AKD Investment Management Ltd.

Partner with AKD
Profit from the Experience

Risk Profile of Collective Investment Schemes/Plans

Sr. No	Name of Collective Investment Scheme	Category	Risk Profile	Risk Of Principal Erosion
1	AKD Aggressive Income Fund (Formerly: AKD Income Fund)	Aggressive Fixed Income	Medium	Principal at Medium risk
2	AKD Cash Fund	Money Market	Low	Principal at Low risk
3	AKD Islamic Income Fund	Shariah Compliant Income	Medium	Principal at Medium risk
4	AKD Index Tracker Fund	Index Tracker	High	Principal at High risk
5	AKD Islamic Stock Fund	Shariah Compliant Equity	High	Principal at High risk
6	AKD Opportunity Fund	Equity	High	Principal at High risk
7	Golden Arrow Stock Fund (Formerly: Golden Arrow Selected Stocks Fund Limited)	Equity	High	Principal at High risk

DISPUTE RESOLUTION/ COMPLAINTS HANDLING:
Investors may lodge their complaints to our Investor Services Department through any of the following options where our dedicated staff is available 24/7 to provide assistance: Call at (+92-21) 111-AKD-IML (253465), Toll-free # 0800-25346, Email at info@akdinvestment.com, complaints@akdinvestment.com, Sales@akdinvestment.com. In case your complaint has not been properly redressed by us, you may lodge your complaint with SECP at the link https://sdms.secp.gov.pk/. However, please note that SECP will entertain only those complaints which were at first directly requested to be redressed by the Company and the Company has failed to redress the same. Further, the complaints that are not relevant to SECP's regulatory domain/competence shall not be entertained by the SECP.

Message from CIOs

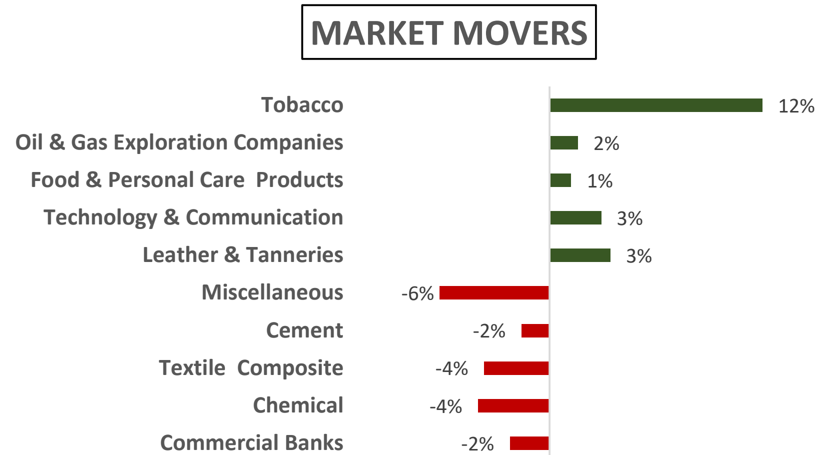
The KSE-100 plunged by 476.31 points (down 1.06%MoM) during December 2021 and closed at 44,596.07 points as compared to 45,072.38 points last month. The average daily traded volume declined by 25.36% to 235.95 million as compared to 316.11 million recorded during the month of November 2021 as investors remained sidelined amid skeptics over monetary policy stance during third week of month, delay in passage of SBP autonomy bill and supplementary finance bill. KSE-100 index closed at a forward P/E and P/B of 4.90x and 0.86x respectively, offering a healthy dividend yield of 8.0%.

Foreigners' interest rejuvenated where foreign investors remained net buyers during the month, with a net inflow of USD 5.26 million as compared to outflows of USD 141.34 million recorded during the last month. This has taken cumulative outflows during FYTD22/CYTD21 to USD 250.34/359.04 million. On the other hand, Companies, and Individuals remained net buyers with net inflows of USD 16.96 million and USD 6.81 million respectively whereas mutual funds and brokers remained net seller with net outflow of USD 24.89 million and 4.6 million respectively.

