and Autos) recorded in the last result season led to better market returns in 1QCY10.



FUND ACTIVITY

AKDITF is a passively managed fund and therefore does not require any major active fund management. However, the fund managers continue to fine tune the portfolio and accumulate illiquid stocks in order to bring the portfolio as close to the KSE-100 index as possible.

Sector-wise distribution of the fund, as of 31st March 2010, is as follows:



MARKET OUTLOOK

In the forthcoming rebalancing phase, we have developed certain standards such as minimum stock weight-age limits and daily volumetric limits in order to provide our investors a more encompassing tracking vehicle, having only systematic market risk and lowering transaction costs. Going forward, we expect the Fund to deviate with in the limits of 5% - 7%, much lesser than the 15% limit defined in our Offering Document

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT MARCH 31, 2010

	Note	(Unaudited) March 31, 2010	(Audited) June 30, 2009
		(Rupees In '000)	
ASSETS			
Investments	5	174,787	165,630
Bank balances		4,157	50,944
Dividend and markup receivable		2,588	1,513
Security deposits		2,600	2,600
Preliminary expenses,floatation cost		374	1,500
Conversion cost		1,011	1,348
Other receivable		31	-
Total Assets		185,548	223,535
LIABILITIES			
Payable against redemption of units		5	-
Payable to management company		1,624	3,132
Remuneration payable to trustee		59	58
Annual fee payable to Securities and Securities & Exchange commission of Pakistan		144	235
Uncalimed dividend		622	2,412
Accrued expenses and other liabilities		218	217
Total Liabilities		2,672	6,054
NET ASSETS		182,876	217,481
Unit Holders Fund (as per statement attached)		182,876	217,481
		(Number of Units)	
Number of units in issue		20,818,012	34,242,719
		(Rupees)	
Net asset value per unit (Face value per unit Rs.10/-)		8.78	6.35

The annexed notes from 1 to 9 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Nadeem Naqvi	**Imran Motiwala**
Chief Executive Officer	Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2010

	Nine months ended March 31,		Quarter ended March 31,	
	2010	2009	2010	2009
	-----Rupees in '000-----			
INCOME				
Investment (loss) / income				
Capital loss on sale of marketable securities	(21,469)	(57,073)	118	(48,065)
Dividend income	8,589	9,048	3,133	1,994
Markup on deposit account	1,477	2,824	153	1,809
	(11,403)	(45,201)	3,404	(44,262)
Element of income / (loss) and capital gains /(losses) included in prices of units sold less those in units redeemed	35,721	7,704	1,988	56
Impairment loss on securities classified as 'available for sale'	(2,616)	(31,854)	-	(31,854)
	21,702	(69,351)	5,392	(76,060)
OPERATING EXPENSES				
Remuneration to management company	1,140	1,399	327	339
Remuneration to trustee	525	525	172	172
Annual fee to Securities & Exchange Commission of Pakistan	144	183	41	43
Auditors' remuneration	154	154	51	51
Amortisation of preliminary expenses and floatation cost	1,126	1,126	370	370
Amortisation of conversion cost	338	338	111	111
Others	403	421	99	47
	3,830	4,146	1,171	1,133
Net income / (loss) for the period carried forward to comprehensive income statement	17,872	(73,497)	4,221	(77,193)

The annexed notes from 1 to 9 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Nadeem Naqvi
Chief Executive Officer

Imran Motiwala
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009

	Nine months ended March 31,		Quarter ended March 31,	
	2010	2009	2010	2009
	------------------------Rupees in '000------------------------			
Net income / (loss) for the period	17,872	(73,497)	4,221	(77,193)
Other comprehensive income				
Element of (income) / loss and capital (gains) / losses in prices of units sold less those in units redeemed -amount representing unrealised capital loss / (gains) transferred directly to distribution statement	(9,000)	(10,368)	(864)	894
Unrealized appreciation on remeasurement of investments classified as 'available for sale investments'	74,538	(74,883)	14,064	104,686
Total comprehensive income / (loss) for the period	83,410	(158,748)	17,421	28,387

