Funds Managed by:

AKD Investment Management Ltd.

3rd Quarter Report
March 31, 2014
(Un-audited)

Quarterly report

AKD OPPORTUNITY FUND

AKD INDEX TRACKER FUND

AKD CASH FUND

AKD AGGRESSIVE INCOME FUND

Partner with AKD Profit from the Experience

AKD Investment Management Ltd.

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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. Abdul Karim Memon*

Director & Chief Executive Officer
Mr. Imran Motiwala

Directors
Mr. Ali Wahab Siddiqui*
Mr. M. Ramzan Sheikh
Mr. Hasan Ahmed*
Mr. Ahmed Abdul Sattar*
Mr. Nadeem Saulat Siddiqui

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Munir Abdullah

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY

Mr. Abdul Qadir Sultan

HEAD OF COMPLIANCE OF THE MANAGEMENT COMPANY

Mr. Rashid Ahmed

AUDIT COMMITTEE

Mr. M. Ramzan Sheikh (Chairman)
Mr. Hasan Ahmed (Member)
Mr. Ali Wahab Siddiqui (Member)
Mr. Abdul Qadir Sultan (Secretary)

HUMAN RESOURCE & REMUNERATION COMMITTEE (HR & R)

Mr. Abdul Karim Memon (Chairman)
Mr. Imran Motiwala (Member)
Mr. Ahmed Abdul Sattar (Member)

RATING
AKD Investment Management Ltd. (AMC)
JCR-VIS: AM3- (AM Three Minus)

* Approval pending from SECP.

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

AKD Fund shall continuously strive to:

- *Keep primary focus on investing clients' interest*
- *Achieve highest standards of regulatory compliance and good governance*
- *Prioritize risk management while endeavoring 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 superior performance*
- *Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth*

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited, the Management Company of **AKD Opportunity Fund (AKDOF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF)** and **AKD Aggressive Income Fund (AKDAIF)** is pleased to present its interim report along with the Funds' accounts for the 3rd Quarter ended March 31, 2014.

Funds' Financial Performance

AKD Opportunity Fund (AKDOF)

For the nine months period of FY14, the return of AKD Opportunity Fund stood at 41.46% compared to the benchmark KSE-100 index return of 29.30%, thus outperforming the benchmark by 12.16%.

AKD Index Tracker Fund (AKDITF)

For the nine months period of FY14, the return of AKD Index Tracker Fund stood at 25.68% compared to the benchmark KSE-100 index return of 29.30%, thus underperforming the benchmark by 3.62%.

AKD Cash Fund (AKDCF)

For the nine months period of FY14, the annualized return of AKD Cash Fund stood at 8.52% compared to the benchmark return of 8.33%, thus outperforming the benchmark by 0.19%.

AKD Aggressive Income Fund (AKDAIF)

For the nine months period of FY14, the annualized return of AKD Aggressive Income Fund stood at 4.76% compared to the benchmark return of 10.06%, thus underperforming the benchmark by 5.3%.

Macro Perspective

During the 3rd Quarter of FY14, major improvements were witnessed in the overall macro economic conditions of the country. Since coming into power, the new Government has taken numerous steps to bring the country's economy back on track as some of their economic reform initiatives have started to reap benefits to the broader economy. The security situation remained better during the quarter due to a ceasefire for one month from both sides subsequent to initiation of negotiations between the Government and Taliban. However, no conclusion has as yet been agreed upon and negotiations continue.

The most crucial development during the quarter has been the improved foreign reserves position, which at March 31, 2014 stood at USD 10.074 billion, an increase of 21.18% during the quarter. This was due to USD 1.5 billion assistance provided by Saudi Arabia coupled with the release of another tranche of USD 555.6 million by IMF from its USD 6.8 billion support program approved in September 2013. The FX position is expected to improve further in the coming months as the Government has raised USD 2 billion from the sale of sovereign Eurobonds issued in the beginning of April. Furthermore, the auction of 3G & 4G licenses scheduled in the month of April will propel the foreign reserves further.

On the back of improved FX position, the Pakistani Rupee has, against all expectations, appreciated by an unprecedented 8.32% against the US Dollar since the beginning of the current year. This appreciation has, on one hand, appeased the general public welcoming a decline in inflationary pressures but on the other hand, casting doubts over the benefits the textile sector will be able to derive from export primarily from the GSP Plus status gained recently.

The Consumer Price Index (CPI)-based inflation increased by 8.53% for the period ended March 2014, driven by higher prices of food items and reversing a decline over the previous three months. The State Bank of Pakistan prudently decided to keep the discount rate unchanged at 10% even though some market participants were expecting a cut in the discount rate due to improved current account balance position and better macroeconomic conditions.

Reviews conducted by both the World Bank (WB) and the International Monetary Fund (IMF) at the beginning of April 2014 brought relief to the Government as both institutions were satisfied with the pace of progress of economic development and raised their expectations of GDP growth for FY14. IMF predicted a GDP growth rate of 3.2% whereas WB has increased its GDP forecast from 3.4% to 4%. It is worth mentioning here that the government GDP target is 4.4%. This review helps build the investors' confidence witnessing improved investment activity going forward.

The trade deficit fell to USD 13.931 billion for 9MFY14 from USD 14.740 billion in the corresponding period last year, narrowing the deficit by 5%. The export proceeds witnessed a growth of over 6% while imports witnessed a growth of less than 1% during the period under review over the same period last year. Pakistan's current account deficit till February 2014 swelled to over USD 2 billion as opposed to a deficit of USD 831 million in July-February of 2012-13. Shown as a percentage of the Gross Domestic Product (GDP), the current account deficit widened to 1.2% in July-February as opposed to 0.5% in the same period last year. On the other hand, an impressive growth of over 6% in Large Scale Manufacturing (LSM) has been recorded during seven months (July-January) of the current financial year which shows that the business environment of the country is improving and businesses are willing to invest for the longer term. This sector growth is important as industrial sector has a 20.9% share in Pakistan GDP while LSM being a sub-sector of manufacturing has 10.6% share. On the other hand, credit to private sector has shown an increase of 9.47% from June 2013, implying that banks are painstakingly slowly but gradually lending money to the private sector as well.

