Quarterly Report

March 31, 2024

(un-audited)

AKD

Aggressive Income Fund

Funds Managed by:
AKD Investment Management Ltd

Partner with AKD
Profit form the Experience

AKD Investment Management Ltd.

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. Khalid Mehmood

Chief Executive Officer
Mr. Imran Motiwala

Director(s)
Ms. Anum Dhedhi
Ms. Aysha Ahmed
Mr. Ali Wahab Siddiqi
Mr. Hasan Ahmed
Mr. Abid Hussain

CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY
Mr. Muhammad Yaqoob Sultan, CFA

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY
Mr. Muhammad Munir Abdullah

HEAD OF INERNAT AUDIT OF THE MANAGEMENT COMPANY
Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW)

AUDIT AND RISK MANAGEMENT COMMITTEE
Mr. Abid Hussain (Chairman)
Ms. Aysha Ahmed (Member)
Mr. Ali Wahab Siddiqui (Member)
Mr. Hasan Ahmed (Member)
Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW) (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) AND NOMINATION COMMITTEE
Mr.Khalid Mahmood (Chairman)
Mr. Imran Motiwala (Member)
Mr. Abid Hussain (Member)
Ms. Aysha Ahmed (Member)
Ms. Anum Dhedhi (Member)
Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING
AKD Investment Management Limited AM3++ (AM Three Plus Plus) issued by PACRA

VISION

To serve investors in Pakistan's capital markets with diligence, integrity and professionalism, thereby delivering consistent superior returns and unparalleled customer service.

MISSION STATEMENT

- Keep primary focus on investing clients' interest
- Achieve highest standards of regulatory compliance and good governance
- Prioritize risk management while endeavouring to provide inflation adjusted returns on original investment
- Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy
- Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent leading performance
- Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth.

FUND INFORMATION

AKD Aggressive Income Fund

Management Company
AKD Investment Management Limited
216-217, Continental Trade Centre,
Block 8, Clifton, Karach - 74000

Legal Advisor
Sattar & Sattar
Attorneys-at-Law
3rd Floor, UBL Building
I.I Chundrigar Road, Karachi.

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

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

Bankers
Apna Microfinance Bank Limited
Askari Bank Limited
Bank Al Falah Limited
Bank Al Habib Limited
Bankislami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Mobilink Microfinance Bank Limited
NRSP Microfinance Bank Limited
U Microfinance Bank Limited

Distributor
Financial Investments Mart (Pvt) Ltd.
Investlink Advisor (Private) Limited.
Investomate (Private) Limited
ITMinds Limited.
YPay Financial Services (Pvt.) Ltd.

Auditors
M/s Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU Shahrah-e-Faisal,
Karachi-75350

Rating-AKDAIF
PACRA: A+(f)

FUND MANAGER'S REPORT

i) Description of the Collective Investment Scheme Category and type:

Open – end Aggressive Fixed Income Scheme.

ii) Statement of Collective Investment Scheme's investment objective:

AKD Aggressive Income Fund (AKDAIF) is a dedicated fund that focuses primarily on fixed income securities and instruments. The objective of AKDAIF is to offer investors a convenient vehicle to invest in a diversified portfolio of fixed income securities / instruments that provide consistent returns with concern for preservation of capital over the longer term.

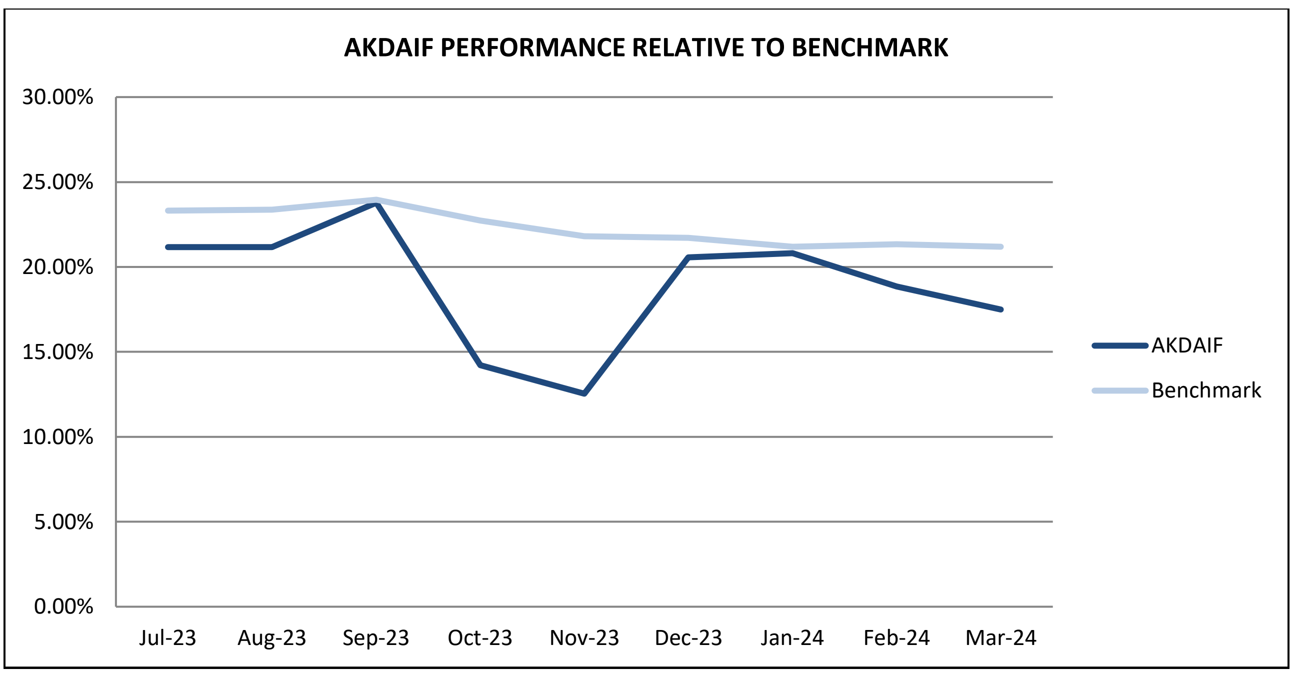
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 9MFY24, the annualized return of AKD Aggressive Income Fund stood at 20.20% as compared to the benchmark return of 22.29%.