The annexed notes from 1 to 9 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Nadeem Naqvi
Chief Executive Officer

Imran Motiwala
Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2010

	Nine months ended March 31,		Quarter ended March 31,	
	2010	2009	2010	2009
	-----Rupees in '000-----			
Undistributed income brought forward	(72,051)	59,739	(66,536)	34,153
Bonus units issued for the year ended June 30, 2008 @ Re. 0.6 per unit distributed on July 07, 2008	-	(18,020)	-	-
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - amount representing unrealised capital (loss) / gain that form part of the unit holders fund	(9,000)	(10,368)	(864)	894
Net income / (loss) for the period	17,872	(73,497)	4,221	(77,193)
	8,872	(101,885)	3,357	(76,299)
Unallocated (loss) / income carried forward	(63,179)	(42,146)	(63,179)	(42,146)

The annexed notes from 1 to 9 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Nadeem Naqvi
Chief Executive Officer

Imran Motiwala
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2010

	Nine months ended March 31,		Quarter ended March 31,	
	2010	2009	2010	2009
	Rupees in '000			
Net assets at beginning of the period	217,481	344,016	172,508	182,992
Less: Unrealised diminution / (surplus) on available for sale securities at beginning of period	52,893	16,048	(23,813)	195,619
	270,374	360,064	148,695	378,611
Amount received on issue of units:	13,089	90,401	1,039	28
Number of units issued:				
Nine months ended 2010: 1,645,470 units (2009: 9,943,635 units)				
Quarter ended 2010: 121,131 units (2009: 5,188 units)				
Amount paid on redemption of units:	(120,615)	(50,931)	(6,968)	(1,075)
Number of units redeemed:				
Nine months ended 2010: 15,070,178 units (2009: 5,730,204 units)				
Quarter ended 2010: 826,454 units (2009: 204,977 units)				
	(107,526)	39,470	(5,929)	(1,047)
Element of (income)/loss and capital (gains)/losses in prices of units sold less those in units redeemed	(26,721)	2,664	(1,124)	(950)
- amount representing (income) / loss and realised capital (gains) / losses transferred to income statement	(35,721)	(7,704)	(1,988)	(56)
- amount representing unrealised capital loss / (gain) transferred directly to distribution statement	9,000	10,368	864	(894)
Total comprehensive income / (loss) for the period	83,410	(158,748)	17,421	28,387
Unrealised diminution / (surplus) on available for sale securities at beginning of period	(52,893)	(16,048)	23,813	(195,619)
Bonus units issued for the year ended June 30, 2008 @ Re. 0.6 per unit distributed on July 07, 2008	-	(18,020)	-	-
Reverasl of impairment loss recognised on available for sale investments	16,232	-	-	-
Net assets at the end of the period	182,876	209,382	182,876	209,382
	Rupees			
Net asset value per unit (face value per unit Rs: 10/-)	8.78	6.11	8.78	6.11

The annexed notes from 1 to 9 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Nadeem Naqvi
Chief Executive Officer