The Government is going all out to address the infrastructural problems plaguing the country and impeding growth. The energy crisis is the biggest issue impacting both the common man and industries alike and the Government has started focusing all its resources into addressing this issue. Numerous new mega energy projects are being planned and the finances for those have been secured, Dasu power plant being one of them. Renewed efforts are being made to improve the energy mix by adding coal based plants and wind power plants.

Equity Market

Oil and gas sector witnessed major rally during the quarter as investors' interest increased due to impeding privatization of Government stakes in OGDCL. Textile and Banking sectors also remained in the limelight due to USD depreciation and aggressive participation by banks in PIBs auction. Top performing sectors during the quarter included Technology Hardware & Equipment (206.1%), Tobacco (141.95%), Household Goods (74.23%) and Beverages (62.12%). On the contrary, Electric and Electrical Goods (-6.03%), Health Care Equipment & Services (-12.15%) and Software & Computer Services (-14.76%) were the major losers during the quarter.

Money Market

Money market during the 3rd quarter of the year remained illiquid due to excessive Government borrowing which resulted in crowding out effect. Record participation was witnessed in the Government bond auctions held during this quarter. During the January 2014 auction of PIBs, the State Bank accepted bids of PKR 199.6 billion against the bids of PKR 204.6 billion. In the auction of PIBs conducted in February 2014, SBP received bids of PKR 279 billion against a target of PKR 60 billion, and accepted PKR 279 billion. The same case was observed in the PIB auction held in the month of March, target was set at PKR 60 billion while bids received were of PKR 543 billion. The State Bank accepted PKR 532 billion creating an acute shortage of liquidity in the market. Almost a similar scenario was witnessed in the auctions of T-bills held by SBP. Interestingly, participation was higher in the longer tenure bonds of 10 and 15 years as they offered higher yields.

The central bank had to conduct open market operations in both the months to alleviate the liquidity crunch. This record breaking participation by the market participants demonstrates increased confidence in the future of the country and stability in the interest rate scenario.

Future Outlook

Going forward, the macro outlook is expected to be stable to positive with foreign institutional inflows to remain forefront drivers of the market. While the index continues to touch new highs, in terms of valuations it is still far from its record P/E multiples. In the last quarter of the fiscal year, two major developments are expected which will further improve the foreign reserves situation of the country and strengthen PKR. These developments include the long awaited auction of 3G & 4G licenses and the initiation of the privatization of Government entities in line with the IMF agreement. An unprecedented overwhelming response from the global community for Pakistan's Eurobond offer endorses our point of view of foreign appetite for Pakistani securities and further priority on resolving overall law & order situation and social issues and underlying commitment to reforms warrants an eventual positive re-rating of Pakistan.

The renewed efforts of Government to resolve the energy crisis by investing heavily in mega energy projects are expected to reap benefits in the near future thus curing the biggest problem impeding the overall economic progress of the country. Resolution of this crisis will, on one hand, increase the productivity of the firms thus improving their profitability and on the other hand it will reduce the import bill of the country leading to improved foreign reserve position.

The Pakistani market is still trading at very low multiples as compared to its regional peers and with the improving economic outlook; the index is expected to continue to move to new highs. We will continue to strive to provide better returns in line with the improving fundamentals of the broader economy.

For and on behalf of the Board

Imran Motiwala
Chief Executive Officer

Karachi: April 21, 2014

AKD Aggressive Income Fund
Financial Information - Third Quarter FY14

Contents

AKD Aggressive Income Fund

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

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

BANKERS
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
KASB Bank Limited
MCB Bank Limited
NIB Bank Limited
Soneri Bank Limited
Summit Bank Limited
The Bank of Khyber
The Bank of Punjab
United Bank Limited

AUDITORS
M. Yousuf Adil Saleem & Co.
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharea Faisal,
Karachi-75350

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

REGISTRAR
AKD Investment Management Limited.
216 - 217, Continental Trade Centre,
Block-8, Clifton Karachi-74000
UAN: 111-253-465 (111-AKDIML)

DISTRIBUTORS
AKD Investment Management Limited
AKD Securities Limited
BMA Capital Management Limited
IGI Investment Bank Limited
KASB Securities Limited
The Bank of Punjab
Accesss Financial Services (Private) Limited
Al-Falah Securities (Private) Limited
Reliance Financial Products (Private) Limited
Bulls & Bulls (Private) Limited

RATING
AKD Aggressive Income Fund (Fund)
JCR-VIS: BBB(F) [Triple B (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:

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 nine month period of FY14, the annualized return of AKD Aggressive Income Fund stood at 4.76% compared to the benchmark return of 10.06%, thus underperforming the benchmark by 5.3%. The Fund underperformed the benchmark primarily due to impairments on Corporate Debt Securities. However, the return is expected to improve subsequent to the reclassification of these Corporate Debt Securities as performing assets.