iv) Statement of benchmark (s) relevant to the Collective Investment Scheme:

1 Year KIBOR

v) Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmark:



Monthly Return (annualized)	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
AKDAIF	21.16%	21.17%	23.78%	14.22%	12.54%	20.57%	20.81%	18.85%	17.50%
Benchmark	23.31%	23.37%	23.96%	22.74%	21.80%	21.71%	21.19%	21.34%	21.19%

vi) Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance:

AKD Aggressive Income Fund is an open - end Aggressive Fixed Income Scheme. The returns of the fund are generated primarily through investment in government securities, corporate debt instruments, spread transactions and margin trading system. AKDAIF is fully complied with the relevant policies and procedures as per fund's regulatory requirement.

vii) Disclosure of Collective Investment Scheme's asset allocation as the date of the report and particulars of significant changes in asset allocation:

Asset Allocation (% of Total Asset)	31-Mar-24	31-Dec-23
Cash and Cash Equivalent	47.02%	17.04%
Treasury Bills (over 90 days)	20.08%	25.25%
TFCs / Sukuk	30.05%	31.46%
Commercial Papers / STS	-	12.71%
Spread Transactions (Cost)	-	05.64%
Margin Trading System	-	-
Other Assets including Receivables	2.85%	07.90%

viii) Analysis of the Collective Investment Scheme's performance:

9MFY24 Return (annualized)	20.20%
Benchmark Return (annualized)	22.29%

ix) Changes in total NAV and NAV per unit since the last reviewed period:

Net Asset Value			NAV per Unit	
31-Mar-24	31-Dec-23	Change in Net Assets	31-Mar-24	31-Dec-23
(Rupees in '000)			(Rs.)	
693,931	671,388	3.36%	59.0084	56.1141

x) **Disclosure on the markets that the Collective Investment Scheme has invested in including - reviews of the market (s) invested in and return during the period:**

MACRO PERSPECTIVE

The third quarter of FY24 commenced on a positive note, driven by several key developments. The approval and disbursement of USD 700 million after the successful first review of the Stand-By Arrangement (SBA) by the executive board of IMF, along with the UAE and China each rolling over USD 2 billion debt for an additional year, notably strengthening the country's external account position. Moreover, the 12th General Elections took place as scheduled on February 8, 2024, leading to the formation of a coalition government, providing much needed clarity on the political front. Shortly after its formation, the new government reached a staff-level agreement with the IMF on the second and final review under the SBA, paving the way for the disbursement of USD 1.1 billion subject to the IMF's board approval. Furthermore, inflation continued to trend downwards, while interest rates remained at record-high levels, reflecting the cautious monetary stance adopted by the central bank throughout the year in light of potential risks stemming from rising international commodity prices and escalating tensions in the Middle East region.

In its last meeting held on March 18, 2024, the Monetary Policy Committee (MPC) maintained the policy rate at 22% for the sixth consecutive time, contrary to market expectations of a marginal reduction. Despite a notable decrease in inflation in February 2024, it remains at elevated levels, and further adjustments in administered prices and fiscal measures which could exert upward pressure on prices in the near to medium term. Additionally, while international commodity prices have generally stabilized, recent increases in oil prices, attributed to escalating tensions in the Middle East, which pose further inflationary risks. Hence, the MPC deemed it necessary to sustain the current monetary policy stance in order to steer inflation towards the medium-term inflation target of 5-7% by the end of FY25.