Imran Motiwala
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2010

	Nine months ended March 31,		Quarter ended March 31,	
	2010	2009	2010	2009
	------------------------Rupees in '000------------------------			
A. CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss) / income for the period	17,872	(73,497)	4,221	(77,193)
Adjustments for non cash items:				
Amortisation of preliminary expenses, floatation cost	1,126	1,126	370	370
Amortisation of conversion cost	338	338	111	111
Impairment loss / (gain) on securities classified as 'available for sale'	1,791	31,854	(825)	31,854
Element of income / (loss) and capital gains /(losses) in prices of units sold less those in units redeemed	(35,721)	(7,704)	(1,988)	(56)
	(14,594)	(47,883)	1,889	(44,914)
(Increase) / decrease in assets				
Investments	79,821	68,323	825	56,344
Dividend and other receivable	(1,075)	(18)	(1,851)	(329)
Security Deposits & Prepayments	(31)	(24)	25	27
	78,715	68,281	(1,001)	56,042
Increase / (decrease) in liabilities				
Payable against purchase of investment	-	(14)	-	(271)
Payable against redemption of units	5	(1,168)	5	1
Payable to management company	(1,508)	(5,603)	16	(1,176)
Remuneration payable to trustee	1	(2)	-	-
Annual fee payable to Securities and Exchange Commission of Pakistan	(91)	(389)	41	43
Accrued expenses and other liabilities	1	(7)	70	(17)
	(1,592)	(7,183)	132	(1,420)
Net cash generated from operating activities	62,529	13,215	1,020	9,708
B. CASH FLOWS FROM FINANCING ACTIVITIES				
Amount received on issuance of units	13,089	72,381	1,039	28
Amount paid on redemption of units	(120,615)	(50,931)	(6,968)	(1,075)
Dividend paid	(1,790)	-	-	-
Net cash (used in) / generated from financing activities	(109,316)	21,450	(5,929)	(1,047)
Net (decrease) / increase in cash and cash equivalents during the period (A+B)	(46,787)	34,665	(4,909)	8,661
Bank balances at beginning of the period	50,944	12,443	9,066	38,447
Bank balances at end of the period	4,157	47,108	4,157	47,108

The annexed notes from 1 to 9 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Nadeem Naqvi
Chief Executive Officer

Imran Motiwala
Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2010

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Index Tracker Fund (The Fund) was established as a closed-end scheme under a Trust Deed executed between AKD Investment Management Limited (AKDIML) as Investment Adviser and Central Depository Company of Pakistan Limited (CDC) as Trustee, in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The objective of the Fund is to invest in full depth of the market (KSE-100 index) according to the weightage prescribed by the KSE, eliminating specific sector/stock risk, reliance on market timings and Fund Manager's performance. The units of the Fund are listed on the Karachi stock Exchange.

The Fund is an open-ended mutual fund and is listed on the Karachi Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the fund. Title to the assets of the Fund are held in the name of Central Depository Company Limited as a trustee of the Fund.

The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh, Pakistan.

These condensed interim financial information is presented in Pak Rupees, which is the functional and presentation currency of the Fund.

Management Quality rating of 'AM3' has been assigned to Management Company by JCR-VIS Credit Rating Company Limited on February 23, 2009. Due to specialised nature of the Fund, performance ranking of the Fund is not taken, as the comparable benchmark is not available.

2. STATEMENT OF COMPLIANCE

2.1 The interim financial information have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

2.2 This interim financial information comprise of condensed interim statement of assets and liabilities, condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof. The disclosures made in this interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34, 'Interim Financial Reporting'. It does not include all the information and disclosures made in the annual published financial statement and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2009. Comparative information of the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the nine months period ended March 31, 2010 and the three months period ended March 31, 2010 are un-audited and have been included to facilitate comparison.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of this interim financial information are the same as those applied in preparing the financial statements for the year ended June 30, 2009.

4. STANDARDS, INTERPRETRATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS THAT ARE EFFECTIVE IN THE CURRENT YEAR

IAS 1 (revised), 'Presentation of financial statements'. The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. It requires non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they are required to present a restated statement of financial position as at the beginning comparative period, in addition to the current requirement to present statements of financial position at the end of the current period and comparative period. The Fund has applied IAS 1 (revised) from July 1, 2009, and has elected to present two statements (the income statement and statement of comprehensive income). The adoption of this revised standard has not resulted in a significant change in the presentation of the financial information.