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 Yield (annualized)	July-13	Aug-13	Sep-13	Oct -13	Nov-13	Dec-13	Jan -14	Feb -14	Mar-14
AKD Aggressive Income Fund	6.67%	4.57%	11.99%	7.92%	0.48%	2.06%	3.60%	0.87%	3.76%
Benchmark	9.40%	9.52%	9.72%	10.02%	10.19%	10.45%	10.45%	10.45%	10.41%

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 return of the fund is generated through investment in T bills, Margin Trading System and Corporate Debt Instruments. 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 since the last report (if applicable):

Asset Allocation (% of Total Asset)	31-Mar-14	31-Dec-13
Cash and Cash Equivalents	31.54%	34.90%
Placement with NBFCs	0.57%	0.58%
Preference Shares	2.36%	2.37%
MTS	51.54%	45.70%
TFCs / SUKUK	11.04%	13.66%
Other assets including receivables	2.95%	2.79%

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

Nine month return FY14 (annualized)	4.76%
Benchmark (annualized)	10.06%

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

Net Asset Value			NAV per Unit	
31-Mar-14	31-Dec-13	Change in Net Assets	**31-Mar-14**	31-Dec-13
-------- (Rupees in '000) --------			**------------- (Rupees) -------------**	
475,118	472,538	0.55%	**49.1058**	48.7675

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:

Economy

The quarter continued to exceed expectations of the broader market. To everyone's surprise, the Government was able to generate foreign funds inflow to meet targets as defined in the agreement signed between the IMF and the Government. The Government's efforts were not just concentrated in increasing the foreign exchange reserves, they also continued their efforts to resolve the energy crisis including the gas and electricity shortfalls and eradicating the menace of insurgency.

The Government has taken concrete steps towards addressing energy shortfalls and in this regard mega long-term projects have been announced and construction work on quite a few projects have already commenced.

Government seems all set to address the menace of insurgency and in this regard committees have been formed on both sides to harness continuing peace in the country.

The Government has continued to work on building foreign exchange reserves and in this regard the Government was able to generate support of USD 1.5 billion from friendly countries, while after a gap of seven years the Government was able to float USD 1 billion euro bond of 5 and 10 years each. The Government expects to get further inflows of USD 1.2 billion from the auction of 3G and 4G licenses and another USD 800 million from Etisalat as underlying properties the center of the dispute is expected to be amicably resolved. This is in addition to the inflows that have already resulted in the Foreign Exchange Reserves to reach USD 10.074 billion as of March 2014 from USD 11.019 billion as at the start of the current fiscal year and a low of USD 7.988 billion as at January 2014.

Other economic factors have also contributed in boosting up investor's confidence in the Pakistani capital markets including the recent growth in the large scale manufacturing sector and increase in private sector credit. On the other hand, unprecedented participation by banks and corporates in longer tenor papers via Pakistan Investment Bonds would indicate imminent liquidity issues in the short-term and less availability for the private sector going forward. When we talk about a country's balance of payment problems it is important to understand that if something can help the country maintain its position, it has to be reliance on a continuous financial inflow rather than one-off grants like those received from Saudi Arabia and loan tranches from the IMF. Needless to say, economic independence will be more achievable when our energy needs are self-reliant.

Even though the increased foreign reserves have resulted in an appreciation of the rupee against the dollar by 8.32% in the first three months of 2014 alone, this is not a welcoming news for the export sector as the rising rupee would make our exports expensive, thereby stopping the country from reaping the benefits that it planned to obtain from the grant of the GSP Plus status. On the contrary, the same would ensure inflation is kept in check and the general public enjoys stability in prices as compared to constant price hikes.

Under the period in concern, Pakistan's economic performance was praised by both the IMF and the World Bank in their reviews of the Country's performance. Such good was the performance that both these supranational bodies increased their expectations of GDP growth of the country. Worth mentioning here is the fact that the Pakistani Government's GDP target for FY14 stood at 4.4% whereas IMF's target was 3.2% and World Bank's 4%.

As far as the money market is concerned, a fundamental shift was witnessed in the recent PIB auction where investors shifted their positions from investing in short term T-Bills to long term Pakistan Investment Bonds. This was majorly a result of contained inflation along with improvement in the overall market sentiment. This would also help Government in its long-term planning where the Government would not need to worry for refinancing in the short-term.

Money Market Performance & Future Outlook

During the quarter in concern the Pakistani money market showed mixed sentiments. At the start of the quarter the investors continued to invest in short term T-Bills to earn an interest of around 10%, while later in the quarter improving foreign exchange reserves, recovery in the rupee and resultant lower inflation expectations compelled the broader market to invest in the longer term government debt paper.

The healthy foreign exchange position, stronger rupee and lower inflation outlook has stabilized the interest rate outlook and even paved way for a cut in the discount rate from an earlier tightening stance taken by the State Bank of Pakistan subsequent to the entry into the IMF program.

While the State Bank Governor has already hinted towards good news with respect to the interest rate outlook, we expect a discount rate cut of a 100 basis points for the remaining of FY14 to stand at 9.00%.

The Investment Committee has positioned the portfolio in-line with the future expectations and has locked in funds in longer tenor government bonds in order to reap maximum benefits from any discount rate cuts.

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 changed in the state of affairs during the period and up till the date of the Fund Manager's report 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
0.1 - 9,999	27
10,000 - 49,999	6
50,000 - 99,999	2
100,000 - 499,999	1
500,000 and above	4
	40

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 commission have been received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2014

	Note	(Unaudited) March 31, 2014	(Audited) June 30, 2013
		-------- (Rupees in '000) --------	
ASSETS			
Bank balances	4	**27,986**	7,248
Investments	5	**177,006**	261,391
Receivable against Margin Trading System		**248,105**	163,775
Loans and receivables	6	**14,115**	22,114
Profit and other receivables	7	**11,013**	35,153
Deposits and prepayments		**3,148**	3,027
Total assets		**481,373**	492,708
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	8	**1,627**	734
Payable to Central Depository Company of Pakistan Limited - Trustee		**105**	85
Payable to Securities and Exchange Commission of Pakistan		**267**	336
Payable on redemption of units		**-**	24
Accrued expenses and other liabilities	9	**4,256**	4,012
Total liabilities		**6,255**	5,191
NET ASSETS		**475,118**	487,517
UNIT HOLDERS' FUND (as per statement attached)		**475,118**	487,517
CONTINGENCIES AND COMMITMENTS	10		
		------- (Number of units) -------	
Number of units in issue		**9,675,401**	9,689,849
		------------ (Rupees)------------	
Net asset value per unit		**49.1058**	50.3121