In March 2024, the National Consumer Price Index (NCPI) dropped to 20.68% YoY (a 22-month low) as compared to 23.06% in February 2024 and 35.37% in March 2023, taking 9MFY24 average NCPI to 27.06%, slightly lower than the 27.26% recorded during the same period last year. Regionally, Urban and Rural CPI were recorded at 21.90% and 18.97%, respectively. However, there was a 1.71% MoM increase in NCPI, on the back of rising food prices and electricity charges within the housing index. March 2024 saw a positive real interest rate of 1.32%, the first time in nearly three years, compared to in January 2021 when it stood at 1.35%.

On the external front, the current account showed a surplus of USD 619 million in March 2024, compared to a surplus of USD 98 million (revised) in the previous month. This brings the 9MFY24 Current Account Deficit (CAD) to USD 508 million, a massive decline of 87% from USD 4.05 billion in the same period last year. This significant reduction in the CAD was driven by a decline in imports, an increase in exports, and other current transfers. Total imports for 9MFY24 amounted to USD 46.25 billion, down 4% compared to the same period last year, while total exports stood at USD 28.83 billion, marking an increase of 7%. Additionally, a stable exchange rate has contributed to a boost in workers' remittances, with remittances reaching USD 7.60 billion in the third quarter of FY24, up by 18% from the corresponding quarter last year. This improvement in the external sector indicates positive momentum in trade and remittances, potentially contributing to the country's balance of payments and overall economic stability.

According to the latest data released by the State Bank of Pakistan (SBP), the foreign exchange reserves held by the SBP stand at USD 7.98 billion, with the country's liquid foreign exchange reserves reaching USD 13.28 billion. This marks a remarkable 45% increase since the beginning of FY24. This surge can be primarily attributed to the disbursement of the first and second tranches under the IMF Stand-by Arrangement, injecting USD 1.9 billion into Pakistan's reserves. Additionally, this growth has been bolstered by an uptick in export earnings and workers’ remittances. This increase in reserves not only enhances the country's ability to meet its external obligations but also strengthens investor confidence in Pakistan's economic prospects.

In March 2024, the Federal Board of Revenue (FBR) collected PKR 879 billion, bringing the 9MFY24 total tax collection to PKR 6,710 billion, surpassing the ambitious assigned target of PKR 6,707 billion and registering a growth of 30% compared to the same period last year. With a tax collection target of PKR 9.4 trillion for FY24, 30% higher from the previous year’s revised collection, the FBR has been making continuous efforts such as broadening the tax base and imposing taxes on sectors historically under-taxed to achieve its goal. Meanwhile, the government's fiscal policy has been centered on maintaining a primary balance surplus, a crucial precondition of the IMF loan program, demonstrating fiscal discipline and stability essential for continued support from international financial institutions.

The Large Scale Manufacturing Index (LSMI) output experienced a modest increase of 0.06% YoY in February 2024, marking the fourth consecutive month of positive growth on YoY basis. Despite this, the 8MFY24 LSMI growth remains in negative territory at 0.51% when compared with the same period last year. Notably, key sectors such as Textile (-1.75), Automobiles (-1.14), Tobacco (-0.80), and Electrical Equipment (-0.26) significantly contributed to this overall decline. However, there were positive developments in the agricultural sector, with yields on Kharif crops surpassing last year's performance and promising prospects for Rabi crops amid favorable input conditions. This shift in agricultural performance may serve as a buffer against the challenges faced by the industrial sector.

The Government's persistent efforts to attract foreign investment, coupled with the relative stability in exchange rates, have yielded promising outcomes, evident by the total foreign investments reaching USD 1,164 million. Of this total, investments from China & Hong Kong accounted for USD 526 million, representing 45% of the total. Other significant investments originated from the United Kingdom, amounting to USD 203 million (17%), and the United States, contributing USD 145 million (12%). These figures indicate a diversified investor base and highlight the attractiveness of Pakistan's investment environment to major global players.

FIXED INCOME REVIEW:

During the first nine months of FY24, the Monetary Policy Committee of the State Bank of Pakistan has consistently adhered to a cautious monetary policy stance in its meetings, maintaining the policy rate at 22%, marking the sixth consecutive decision to hold it at this historically high level. This conservative stance has been in response to persistent inflationary pressures. Despite a notable deceleration over the past two months, inflation levels remain elevated, with the average National Consumer Price Index for the period at 27.06% YoY as of March 2024.

The improvement in inflation can be attributed to various factors, including the contractionary monetary policy measures implemented by the SBP, efforts towards fiscal consolidation, moderating global commodity prices, and a favorable base effect.

The decision to maintain the heightened policy rate during the period has resulted in elevated yields on government securities. Consequently, these securities have attracted substantial investor interest, as investors seek enhanced returns offered by government debt securities, despite the alternative of a high-performing equity market.

During the period, SBP conducted a total of nineteen (19) Market Treasury Bills (MTB) auctions, where the government managed to raise PKR 17.70 trillion against the auction target of PKR 18.01 trillion. Notably, the weighted average yields for 3, 6, and 12-month MTB were 21.86%, 21.83%, and 21.80% respectively, up by 507 bps, 510 bps, and 501 bps as compared to 16.78%, 16.73%, and 16.78% during the same period last year.