5. INVESTMENTS

In Marketable Securities - Available for sale
(Face value of Rs. 10/- each unless stated otherwise)

Name of Investee	Number of Share					Balances at March 31, 2010						Percentage in relation to	
	As at July 01	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31	Cost	Impairment	Cost net of Impairment	Book value	Market value	Unrealised appreciation/ (diminution)	Net assets of the Fund	Total market value of investment
						----------------------- Rupees in '000' -----------------------							
Oil and Gas													
Attock Refinery Limited	10,590	740	-	4,255	7,075	1,157	(168)	989	894	816	(78)	0.45	0.47
National Refinery Limited	6,180	1,451	-	2,459	5,172	1,609	(578)	1,031	1,139	933	(206)	0.51	0.53
Attock Petroleum Limited	4,760	705	-	1,691	3,774	1,176	-	1,176	1,228	1,340	112	0.73	0.77
Pakistan State Oil Company Limited	13,100	3,191	-	5,097	11,194	4,388	(1,058)	3,330	2,445	3,468	1,023	1.90	1.98
Shell Pakistan Limited	5,668	833	-	2,068	4,433	1,754	(610)	1,144	997	1,335	338	0.73	0.76
Mari Gas Company Limited	3,500	26	2,991	1,700	4,817	427	(73)	354	359	661	302	0.36	0.38
Oil and Gas Development Company Limited	373,100	37,088	-	128,547	281,641	30,826	(1,596)	29,230	22,401	36,574	14,173	20.00	20.92
Pakistan Oil Field Limited	20,500	1,977	-	7,052	15,425	3,545	(210)	3,335	2,275	3,607	1,332	1.97	2.06
Pakistan Petroleum Limited	72,119	6,826	15,789	29,800	64,934	10,404	(279)	10,125	10,232	12,689	2,457	6.94	7.26
						55,286	(4,572)	50,714	41,970	61,423	19,453		
Chemicals													
Dawood Hercules Chemicals Limited	9,018	1361	709	3,283	7,805	1,452	-	1,452	907	1,830	923	1.00	1.05
Engro Chemicals Pakistan Limited	23,667	4,720	1,937	9,011	21,313	2,904	(99)	2,805	2,504	4,259	1,755	2.33	2.44
Fauji Fertilizer Bin Qasim Limited	76,600	12,251	-	28,195	60,656	2,215	(647)	1,568	1,074	1,931	857	1.06	1.10
Fauji Fertilizer Company Limited	59,097	5,380	-	20,195	44,282	3,944	(281)	3,663	3,870	4,857	987	2.66	2.78
ICI Pakistan Limited	11,300	8,725	-	7,108	12,917	1,878	-	1,878	1,845	2,094	249	1.15	1.20
Lotte Pakistan PTA Limited	-	99,100	-	-	99,100	889	-	889	889	1,083	194	0.59	0.62
						13,282	(1,027)	12,255	11,089	16,054	4,965		
Industrial Metal and Mining													
International Industries Limited	7,783	1,755	-	2,193	7,345	500	(78)	422	335	432	97	0.24	0.25
Construction and Materials													
D.G. Khan Cement Limited	81,300	10,596	-	43,669	48,227	3,581	(1,846)	1,735	1,470	1,514	44	0.83	0.87
D.G. Khan Cement Limited Right	-	-	9,645	-	9,645	-	-	-	-	110	110	0.06	0.06
Lucky Cement Limited	59,200	4,465	-	27,773	35,892	3,530	(1,094)	2,436	2,153	2,918	765	1.60	1.67
						7,111	(2,940)	4,171	3,623	4,542	919		