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2014

	Note	Nine months period ended March 31, 2014	Nine months period ended March 31, 2013	Quarter ended March 31, 2014	Quarter ended March 31, 2013
		(Rupees in '000)			
INCOME					
Income from term finance certificates and sukuk certificates		**12,337**	10,765	**2,833**	3,903
Income from government securities		**13,110**	5,296	**3,300**	2,120
Income from Margin Trading System		**14,189**	15,208	**6,597**	5,023
Profit on bank deposits		**2,203**	2,711	**766**	929
Capital gain / (loss) on sale of investments		**424**	347	**513**	(37)
		42,263	34,327	**14,009**	11,938
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.4	**(16,065)**	(6,132)	**(8,061)**	205
Total income		**26,198**	28,195	**5,948**	12,143
EXPENSES					
Remuneration of AKD Investment Management Limited - Management Company		**5,350**	4,969	**1,752**	1,707
Remuneration of Central Depository Company of Pakistan Limited - Trustee		**606**	563	**198**	193
Annual fee - Securities and Exchange Commission of Pakistan		**267**	248	**87**	85
Security transaction cost		**3**	12	**-**	1
Provision for Impairment on investments / (Reversal of Impairment)	5.3	**(980)**	611	**(359)**	(465)
Auditors' remuneration		**262**	265	**83**	79
Settlement and bank charges		**214**	160	**90**	69
Fees and subscription		**1,536**	1,591	**687**	549
Legal and professional charges		**149**	145	**49**	48
Printing and related costs		**138**	131	**43**	55
Provincial sales tax and federal excise duty on management fee		**1,849**	795	**605**	273
Provision for Workers' Welfare Fund		**331**	366	**54**	191
Total expenses		**9,725**	9,856	**3,289**	2,785
Net income from operating activities		**16,473**	18,339	**2,659**	9,358
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed		**(238)**	(413)	**(21)**	(7)
Net income for the period before taxation		**16,235**	17,926	**2,638**	9,351
Taxation	11	**-**	-	**-**	-
Net income for the period after taxation		**16,235**	17,926	**2,638**	9,351
Other comprehensive income for the period					
Unrealised appreciation on re-measurement of investments classified as 'available for sale' - net		**159**	820	**616**	1,058
	5.5	**159**	820	**616**	1,058
Total comprehensive income for the period		**16,394**	18,746	**3,254**	10,409
Earnings per unit - basic and diluted	12				

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2014

	Nine months period ended March 31,		Quarter ended March 31,	
	2014	2013	2014	2013
	---(Rupees in '000)---			
Undistributed profit / Accumulated (losses) brought forward				
Realised income / (loss)	**16,656**	15,882	**12,200**	(6,198)
Unrealised loss	**(9,879)**	(627)	**(19,934)**	(7,127)
	6,777	15,255	**(7,734)**	(13,325)
Final distribution for the year ended June 30, 2013; @ Rs 2.90 per unit (June 2012: Rs 4.5 per unit)				
- Cash distribution	**(3,694)**	(7,078)	**-**	-
- Issue of bonus units	**(24,407)**	(30,067)	**-**	-
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - amount representing (losses) / income that form part of the unit holders' fund	**(8)**	(9)	**(1)**	1
Net income for the period after taxation	**16,235**	17,926	**2,638**	9,351
Accumulated loss carried forward	**(5,097)**	(3,973)	**(5,097)**	(3,973)
Accumulated loss comprising of:				
Realised income	**23,497**	6,128	**23,497**	6,128
Unrealised loss	**(28,594)**	(10,101)	**(28,594)**	(10,101)
	(5,097)	(3,973)	**(5,097)**	(3,973)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

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

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2014

	Nine months period ended March 31,		Quarter ended March 31,	
	2014	2013	2014	2013
	(Rupees in '000)			
Net assets at beginning of the period	**487,517**	426,950	**472,538**	457,094
Issue of units 43 (1,995,904 units for the nine months ended March 31, 2013)	**2**	94,829	**-**	-
Redemption of units 529,273 (1,389,270 units for the nine months ended ended March 31, 2013)	**(25,339)**	(66,604)	**(695)**	(254)
	(25,337)	28,225	**(695)**	(254)
Issue of 514,782 bonus units (636,669 bonus units for the nine months ended March 31, 2013)	**24,407**	30,067	**-**	-
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed				
- amount representing (income) / losses and capital (gains) / losses - transferred to Income Statement	**238**	413	**21**	7
- amount representing losses / (income) that form part of the Unit holder's fund - transferred to Distribution Statement	**8**	9	**1**	(1)
	246	422	**22**	6
Net unrealised appreciation on re-measurement of investments classified as ' available for sale'	**159**	820	**616**	1,058
	159	820	**616**	1,058
Other net income for the period	**31,876**	23,711	**10,186**	9,183
Capital gain / (loss) on sale of investments	**424**	347	**513**	(37)
Unrealised appreciation / (diminution) on re-measurement of investments at fair value through profit or loss - net	**(16,065)**	(6,132)	**(8,061)**	205
Net element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - amount representing (losses) / income that form part of unit holders' fund	**(8)**	(9)	**(1)**	1
Final distribution for the year ended June 30, 2013; @ Rs. 2.9 per unit (2012: Rs 4.5 per unit)				
- Cash distribution	**(3,694)**	(7,078)	**-**	-
- Issue of bonus units	**(24,407)**	(30,067)	**-**	-
	(11,874)	(19,228)	**2,637**	9,352
Net assets at end of the period	**475,118**	467,256	**475,118**	467,256