To further address the need for liquidity, SBP also conducted nine (9) auctions of fixed-rate Pakistan Investment Bonds (PIB) and was successful in raising PKR 1.26 trillion. The weighted average yield for 3, 5, and 10 years PIB increased by 398 bps, 241 bps, and 133 bps to 18.05%, 15.68%, and 14.28% respectively, as compared to 14.07%, 13.28%, and 12.95% during the same period last year.

In the market for Shariah Compliant instruments, a significant milestone was reached with the decision to conduct primary market auctions of GOP Ijara Sukuk through capital markets in addition to the State Bank of Pakistan. This aims to broaden the investor base, increase transparency, and foster competitive pricing for government debt securities. A total of eleven (11) auctions were held for GOP Ijara Sukuk, including those conducted through the capital markets. These auctions, covering Variable Rental Rate (VRR), Fixed Rental Rate (FRR), and Fixed Rate Discounted (FRD) instruments, successfully raised PKR 1.53 trillion, against the target of PKR 1.60 trillion.

Looking ahead to the auction target calendars for April through June 2024, the State Bank of Pakistan aims to raise PKR 2.48 trillion by issuing 3 to 12-month MTB against the maturing amount of PKR 2.12 trillion. Additionally, the SBP targets to raise PKR 570 billion through 3 to 30-year fixed-rate PIB against maturing amount of PKR 4 billion whereas, PKR 1.92 billion is targeted to be raised through 2 to 10-year floating-rate PIB. Moreover, the Pakistan Stock Exchange issued a notice announcing auctions for the sale of GOP Ijara Sukuk, with the target of raising PKR 550 billion.

FUTURE OUTLOOK:

Since the beginning of FY24, the equity market has shown robust performance, largely attributed to the Stand-by Arrangement with the IMF, which significantly strengthened the country's economic and financial position. Pakistan's economic growth prospects have continued to recover as the government implemented prudent policy measures, successfully passing through the first and second reviews of the IMF program, resulting in the resumption of inflows from multilateral and bilateral partners. However, growth is forecasted to remain moderate at 2-3% this year, as inflation persists above the target range and certain monetary and fiscal policy reforms are necessary to ensure financial stability amid elevated external and domestic financing needs.

Following the completion of the SBA with the IMF, authorities have expressed interest in a medium-term Extended Fund Facility (EFF) program, expected to be a key driver of the stock market's performance. Investors are keenly observing this for clarity on the economic front. The new Government is committed to ensuring economic and financial stability, continuing policy reforms initiated under the current SBA, including broadening the tax base and timely adjustments of power and gas tariffs to prevent circular debt accumulation in FY24. Additionally, the upcoming federal budget for FY25 will be a significant event, focusing on revenue expansion and growth while maintaining the primary balance agreed with the IMF.

The next Monetary Policy Committee meeting is scheduled for April 29, 2024, where the SBP is expected to keep the rate unchanged at 22%, despite earlier expectations of a rate cut reflected in secondary market yields. Although inflation has started to taper off and is projected to decline further, it remains susceptible to risks such as upward adjustments in fuel, power, and gas prices as part of targeted fiscal consolidation. Thus, the State Bank is required to maintain its current monetary stance to bring inflation down to the target range of 5-7% by the end of FY25. Moreover, central banks worldwide have maintained a cautious monetary policy stance in recent meetings amid volatility in global commodity prices due to rising tensions in the Red Sea.

In conclusion, the stock market holds significant potential for future gains, trading at a low forward PE of 3.4x compared to the long-term average of 8x. Furthermore, it offers an attractive dividend yield of 12.3%. The local equity market is expected to thrive with the onset of the interest rate reversal cycle expected from 1HFY25, along with decreasing inflation and timely realization of external inflows.

xi) Description and explanation of any significant changes in the state of the affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements:

There were no significant changes in the state of affairs during the period under review.

xii) Disclosure on unit split (if any), comprising:

There were no unit splits during the period.

xiii) Breakup of unit holding by size:

Range (Units)	No. of Investors
0.0001 to 9,999	66
10000 to 49999	11
50,000 - 99,999	0
100,000 - 499,999	0
500,000 and above	2
Total	**79**

xiv) Disclosure of circumstances that materially affect any interest of unit holders:

Investments are subject to credit and market risk.

xv) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker (s) or dealers by virtue of transaction conducted by the Collective Investment Scheme:

No soft commissions have been received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

AKD AGGRESSIVE INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT March 31, 2024

	Note	(Unaudited) March 31, 2024	(Audited) June 30, 2023
		----------- (Rupees in '000) -----------	
ASSETS			
Bank balances	6	**285,790**	108,809
Investments	7	**413,597**	516,988
Profit receivable	8	**1,290**	4,607
Deposits, prepayments and other receivables	9	**7,084**	12,306
Receivable against sale of securities		**-**	37,498
Total assets		**707,761**	680,208
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	10	**5,267**	5,067
Payable to the Central Depository Company of Pakistan Limited - Trustee	11	**96**	58
Payable to the Securities and Exchange Commission of Pakistan	12	**84**	135
Accrued expenses and other liabilities	13	**1,472**	13,815
Unclaimed Dividend		**6,912**	6,906
Total liabilities		**13,831**	25,981
NET ASSETS		**693,931**	654,227
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**693,931**	654,227
CONTINGENCIES AND COMMITMENTS	14		
		-------------- (Number of units) --------------	
NUMBER OF UNITS IN ISSUE		**11,759,875**	12,769,750
		-------------------- (Rupees)--------------------	
NET ASSETS VALUE PER UNIT		**59.0084**	51.2326