Name of Investee	Number of Share					Balances at March 31, 2010						Percentage in relation to	
	As at July 01	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31	Cost	Impairment	Cost net of Impairment	Book value	Market value	Unrealised appreciation/ (diminution)	Net assets of the Fund	Total market value of investment
						---------------------- Rupees in '000' ----------------------							
General Industrial													
Siemens Engineering Limited	800	-	-	265	535	525	-	525	545	722	177	0.39	0.41
Packages Limited	6,976	1,004	-	2,429	5,551	1,061	(228)	833	881	722	(159)	0.39	0.41
						1,586	(228)	1,358	1,426	1,444	18		
Industrial Engineering													
Al-Ghazi Tractors Limited (Face value Rs. 5/- each)	4,100	-	-	1,274	2,826	518	-	518	458	602	144	0.33	0.34
Millat Tractors Limited	-	1,880	470	447	1,903	589	-	589	589	866	277	0.47	0.50
						1,107	-	1,107	1,047	1,468	421		
Industrial Transportation													
Paksitan National Shipping Corporation Limited	16,700	8,180	-	-	24,880	1,876	(652)	1,224	1,210	1,244	34	0.68	0.71
Automobile and Parts													
Indus Motor Company Limited	25,500	699	-	15,878	10,321	1,617	-	1,617	1,145	2,148	1,003	1.17	1.23
Pak Suzuki Motors Company Limited	8,000	-	-	2,630	5,370	1,202	(724)	478	365	427	62	0.23	0.24
						2,819	(724)	2,095	1,510	2,575	1,065		
Food Producers													
Nestle Pakistan Limited	4,700	-	-	1,738	2,962	2,906	-	2,906	3,233	3,791	558	2.07	2.17
Unilever Pakistan Limited (Face value Rs. 50/- each)	3,100	884	-	1,338	2,646	4,897	-	4,897	5,251	9,178	3,927	5.02	5.25
						7,803	-	7,803	8,484	12,969	4,485		
Personal Goods													
Nishat Mills Limited	74,095	-	-	44,629	29,466	1,849	-	1,849	1,114	1,660	546	0.91	0.95
Nishat Mills Limited Right	-	-	13,259	-	13,259	-	-	-	-	205	205	0.11	0.12
Ibrahim Fibres Limited	44,200	620	-	24,276	20,544	974	(221)	753	612	742	130	0.41	0.42
						2,823	(221)	2,602	1,726	2,607	881		
Tobacco													
Lakson Tobacco Company Limited	6,280	-	-	2,277	4,003	1,022	-	1,022	669	841	172	0.46	0.48
Pakistan Tobacco Company Limited	19,700	4,649	-	7,739	16,610	1,544	-	1,544	1,245	1,927	682	1.05	1.10
						2,566	-	2,566	1,914	2,768	854		
Pharma and Bio Tech													
Abbott Laboratories (Pakistan) Limited	8,064	1,309	-	3,065	6,308	881	(129)	752	518	618	100	0.34	0.35
GlaxoSmithKline (Pakistan) Limited	13,987	2,302	-	5,186	11,103	1,495	(236)	1,259	1,340	1,077	(263)	0.59	0.62
						2,376	(365)	2,011	1,858	1,695	(163)		
Travel and leisure													
Pakistan International Airlines Corporation Limited "A"	172,500	29,410	-	32,405	169,505	1,148	(475)	673	570	498	(72)	0.27	0.28
Fixed Line Telecommunication													
Pakistan Telecommunication Limited "A"	341,500	63,969	-	125,266	280,203	12,935	(6,954)	5,981	4,901	5,887	986	3.22	3.37
Electricity													
Hub Power Company Limited	111,900	6,664	-	43,123	75,441	1,994	-	1,994	2,056	2,585	529	1.41	1.48
Kot Addu Power Company Limited	99,800	7,369	-	33,753	73,416	2,685	-	2,685	3,123	3,302	179	1.81	1.89
						4,679	-	4,679	5,179	5,887	708		