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2014

	Note	Nine months period ended March 31, 2014	Nine months period ended March 31, 2013	Quarter ended March 31, 2014	Quarter ended March 31, 2013
		(Rupees in '000)			
CASH FLOW FROM OPERATING ACTIVITIES					
Net income for the period before taxation		**16,235**	17,926	**2,638**	9,351
Adjustments for non-cash and other items					
Unrealised (appreciation) / diminution in fair value of investments classified as 'financial assets at fair value through profit or loss' - net		**16,065**	6,132	**8,061**	(205)
Capital (gain) / loss on sale of investments		**(424)**	(347)	**(513)**	37
Provision for Impairment on investments / (Reversal of Impairment)		**(980)**	611	**(359)**	(465)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed		**238**	413	**21**	7
Remuneration of AKD Investment Management Limited - Management Company		**5,350**	4,969	**1,752**	1,707
Remuneration of Central Depository Company of Pakistan Limited - Trustee		**606**	563	**198**	193
		37,090	30,267	**11,798**	10,625
(Increase) / decrease in assets					
Investments - net		**20,237**	45,597	**5,616**	8,247
Receivable against Margin Trading System		**(84,330)**	(96,239)	**(29,497)**	33,301
Loans and receivables		**7,999**	5,237	**-**	4,000
Profit and other receivables		**24,140**	14,375	**(693)**	(1,154)
Deposits and prepayments		**(121)**	(120)	**(129)**	(131)
		(32,075)	(31,150)	**(24,703)**	44,263
Increase / (decrease) in liabilities					
Payable to AKD Investment Management Limited - Management Company		**867**	5,764	**280**	918
Payable to Central Depository Company of Pakistan Limited - Trustee		**17**	19	**9**	10
Payable to Securities and Exchange Commission of Pakistan		**(69)**	(75)	**87**	85
Payable on redemption of units		**(24)**	(15)	**-**	-
Accrued expenses and other liabilities		**244**	276	**105**	42
		1,035	5,969	**481**	1,055
Remuneration paid to AKD Investment Management Limited - Management Company		**(5,324)**	(4,892)	**(1,751)**	(1,695)
Remuneration paid to Central Depository Company of Pakistan Limited - Trustee		**(603)**	(555)	**(197)**	(192)
Net cash generated from / (used in) operating activities		**123**	(361)	**(14,372)**	54,056
CASH FLOW FROM FINANCING ACTIVITIES					
Net receipts / (payments) against issuance / redemptions of units		**(25,337)**	28,225	**(695)**	(254)
Dividend paid		**(3,694)**	(7,078)	**-**	-
Net cash generated from / (used in) financing activities		**(29,031)**	21,147	**(695)**	(254)
Net increase / (decrease) in cash and cash equivalents during the period		**(28,908)**	20,786	**(15,067)**	53,802
Cash and cash equivalents at beginning of the period		**180,749**	72,669	**166,908**	39,653
Cash and cash equivalents at end of the period	13	**151,841**	93,455	**151,841**	93,455

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2014

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 (AKDIML) as the Management Company and 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 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 Karachi Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund.

The principal activity of the Fund is to make investments in government securities, cash in bank account, money market placements, deposits, certificate of deposits (COD), certificate of mushrakas (COM), TDRs, commercial paper, reverse repo, TFC/Sukuk, spread transactions and transactions under Margin Trading System. Title of the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

JCR-VIS Credit Rating Company Limited has assigned a management quality rating of 'AM3-' to the Management Company and fund stability rating of "BBB(f)" to the Fund dated June 19, 2013.

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

2. STATEMENT OF COMPLIANCE

2.1 These condensed 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 (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the 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 the 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 SECP shall prevail.

2.2 These condensed interim financial information comprises of condensed interim statement of assets and liabilities, condensed interim income statement, 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 these condensed 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, 2013.

2.3 These condensed interim financial information are unaudited.

2.4 The Directors of the Assets Management Company declare that these condensed interim financial information give a true and fair value of the Fund.

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies, estimates, judgments and the methods of computation adopted in the preparation of these condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the fund for the year ended June 30, 2013.

		Note	(Unaudited) March 31, 2014	(Audited) June 30, 2013
			------(Rupees	in '000)------
4.	**BANK BALANCES**			
	In current accounts		**14**	14
	In savings accounts		**27,972**	7,234
			27,986	7,248
5.	**INVESTMENTS**			
	Financial assets at fair value through profit or loss - held for trading			
	- Debt securities	5.1	**160,298**	242,839
	Available-for-sale			
	- Debt securities	5.2	**16,708**	18,552
			177,006	261,391
5.1	**Debt Securities**			
	Term Finance / Sukuk Certificates	5.1.1	**36,443**	69,338
	Government Securities	5.1.2	**123,855**	173,501
			160,298	242,839