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

AKD AGGRESSIVE INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS PERIOD ENDED March 31, 2024

	Note	Nine months period March 31, 2024	Nine months period March 31, 2023	Three months period March 31, 2024	Three months period March 31, 2023
		------ (Rupees in '000) ------			
INCOME					
Capital gain / (loss) on sale of investments		**11,197**	(4,727)	**7,535**	1,360
Net unrealised diminution on remeasurement of investments 'at fair value through profit or loss'	7.7	**(3,895)**	(29,766)	**2,605**	(8,903)
Unrealised gain / (loss) on forward contracts		**-**	-	**1,020**	(1,016)
Profit on bank deposits		**2,109**	2,866	**(5,185)**	903
Income from:					
TFC, T-BILLS, COMMERCIAL PAPERS, MARGIN		**103,864**	67,500	**103,864**	23,770
Dividend income		**-**	14,945	**-**	150
Total income		**113,275**	50,818	**83,089**	16,264
EXPENSES					
Remuneration of AKD Investment Management Limited - Management Company	10.1	**7,719**	7,841	**5,255**	2,375
Sindh sales tax on the remuneration of Management Company	10.2	**1,004**	1,019	**683**	308
Expenses allocated by Management company	10.3	**-**	784	**(657)**	237
Remuneration of Central Depository Company of Pakistan Limited - Trustee	11.1	**446**	392	**323**	119
Sindh sales tax on the remuneration of Trustee	11.2	**58**	51	**41**	8
Fee to the Securities and Exchange Commission of Pakistan	12.1	**386**	105	**263**	32
Security transaction costs		**822**	957	**636**	23
Auditor's remuneration		**351**	351	**233**	116
Bank charges		**72**	99	**(5)**	36
Fees and subscriptions		**2,766**	532	**2,595**	155
Legal and professional		**162**	319	**55**	97
Other Expenses		**39**			
Total expenses		**13,824**	12,450	**9,421**	3,506
Net income for the period before taxation		**99,451**	38,368	**73,667**	12,758
Taxation	16	**-**	-	**-**	-
Net income for the period		**99,451**	38,368	**73,667**	12,758
Allocation of net income for the period					
Net income for the period after taxation		**99,451**	38,368	**73,667**	12,758
Income already paid on units redeemed			(6,155)	**(5,320)**	(5,693)
		99,451	32,213	**68,347**	7,065
Accounting income available for distribution:					
Relating to capital gain		**11,197**	-	**7,535**	-
Excluding capital gain		**88,254**	32,213	**60,813**	7,065
		99,451	32,213	**68,347**	7,065

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

AKD AGGRESSIVE INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS PERIOD ENDED March 31, 2024

	Nine months ended March 31,		Three months period December 31,	
	2024	2023	2024	2023
	(Rupees in '000)			
Net income for the period	**99,451**	38,368	**73,667**	12,758
Other comprehensive income for the period	**-**	-	**-**	**-**
Total comprehensive income for the period	**99,451**	38,368	**73,667**	12,758

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

AKD AGGRESSIVE INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS PERIOD ENDED March 31, 2024

	Nine months period ended March 31, 2024			Nine months period ended March 31, 2023		
	Capital value	**Undistributed income**	**Total**	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	**624,078**	**30,149**	**654,227**	710,527	28,102	738,629
Issue of 4,253,333 units (2023: 2,204,305) units						
- Capital value (at net asset value per unit at the beginning of period)	**217,909**	**-**	**217,909**	12,785	-	12,785
- Element of income	**8,326**	**-**	**8,326**	256	-	256
	226,235	**-**	**226,235**	13,041	-	13,041
Redemption of 5,263,208 units (2023: 3,900,442) units						
- Capital value (at net asset value per unit at the beginning of period)	**(269,652)**	**-**	**(269,652)**	(186,170)	-	(186,170)
- Amount paid out of element of income relating to net income for the period after taxation	**(6,056)**	**-**	**(6,056)**	-	(6,155)	(6,155)
- Element of loss	**(8,115)**	**-**	**(8,115)**	(251)	-	(251)
	(283,824)	**-**	**(283,823)**	(186,421)	(6,155)	(192,576)
Total comprehensive income for the period	**-**	**99,451**	**99,451**	-	38,518	38,518
Interim cash distribution declared on July 05, 2023 @ Rs. 0.16899	**-**	**(2,047)**	**(2,047)**	-	-	-
Refund of capital	**(111)**	**-**	**(111)**	-	-	-
Net assets at end of the period	**566,378**	**127,553**	**693,931**	537,147	60,465	597,612
Undistributed income brought forward						
- Realised income		**105,105**			40,640	
- Unrealised loss		**(74,956)**			(12,538)	
		30,149			28,102	
Accounting income available for distribution						
- Relating to capital gains		**11,197**			-	
- Excluding capital gains		**88,254**			32,363	
		99,451			32,363	
Interim cash distribution declared on July 05, 2023 @ Rs. 0.16899		**(2,047)**			-	
Undistributed income carried forward		**127,553**			60,465	
Undistributed income carried forward						
- Realised income		**120,251**			90,231	
- Unrealised loss		**7,301**			(29,766)	
		127,553			60,465	
			---(Rupees)---			---(Rupees)---
Net assets value per unit at beginning of the period			**51.2326**			51.0601
Net assets value per unit at end of the period			**59.0084**			53.9839