Name of Investee	Number of Share					Balances at March 31, 2010						Percentage in relation to	
	As at July 01	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31	Cost	Impairment	Cost net of Impairment	Book value	Market value	Unrealised appreciation/ (diminution)	Net assets of the Fund	Total market value of investment
						----------------------- Rupees in '000' -----------------------							
Gas Water and Multiutilities													
Sui Northern Gas Pipelines Limited	44,900	7,608	-	16,904	35,604	1,953	(964)	989	1,123	1,229	106	0.67	0.70
Sui Southern Gas Company Limited	55,103	8,926	-	19,950	44,079	1,071	(443)	628	614	931	317	0.51	0.53
						3,024	(1,407)	1,617	1,737	2,160	423		
Banks													
Allied Bank Limited	61,732	15,771	4,638	31,116	51,025	2,793	(320)	2,473	1,795	3,062	1,267	1.67	1.75
Askari Commercial Bank Limited	44,500	3,239	6,591	14,782	39,548	835	-	835	504	839	335	0.46	0.48
Bank Al Habib Limited	60,867	-	7,930	21,215	47,582	1,265	(164)	1,101	1,011	1,378	367	0.75	0.79
Bank Al-Falah Limited	120,901	7,389	-	40,865	87,425	1,945	(544)	1,401	926	1,085	159	0.59	0.62
Faysal Bank Limited	49,478	8,902	-	18,941	39,439	1,342	(503)	839	385	675	290	0.37	0.39
Habib Bank Limited	79,252	7,306	5,931	27,240	65,249	11,522	(4,297)	7,225	5,172	7,215	2,043	3.95	4.13
Habib Metropolitan Bank Limited	65,722	6,009	7,835	22,759	56,807	1,776	(412)	1,364	1,218	1,406	188	0.77	0.80
MCB Bank Limited	66,155	8,673	4,989	24,929	54,888	10,465	(689)	9,776	7,772	11,474	3,702	6.27	6.56
Meezan Bank Limited	54,438	8,427	2,168	19,502	45,531	774	(131)	643	477	789	312	0.43	0.45
National Bank of Pakistan Limited	107,112	18,957	20,932	42,340	104,661	8,851	(1,943)	6,908	5,671	7,099	1,428	3.88	4.06
NIB Bank Limited	351,800	32,375	-	119,867	264,308	1,421	-	1,421	1,261	1,089	(172)	0.60	0.62
Samba Bank Limited	68,000	15,516	-	83,516	-	-	-	-	-	-	-	-	-
Soneri Bank Limited	40,626	6,523	7,552	9,388	45,313	584	-	584	490	398	(92)	0.22	0.23
Standard Chartered Bank (Pakistan) Limited	337,300	31,056	-	115,639	252,717	9,956	(6,871)	3,085	2,149	2,007	(142)	1.10	1.15
The Bank of Punjab	41,230	8,735	-	15,511	34,454	1,614	(901)	713	376	554	178	0.30	0.32
United Bank Limited	116,469	22,929	8,961	49,786	98,573	7,566	(1,906)	5,660	3,502	5,880	2,378	3.22	3.36
						62,710	(18,681)	44,029	32,709	44,950	12,241		
Non Life Insurance													
Adamjee Insurance Company Limited	15,440	5,392	-	6,198	14,634	2,422	(654)	1,768	1,360	1,786	426	0.98	1.02
EFU General Insurance Limited	10,070	925	-	3,528	7,467	2,737	(1,783)	954	678	656	(22)	0.36	0.38
New Jubilee Insurance Company Limited	5,520	596	-	1,856	4,260	789	(518)	271	217	348	131	0.19	0.20
Pakistan Reinsurance Company Limited	24,688	3,670	-	9,089	19,269	1,156	(584)	572	678	474	(204)	0.26	0.27
						7,105	(3,539)	3,566	2,933	3,264	331		
Life Insurance													
EFU Life Aassurance Limited	6,250	907	-	2,291	4,866	2,129	(1,371)	758	498	595	97	0.33	0.34
Financial Services													
Arif Habib Securities Limited	30,918	4,477	-	11,105	24,290	2,322	(1,108)	1,214	677	1,042	365	0.57	0.60
First Capital Securities Corporation Limited	26,757	-	-	26,757	-	-	-	-	-	-	-	-	-
Jahangir Siddiqui & Company Limited	57,652	14,879	-	22,832	49,699	6,382	(4,359)	2,023	1,166	1,077	(89)	0.59	0.62
JS Global Capital Limited	5,459	-	-	1,513	3,946	1,085	(808)	277	270	206	(64)	0.11	0.12
JS Investment Limited	4	-	-	-	4	-	-	-	-	-	-	-	-
						9,790	(6,275)	3,515	2,113	2,325	212		
				March 31, 2010		202,653	(49,509)	153,144	126,832	174,787	47,955		
				June 30, 2009		282,474	(63,951)	346,425	273,077	165,630	(107,447)		