5.1.1 Term Finance / Sukuk Certificates

Name of the Investee Company	----- Number of certificates-----				Profit / markup rate	Carrying value	Market value	Appreciation / (diminution)	Market value as a percentage of Net Assets	Market value as a percentage of total investments
	As at July 1, 2013	Purchases during the period	Sales / redeemed during the period	As at March 31,2014						
						------------Rupees in '000'-----------				
Certificates of Rs 5,000 each unless otherwise stated										
Term Finance Certificates - listed										
Dewan Cement Limited - (note 5.1.1.1)	20,000	-	-	20,000	6 months KIBOR + 2.00%	-	-	-	-	-
Engro Fertilizer Limited (30-11-07)	25	-	-	25	6 months KIBOR + 1.55%	123	125	2	0.03	0.07
Worldcall Telecom Limited (07-10-08)	20,000	-	-	20,000	6 months KIBOR + 1.60%	25,635	15,277	(10,358)	3.22	8.63
Pace Pakistan Limited (15-02-08)	115	-	-	115	6 months KIBOR + 2.00%	60	-	(60)	-	-
Summit Bank Limited (27-10-11)	5,000	-	-	5,000	6 months KIBOR + 3.25%	24,388	18,594	(5,794)	3.91	10.50
						50,206	33,996	(16,210)		
Term Finance / Sukuk Certificates - unlisted										
Al-Abbas Sugar Mills Limited (21-11-2007)	11,000	-	11,000	-	6 months KIBOR + 1.75%	-	-	-	-	-
JDW Sugar Mills Limited (23-06-08)	10,246	-	-	10,246	3 months KIBOR + 1.25%	2,264	2,274	10	0.48	1.28
Kohat Cement Company Limited (20-06-2007) - sukuks	4,000	-	-	4,000	3 months KIBOR + 1.50%	-	173	173	0.04	0.10
						2,264	2,447	183		
Total - March 31, 2014						**52,470**	**36,443**	**(16,027)**		
Total - June 30, 2013						75,286	69,338	(5,948)		

5.1.1.1 The Fund had advanced an amount of Rs. 100 million in respect of Pre-IPO placement of Dewan Cement Limited (DCL) under an agreement, which required public offering to be completed within 270 days of the date of agreement (which was January 9, 2008). Dewan Cement Limited (DCL) failed to complete the public offering within the said time period and has also defaulted in payment of principal and profit. As a matter of prudence, the Fund has provided for the amount of the investment by 100 percent in accordance with the provisioning policy approved by the Board of Directors of the Management Company.

5.1.2 Government Securities

Issue date	Tenor	----Face value----				Balance at March 31, 2014			Market value as a percentage of Net Assets	Market value as a percentage of investments
		Balance at July 1, 2013	Purchase during the period	Sales / matured during the period	Balance at March 31, 2014	Cost	Market value	Appreciation / (diminution)		
		---- Rupees in '000 ----								
Market Treasury Bills										
January 10, 2013	6 month	20,000	-	20,000	-	-	-	-	-	-
May 16, 2013	3 month	155,000	-	155,000	-	-	-	-	-	-
July 12, 2013	3 month	-	20,400	20,400	-	-	-	-	-	-
August 7, 2013	3 month	-	140,000	140,000	-	-	-	-	-	-
August 7, 2013	3 month	-	75,000	75,000	-	-	-	-	-	-
September 5, 2013	3 month	-	50,000	50,000	-	-	-	-	-	-
October 31, 2013	3 month	-	225,000	225,000	-	-	-	-	-	-
November 13, 2013	3 month	-	50,000	50,000	-	-	-	-	-	-
January 23, 2014	3 month	-	100,000	75,000	25,000	24,894	24,889	(5)	5.24	14.06
February 6, 2014	3 month	-	50,000	-	50,000	49,586	49,571	(15)	10.43	28.01
February 20, 2014	3 month	-	50,000	-	50,000	49,413	49,395	(18)	10.40	27.91
Total - March 31, 2014					**125,000**	**123,893**	**123,855**	**(38)**		
Total - June 30, 2013						173,463	173,501	38		

5.2 Available-for-sale -Debt securities

Name of the Investee Company	----- Number of certificates / bonds-----				Profit / markup rate	Cost	Market value at March 31, 2014	Appreciation / (diminution)	Market value as a percentage of Net Assets	Market value as a percentage of total investments
	As at July 1, 2013	Purchases during the period	Sales / redeemed during the period	As at March 31,2014						
						------------Rupees in '000'------------				
Certificates / bonds of Rs 5,000 each unless otherwise stated										
Term Finance Certificates - unlisted										
Avari Hotels Limited (01-11-07)	7,093	-	-	7,093	1 year KIBOR+2.5%	13,205	13,809	604	2.91	7.80
Al-Abbas Sugar Mills Limited (21-11-07)	600	-	600	-	6 months KIBOR + 1.75%	-	-	-	-	-
						13,205	13,809	604		
Sukuk Certificates - unlisted										
New Allied Electronics Industries (Private) Limited (25-07-07) (face value Rs 312.50 each)	96,000	-	-	96,000	3 months KIBOR + 2.60%	30,000	-	(30,000)	-	-
Kohat Cement Company Limited (20-06-07)	2,763	-	-	2,763	3 months KIBOR + 1.50%	160	120	(40)	0.03	0.07
Maple Leaf Cement Factory Limited (03-12-07)	2,000	-	-	2,000	3 months KIBOR + 1.00%	8,229	2,779	(5,450)	0.58	1.57
						38,389	2,899	(35,490)		
						51,594	**16,708**	**(34,886)**		
Less: Provision for Impairment recognised in the income statement in current and prior periods (note 5.3)						35,490	-	35,490		
Total - March 31, 2014						**16,104**	**16,708**	**604**		
Total - June 30, 2013						18,107	18,552	445		

		(Unaudited) March 31, 2014	(Audited) June 30, 2013
		--------(Rupees	in '000)--------
5.3	**Movement in provision for impairment**		
	Opening Balance	**136,470**	136,161
	Add: Provision for the period / year	**-**	1,204
	Less: reversal due to redemption of securities	**(980)**	(895)
		(980)	309
	Closing Balance	**135,490**	136,470

5.3.1 Above balance include impairment provision of Rs. 100 million on financial assets at 'fair value through profit or loss - held for trading' recognised in accordance with the provisioning policy approved by the Board of Directors of the Management Company (Refer note 5.1.1.1).