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

AKD AGGRESSIVE INCOME FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS PERIOD ENDED March 31, 2024

	Note	Nine months period ended March 31		Three months period ended March 31	
		2024	2023	**2024**	2023
		--------- (Rupees in '000) ---------		---------- (Rupees in '000) ----------	
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation		**99,451**	38,518	**34,298**	12,758
Adjustments for non cash items					
Unrealised diminution in fair value of investments classified ' at fair value through profit or loss' - net		**-**	29,766	**(4,395)**	8,903
Profit on bank deposits		**(2,109)**	-	**8,988**	-
Unrealised loss / (gain) on forward contract		**-**	-	**-**	1,016
Income from Term finance certificates and sukuk certificates		**-**	-	**16,526**	-
Dividend income		**-**	-	**2,100**	-
		97,341	68,284	**57,516**	22,677
(Increase) / decrease in assets					
Deposits, prepayments and other receivables		**5,223**	(438)	**35,126**	(2,321)
Profit Receivable			10,152	**-**	(5,703)
Receivable against Margin Trading System		**-**	3,930	**-**	1,668
Receivable against Sale / Conversion of investment			1,668	**-**	
		5,223	15,312	**35,126**	(6,356)
Increase / (decrease) in liabilities					
Payable to AKD Investment Management Limited - Management Company		**200**	(174)	**(53)**	(174)
Payable to CDC - Trustee		**38**	(21)	**45**	(24)
Payable to the Securities and Exchange Commission of Pakistan		**(51)**	(73)	**42**	32
Accrued expenses and other liabilities		**(12,343)**	(1,175)	**(358)**	(95,976)
		(12,156)	(1,443)	**(324)**	(96,142)
Dividend received		**-**	-	**(2,100)**	-
Profit received on bank deposits		**2,473**	-	**(7,186)**	-
Profit received on investments		**2,954**	-	**(7,606)**	-
Investments - net		**140,889**	279,049	**105,436**	304,609
Net cash generated from operating activities		**236,723**	361,202	**180,861**	224,788
CASH FLOWS FROM FINANCING ACTIVITIES					
Amount received against issuance of units		**226,234**	13,041	**640**	786
Amount paid against redemption of units		**(283,934)**	(192,576)	**(12,394)**	(140,252)
Distribution paid during the year		**(2,047)**	-	**-**	-
Net cash (used in) / generated from financing activities		**(59,742)**	(179,535)	**(11,749)**	(139,466)
Net increase / (decrease) in cash and cash equivalents		**176,981**	181,667	**169,112**	85,322
Cash and cash equivalents at beginning of the period		**108,809**	103,659	**116,678**	200,004
Cash and cash equivalents at end of the period	17	**285,790**	285,326	**285,790**	285,326

The annexed notes from 1 to 21 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Aggressive Income Fund (the Fund) was established under a Trust Deed executed between AKD Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the trust deed on September 11, 2006 and it was executed on October 2, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced operations from March 23, 2007.

The Management Company of the Fund has been licensed to act as an asset management company under the NBFC Rules, through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh.

The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange Limited. It's units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund.

The Fund is classified as an 'Aggressive Fixed Income Scheme' as per circular 7 of 2009 by SECP. The principal activity of the Fund is to make investments in government securities, deposits with Banks, money market placements, deposits, certificate of deposits (COD), certificate of mushrakas (COM), commercial paper, reverse repo, term deposit receipts, term finance certificates / sukuk certificates, spread transactions and transactions under margin trading system.

The title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

The Management Company has been assigned a quality rating of "AM3++" by the Pakistan Credit Rating Agency Limited (PACRA) on June 27, 2023. The Fund has been given stability rating of 'A+(f)' by PACRA on September 08, 2023.

The Fund registered on August 23, 2021 with Assistant Director of Industries and Commerce (Trust Wing) Government of Sindh under Section 12A of the Sindh Trusts Act, 2020.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standards (IAS-34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along part VIIIA of the repealed Companies Ordinance 1984; and

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulation and requirements of the Trust Deed have been followed.