6. CONTENGENCIES

The Finance Act 2008 introduced an amendment to the Workers Welfare Fund Ordinance, 1971 (WWF Ordinance) whereby the definition of "industrial establishment" was amended to include therein any establishment to which the West Pakistan Shops and Establishment Ordinance, 1969 applies. As a result of this amendment, it can be construed that all collective investment schemes (CIS) whose income exceed Rs.0.5 million in a tax year are brought within the purview of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of 2 percent of their accounting or taxable income, whichever is higher. In case of the Fund, such contribution works out to Rs. 0.357 million which is provisional figure & subject to final liability for the whole year will be based on the annual result. To avoid any claim in this regard by the relevant authorities, in December 2009, the Mutual Funds Association of Pakistan (MUFAP) filed a constitutional petition in the Honourable High Court of Sindh. The main grounds of the said petition are that since CIS do not have any workers or employees they are run and managed by the Asset Managers and are not indipendent establishments, the WWF Ordinance is not applicable to them. The said petition has not been heard yet.

The Management Company and the MUFAP's legal counsel are of the firm opinion that the said petition will succeed and, accordingly, no provision for any liability that may arise in this respect has been made in the condensed interim financial statements of the Fund.

7. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected person include AKD Investment Management Limited, being the asset management company of the Fund, Aqeel Karim Dhedhi Securities (Private) Limited, AKD Securities Limited being the associated companies of the management company, Central Depository Company of Pakistan Limited being the trustee, other collective schemes managed by the Management Company, directors and officers of the Management Company and their connected persons.

Details of transactions and balances with connected persons are as follows: -

	Nine months ended March 31, 2010	2009
	(Rupees in '000)	
7.1 Transactions during the period		
AKD Investment Management Limited		
Remuneration to management company	1,140	1,399
Payment made in respect of formation and conversion cost	1,500	1,500
Sales load	10	38
Issue of bonus units Nil (2009: 30,059 units)	-	326
AKD Securities Limited- Brokerage House		
Issuance - 422,110 units (2009: Nil units)	3,288	-
Redemption - 422,110 units (2009: Nil units)	3,284	-
Directors and officers of the Fund		
Issue of bonus units - Nil (2008: 19,978 units)	-	217
AKD Investment Management Limited staff Provident Fund		
Issue of bonus units - Nil (2009: 1,382 units)	-	15
AKD Income Fund		
Value of units purchased / transfer in Nil Units (2009:194,802 units)	-	10,000
Value of units redeemed / transfer out Nil Units (2009: 194,802 units)	-	10,087
Central Depository Company of Pakistan Limited- Trustee		
Remuneration	525	525
CDS charges	9	10

	(Unaudited) March 31, 2010	(Audited) June 30, 2009
	(Rupees in '000)	
7.2 Balances outstanding at the period end		
Payable to AKD Investment Management Limited		
Remuneration	113	132
Formation and conversion cost	1,500	3,000
Payable to Central Depository Company of Pakistan Limited - Trustee		
Remuneration	59	58
CDS charges	1	1

	(Unaudited) March 31, 2010	(Audited) June 30, 2009
	Number of Units	
AKD Investment Management Limited		
Number of units held	573,869	573,869
Aqeel Karim Dhedhi		
Number of units held	232	-
Directors and officers of the Fund		
Number of units held	-	381,407
AKD Investment Management Limited Staff Provident Fund		
Number of units held	26,382	26,382

8. DATE OF AUTHORISATION OF ISSUE

The interim financial information was authorised for issue on April 29, 2010 by the Board of Directors of the Management Company.

9. GENERAL

Figures have been rounded off to the nearest thousand rupees.

For AKD Investment Management Limited
(Management Company)

Nadeem Naqvi
Chief Executive Officer

Imran Motiwala
Director

AKD Investment
Management Ltd.

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CORPORATE