		Note	(Unaudited) March 31, 2014	(Unaudited) March 31, 2013
			--------(Rupees	in '000)--------
5.4	**Net unrealised diminution on re-measurement of investments classified as 'fair value through profit or loss'**			
	Market value of securities	5.1.1 & 5.1.2	**160,298**	167,012
	Less: carrying value of securities	5.1.1 & 5.1.2	**176,363**	173,144
			(16,065)	(6,132)

		Note	(Unaudited) March 31, 2014	(Audited) June 30, 2013
			--------(Rupees	in '000)--------
5.5	**Net unrealised appreciation on re-measurement of investments classified as ' available for sale '**			
	Market value of securities	5.2	**16,708**	18,552
	Less:			
	Cost of investments	5.2	**51,594**	54,577
	Provision for Impairment	5.2	**(35,490)**	(36,470)
	Cost of investment - net		**16,104**	18,107
			604	445
	Less: Net unrealised appreciation / (diminution) in fair value of investments classified as available for sale at the beginning of the period / year		**445**	(807)
			159	1,252

		Note	(Unaudited) March 31, 2014	(Audited) June 30, 2013
6.	**LOANS AND RECEIVABLES**		--------(Rupees in '000)-------	
	Certificate of Investments			
	- Saudi Pak Leasing Company Limited	6.1	**2,763**	10,762
	Preference Shares			
	- Security Leasing Corporation Limited	6.2	**11,352**	11,352
			14,115	22,114

6.1 All monthly installments and upfront payment has been received in full as per agreed terms. The balance amount is receivable in the form of 425,000 shares of Pace Baraka Limited at an agreed value of Rs. 2.76 million.

6.2 Security Leasing Corporation Limited had deferred the payment of 3rd redemption pertaining to 1,722,625 shares (face value of Rs. 10 each) due in November 2009 and 4th redemption pertaining to 1,722,625 shares (face value of Rs. 10 each) due in November 2010 in view of the adverse financial position of the company. As per the terms of the preference shares, the redemption amount will be the lower of par value and breakup value as per the latest audited financial statements available at the time of redemption. The break up values per share of Security Leasing Corporation Limited as per the financial statements for the year ended June 30, 2009 and June 30, 2010 were Rs. 5.44 and Rs. 1.27 respectively, which are lower than the face value. Further, the break up value of the shares as per the financial statements of the company for the nine months ended March 31, 2010 was Rs 1.15. Therefore, the redemption of 1,722,625 shares due on November 30, 2009 has been valued at Rs 5.44 per share and the remaining shares have been valued at Rs 1.15 per share on prudence basis. As these preference shares has been delisted from the Karachi Stock Exchange Limited on August 19, 2011 and accordingly the Management Company reclassified the said investment into loans and receivables.

6.2.1 Non-compliance with the investment criteria as specified by the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan vide circular no. 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorization criteria laid down in the circular. AKD Investment Management Limited (Management Company) classified AKD Aggressive Income Fund (the Fund) as 'Aggressive Fixed Income Scheme' in accordance with the said circular. As at March 31, 2014, the Fund is compliant with all the requirements of the said circular except for investment in preference shares of Security Leasing Corporation Limited.

	Note	(Unaudited) March 31, 2014	(Audited) June 30, 2013
		--------(Rupees	in '000)--------
7. PROFIT AND OTHER RECEIVABLES			
Profit / income receivable on:			
- Term Finance Certificates and Sukuk Certificates		**9,698**	8,484
- Margin Trading System		**1,068**	735
- on Bank Deposits		**247**	144
Receivable on conversion of units		**-**	25,790
		11,013	35,153
8. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMANT COMPANY			
Management fee	8.1	**604**	578
Sales tax payable		**112**	101
Federal Excise Duty on Management Remuneration	8.2	**911**	55
		1,627	734

8.1 Under the provisions of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), the Management Company of the Fund is entitled to a remuneration during the first five years of the Fund, of an amount not exceeding three percent of the average annual net assets of the Fund and thereafter of an amount equal to two percent of such assets of the Fund. In the current period, the Management Company has charged remuneration at the rate of 1.50 percent per annum, of the average annual net assets of the Fund.

8.2 The Finance Act 2013 introduced an amendment to Federal Excise Act 2005 where by Federal Excise Duty (FED) has been imposed at the rate of 16% of the services rendered by assets management companies. However the MUFAP has filed a petition in the Sindh High Court (SHC) challenging the levy of FED on assets management services. The SHC in its short order of September 2013 directed the FBR not to take any coercive action against the petitioners pursuant to impugned notices till next date of hearing. In view of uncertainty regarding the applicability of FED on asset management services, the management, as a matter of abundant caution, has decided to retain and continue with the provision of FED in this condensed interim financial information which aggregates to Rs. 0.911 million as at March 31, 2014. Had the said provision of FED not been recorded in the books of account of the Fund, the NAV of the Fund would have been higher by Re. 0.094 per unit (0.19%).

9. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	March 31, 2014	June 30, 2013
National Clearing Company of Pakistan Limited charges		**95**	68
Auditors' remuneration		**185**	260
Provision for workers' welfare fund	9.1	**3,149**	2,817
Withholding tax		**6**	5
Other		**821**	862
		4,256	4,012

9.1 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance), whereby the definition of 'Industrial Establishment' has been made applicable to any establishment to which West Pakistan Shops and Establishment Ordinance, 1969 applies. As a result of this amendment, all Collective Investment Schemes (CISs) / mutual funds whose income exceeds Rs.0.5 million in a tax year have been brought within the scope of the WWF Ordinance thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain Collective Investment Schemes (CISs) through their trustees in the Honorable Sindh High Court (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In 2011, a single judge of the Lahore High Court (LHC) issued a judgment in response to a petition in similar case whereby the amendments introduced in WWF Ordinance through Finance Acts, 2006 and 2008 have been declared unconstitutional and therefore struck down.