2.1.2 The disclosures made in this condensed interim financial information are limited based on the requirements of the International accounting standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended June 30, 2023.

2.1.3 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

2.1.4 The SECP through its letter no. SC/NBFC-191/IFRS-9/2022 dated September 29, 2022 has deferred the applicability of International Financial Reporting Standard 9 for Non-Banking Finance Companies and Modarabas, as “Reporting period / year ending on or after June 30, 2024".

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that investments are measured at fair value.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual financial statement of the Fund for the year ended June 30, 2023 except for amendment to International Accounting Standard - 'Presentation of Financial Statements' - (IAS 1) which is applicable for period beginning from on or after January 01, 2023. In this amendment significant accounting policies have been updated with material accounting policy.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

4.1 The preparation of this condensed interim financial information in conformity with accounting and reporting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

4.2 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual financial statements as at and for the year ended June 30, 2023.

4.3 There are certain amendments to accounting and reporting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2023. These amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on these condensed interim financial information except as mentioned in note 3.

5. FINANCIAL RISK MANAGEMENT

The Fund's risk management objective and policies are consistent with those disclosed in the annual financial statements of the Fund as at and for the year ended June 30, 2023.

		(Unaudited) March 31, 2024	(Audited) June 30, 2023
6. BANK BALANCES	**Note**	**-------- (Rupees in '000)**	**--------**
Saving accounts	6.1	**285,735**	108,804
Current accounts		**55**	5
		285,790	108,809

6.1 Mark-up rates on these accounts is 20.5% per annum (June 30, 2023: 13% to 19.5% per annum).

	Note	(Unaudited) March 31, 2024	(Audited) June 30, 2023
		----------- (Rupees in '000) -----------	

8. PROFIT RECEIVABLE

Profit receivable on:

	Note	(Unaudited) March 31, 2024	(Audited) June 30, 2023
- Term finance and sukuks certificates		**717**	2,242
- Bank deposits		**573**	936
		1,290	4,607

9. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	(Unaudited) March 31, 2024	(Audited) June 30, 2023
Security deposits with			
- National Clearing Company of Pakistan Limited (NCCPL)		**2,750**	2,750
- Central Depository Company of Pakistan Limited		**100**	100
Other Receivables		**4,009**	-
Advance tax	9.1	**226**	171
		7,084	12,306

9.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 151 and 150. However, uptill period ended December 31, 2023, withholding tax on profit on debt and dividend paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II - 66417- R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder.

10. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	(Unaudited) March 31, 2024	(Audited) June 30, 2023
		----------- (Rupees in '000) -----------	
Management fee	10.1	**1,012**	753
Sindh sales tax on Management fee	10.2	**114**	98
Expenses allocated by the Management Company	10.3	**-**	75
Federal excise duty on management fee	10.4	**4,141**	4,141
		5,267	5,067

10.1 As per the offering document the Management Company has charged remuneration at the rate 1.5% (June 30, 2023: 1.5%) of the daily average net assets value to the fund and it's payable in arrears.

10.2 Sindh sales tax at the rate of 13% (June 30, 2023: 13%) on gross value of management fee is charged under the provisions of Sindh Sales Tax on Services Act, 2011.

10.3 The Management Company has charged expenses at the rate of 0.40% (June 30, 2023: 0.15%) per annum of the average annual net assets of the Fund.

10.4 There is no change in the status of the appeal filed by the Federal Board of Revenue in the Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2023. Had the said provision for FED not been recorded in this condensed interim financial information of the Fund, the net asset value of the Fund as at December 31, 2023 would have been higher by Re. 0.346 per unit (June 30, 2023: Re. 0.324 per unit).

11.	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	(Unaudited) March 31, 2024	(Audited) June 30, 2023
			----------- (Rupees in '000) -----------	
	Trustee fee	11.1	**85**	38
	Sindh sales tax on trustee fee and CDS charges	11.2	**11**	7
			96	58

11.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and as per the tariff specified therein, based on the daily net assets of the Fund. The fee is paid to the Trustee monthly in arrears.

11.2 Sindh sales tax on services at the rate of 13% (June 30, 2023: 13%) has been charged on gross value of trustee fee under the provisions of Sindh Sales Tax on Services Act, 2011.

12.	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	(Unaudited) March 31, 2024	(Audited) June 30, 2023
			----------- (Rupees in '000) -----------	
	Fee payable to SECP	12.1	**84**	135

12.1 Effective from July 1, 2023 as amended through SRO 592 dated May 17, 2023, a Collective Investment Scheme (CIS) is required to pay fee to the Securities and Exchange Commission of Pakistan (SECP) on monthly basis at the rate of 0.075% of average Net Assets of Collective Investment Scheme calculated on daily basis.

Till June 30, 2023, an annual fee at the rate of 0.02% of average Net Assets of Collective Investment Scheme was payable by the fund.

13.	ACCRUED EXPENSES AND OTHER LIABILITIES	(Unaudited) March 31, 2024	(Audited) June 30, 2023
		----------- (Rupees in '000) -----------	
	Auditor's remuneration	**363**	396
	National Clearing Company of Pakistan Limited	**200**	
	Payable against redemption of units	**25**	141
	Others	**884**	201
		1,472	13,815

14. CONTINGENCIES AND COMMITMENTS

14.1 The commitment to sell equity securities at a future date under spread transactions amounts to Rs. 39.53 million (June, 30 2023: Rs. 134.281 million)

14.2 Except as disclosed in note 13.1, there are no other contingencies and commitments outstanding as at December 31, 2023 and June 30, 2023.

15. TOTAL EXPENSE RATIO

The total expense ratio of the Fund from July 1, 2023 to December 31, 2023 is 2.46% (June 30, 2023: 2.36%) and this includes 0.28% (June 30, 2023 0.24%) representing government levies on the fund such as sales tax, fee payable to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective scheme catogorised as "Agressive Fixed Income Scheme".

16. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders by way of cash dividend. The Fund is also exempt from the provision of Section 113 (minimum tax) and section 113 C (Alternate Corporate tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management intends to distribute the income earned by the Fund during the period to the unit holders in cash in the manner as explained above, accordingly, no provision for taxation has been made in this condensed interim financial information.

17. CASH AND CASH EQUIVALENTS

	Note	(Unaudited) March 31, 2024	December 31, 2022
		-------- (Rupees in '000) --------	
Bank balances	6	**285,790**	31,492
Market treasury bills (having original maturity upto 3 months)	7.3	**-**	168,512
		285,790	200,004

18. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Fund.

The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

18.1 Details of transactions during the period:

	(Unaudited) For the period ended March 31 2024	2022
	-------------Rupees in '000----------	
AKD Investment Management Limited - Management Company		
Management fee	**7,719**	5,466
Sindh sales tax on management fee	**1,004**	711
Allocated expenses	**-**	547
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	**446**	273
CDC charges	**50**	60
Sindh sales tax on trustee remuneration	**58**	44
AKD Securities Limited		
Brokerage on purchase of listed equity securities for spread transactions	**446**	128
National Bank of Pakistan - Employees Pension Fund		
Issue of 35,681 (2022: Nil) units		-
Dividend paid		-

18.2 Balance outstanding at the period / year end

	(Unaudited) March 31, 2024	(Audited) June 30, 2023
	-------------Rupees in '000----------	
AKD Investment Management Limited - Management Company		
Management remuneration payable	**1,012**	753
Sindh sales tax payable on Management remuneration	**114**	98
Federal excise duty payable on management remuneration	**4,141**	4,141
Payable against allocated expenses	**-**	75

	(Unaudited) December 31, 2023	(Unaudited) June 30, 2023
	---------- (Rupees in '000) ---------	
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	**85**	38
Settlement charges payable	**-**	13
Sindh sales tax payable on trustee remuneration and settlement charges	**11**	7
Security deposit	**100**	100
Unit holder holding 10% or more of the units in issue		
National Bank of Pakistan Employees Pension Fund		
Outstanding units 10,817,434 (June 30, 2023: 10,781,753)		552,377

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognised at fair value based on:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	(Unaudited) As at December 31, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
	----------------- (Rupees in '000) ---------------			
ASSETS				
Term finance certificates	**-**	**102,534**	**-**	**102,534**
Sukuk certificates		**112,884**	**-**	**112,884**
Government securities	**-**	**172,915**	**-**	**172,915**
Listed equity securities (spread transactions)	**39,305**	**-**	**-**	**39,305**
	39,305	**388,333**	**-**	**427,638**

	(Audited) As at June 30, 2023			
	Level 1	Level 2	Level 3	Total
	----------------- (Rupees in '000) ---------------			
ASSETS				
Term finance certificates	-	41,137	-	41,137
Sukuk certificates	-	88,520	-	88,520
Government securities	-	217,751	-	217,751
Listed equity securities (spread transactions)	144,280	-	-	144,280
	144,280	347,408	-	491,688

There were no transfers between various levels of fair value hierarchy during the period.

20. GENERAL

20.1 This condensed interim financial information is unaudited and have been reviewed by the auditors. Furthermore, the figures for the three months period ended December 31, 2023 in this condensed interim financial information, has not been subject to limited scope review by the auditors.

20.2 Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

21. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on __________________ by the Board of Directors of the Management Company

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

AKD Investment
Management Ltd.

Head Office

216-217, Continental Trade Centre, Block-8, Clifton, Karachi-74000
U.A.N: 92-21-111 AKDIML (111-253-465) I fAX: 92-21-35303125

Gulshan - e - Iqbal Branch

Bungalow No. FL-3/12,
Ground Floor, Block No. 5, KDA,
Scheme No. 24, Gulshan-e-Iqbal, Karachi.
Contact # 92-21-34823003-7

Lahore Branch

Plaza # 250, 2nd Floor, Phase IV,
Block-FF, D.H.A.,Lahore Cantt.
Contact # 0333-0342762-4

E-mail: info@akdinvestment.com
Website: www.akdinvestment.com