However in 2013, the Larger Bench of SHC issued a judgment in response to a petition in another similar case in which it is held that the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 do not suffer from any constitutional or legal infirmity.

As a matter of abundant prudence, management company has decided to continue and retain the provision for WWF amounting to Rs. 3.149 million (including Rs. 0.331 million for the current period) in these condensed interim financial information. The net asset value of the fund as at March 31, 2014 would have been higher by Rs. 0.33 per unit (0.66%), If the same were not recognised.

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There were no contingencies as at March 31, 2014 and June 30, 2013.

	(Unaudited) March 31, 2014	(Audited) June 30, 2013
	------(Rupees	in '000)------
10.2 Commitments		
Margin Trading System (MTS) transactions entered into by the Fund in respect of which the purchase transactions have not been settled as at period / year end	**38,017**	18,180
Margin Trading System (MTS) transactions entered into by the Fund in respect of which the sale transactions have not been settled as at period / year end	**91,917**	32,857

11 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund has not recorded a tax liability in respect of income relating to the current period as the Management Company intends to distribute more than 90 percent of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders.

12 EARNINGS PER UNIT - BASIC AND DILUTED

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

13 CASH AND CASH EQUIVALENTS	Note	(Unaudited) March 31, 2014	(Audited) June 30, 2013
		-----(Rupees	in '000)-----
Bank balances	4	**27,986**	7,248
Treasury bills having maturity of three months	5.1.2	**123,855**	173,501
		151,841	180,749

14 TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include AKD Investment Management Limited, being the Management Company of the Fund, Central Depository Company of Pakistan Limited being the Trustee, Aqeel Karim Dhedhi Securities (Private) Limited, other collective schemes managed by the Management Company, AKD Investment Management Limited - Staff Provident Fund, directors and officers of the Management Company, unit holder's holding more than 10% of the units outstanding and entities having common directorship with the Management Company. All other transactions with connected persons are in the normal course of business and are carried out on agreed terms.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulation and the Trust Deed respectively.

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

14.1 Transactions during the period	Nine months period ended March 31 (Unaudited) 2014	2013	Quarter ended March 31 (Unaudited) 2014	2013
	(Rupees in '000)			
AKD Investment Management Limited - Management Company				
Purchase of units [nine months ended Mar. 31 (2014: Nil ; 2013 : 84,204)]	**-**	4,000	**-**	-
Redemption of units [nine months ended Mar. 31 (2014: 501,884 ; 2013 : 84,204)]	**24,006**	4,033	**-**	-
Issue of Bonus units [nine months ended Mar. 31 (2014: 28,929 ; 2013: Nil)]	**1,372**	-	**-**	-
Management fee	**5,350**	4,969	**1,752**	1,707
Sales Tax and Federal Excise Duty on management fee	**1,849**	795	**605**	273
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of Trustee	**606**	563	**198**	193
AKD Investment Management Limited - Staff Provident Fund				
Purchase of units [nine months ended Mar. 31 (2014: Nil ; 2013: 146,379)]	**-**	6,864	**-**	-
Issue of Bonus units [nine months ended Mar. 31 (2014: Nil ; 2013: 2,211)]	**-**	104	**-**	-
Redemption of units [nine months ended Mar. 31 (2014: Nil ; 2013: 171,788)]	**-**	8,207	**-**	-
Key Management Personnel and others				
Spouse - Chief Executive Officer				
Purchase of units [nine months ended Mar. 31 (2014: Nil ; 2013: 8,529)]	**-**	400	**-**	-
Redemption of units [nine months ended Mar. 31 (2014: Nil ; 2013: 8,529)]	**-**	405	**-**	-
Unit holder holding 10% or more of the units in issue				
Sindh Province Pension Fund				
Purchase of units [nine months ended Mar. 31 (2014: Nil ; 2013: 943,079)]	**-**	45,000	**-**	-
Issue of bonus units [nine months ended Mar. 31 (2014: 57,684 ; 2013: Nil)]	**2,735**	-	**-**	-
The Bank of Khyber				
Cash Dividend	**3,660**	7,025	**-**	-
National Bank of Pakistan Employees Pension Fund				
Issue of bonus units [nine months ended Mar. 31 (2014: 354,906 ; 2013: 504,801)]	**16,827**	23,839	**-**	-

14.2 Amounts outstanding as at the period / year end	(Unaudited) March 31, 2014	(Audited) June 30, 2013
	(Rupees in '000)	
AKD Investment Management Limited - Management Company		
Management fee payable	**604**	578
Sales tax -Provincial on Management Remuneration	**112**	101
Federal Excise Duty on Management Remuneration	**911**	55
Units held Nil (June 2013: 472,955 units)	**-**	23,795
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	**69**	66
CDS charges payable	**36**	19
Security deposit	**100**	100
AKD Cash Fund		
Receivable against conversion of units	**-**	25,790
Unit holder holding 10% or more of the units in issue		
Sindh Province Pension Fund		
Units held 1,000,763 (June 2013: 943,079 units)	**49,143**	47,448
The Bank of Khyber		
Units held 1,261,904 (June 2013: 1,261,904 units)	**61,967**	63,489
National Bank of Pakistan Employees Pension Fund		
Units held 6,157,270 (June 2013: 5,802,364 units)	**302,357**	291,929

15. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorised for issue on April 21, 2014 by the Board of Directors of the Management Company.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala	**Nadeem Saulat Siddiqui**
Chief Executive Officer	Director

AKD Investment
Management Ltd.

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