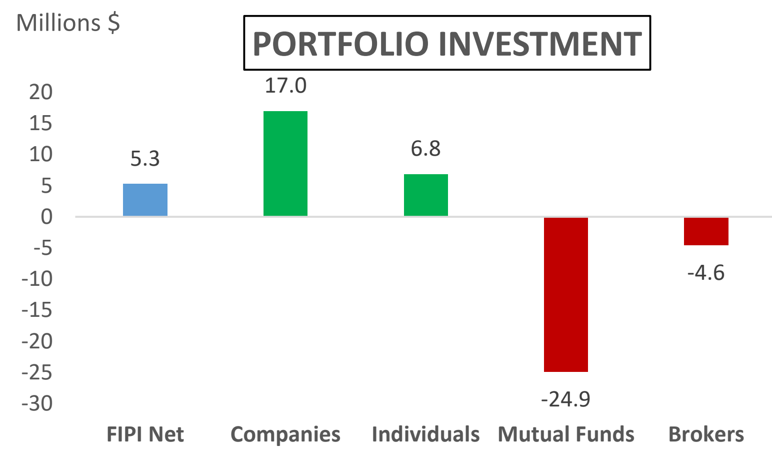
Major news that impacted the market during the month included: 1) The CAD expanded to USD 1.9 billion in November 2021, highest since July 2018 of USD 2.1 billion. 2) The Country's trade deficit widened by 68.6% as import bill during 5MFY22 reached an all-time high of USD 32.851 billion. 3) The CPI recorded an increase of 11.53% in November 2021 highest since February 2020 when it recorded an increase of 12.4%. 4) The SBP raised the policy rate by 100 bps to 9.75% while giving a near term outlook that future monetary policies will remain mostly unaltered. 5) FBR collected net revenue of PKR 2,314 billion during 5MFY22 against the assigned target of PKR 2,016 billion registering historic growth in revenue collection of 36.5%. 6) Pakistan also secured loan agreements worth USD 1.5 billion from the Asian Development Bank for the development of energy and infrastructure 7) PKR depreciated further by 1.4% during November 2021 and reached an all-time low of PKR 178.169 against USD. 8) Inflows through Roshan Digital Account (RDA) reached USD 2.916 billion by end of November 2021 with 299,676 accounts.

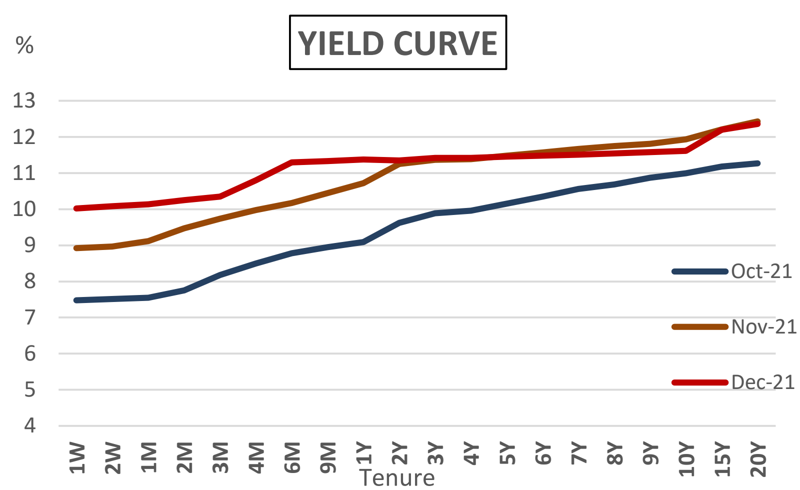
CPI during the month of December 2021 surged by 12.3%YoY as compared to 11.5%YoY recorded during December 2021 taking 6MFY22 to 9.81%. Higher CPI was witnessed due to the government's administrative decisions couple with steep currency depreciation.

On the Fixed Income front, yields of Government Securities increased by ~35bps much below 100bps increase in the policy rate as market had already incorporated the anticipated tightening in monetary policy. During the month, the State Bank of Pakistan (SBP) conducted two (2) MTB auctions with a cumulative realized amount of PKR 1832.23 billion. Weighted average yields for 3 months, 6 Months and 12 Months MTB increased by ~27bps, 32bps and 8bps to 10.6589%, 11.3789% and 11.4356% respectively in the last auction.



Change in market capitalization during month





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AKD Aggressive Income Fund

Fund Manager's Comments

During the month of December'21, the Net Asset Value (NAV) of the AKD Aggressive Income Fund increased by 0.74%, annualized return of 8.73%.

Fund Information

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.

Fund Type	Open-End
Category	Aggressive Fixed Income
Risk Profile	Medium
Risk of Principal Erosion	Principal at medium risk
Net Assets (PKR)	909,954,744
NAV (PKR) (Ex Div.)	53.6967
Benchmark	1 Year KIBOR
Dealing Days	Monday to Friday
Cut-off Timings	9:00 am to 5:00 pm
Pricing Mechanism	Forward Pricing
Management Fee	1.50%
Sales Load (Front end)	1%
Sales Load (Back end)	Nil
Total Expense Ratio (*Absolute*)++	1.37%
Date of Fund Launch	March, 2007
Trustee	Central Depository Company (CDC)
Auditor	Yousuf Adil Chartered Accountants
Stability Rating	A(f) by PACRA (4 Sep' 2021)
Asset Manager Rating	AM3++ by PACRA (8 Feb' 2021)
Weighted Average Maturity (Days)	426
Leverage	Nil

Fund Manager

Mr. Danish Aslam

Investment Committee Members

Mr. Imran Motiwala	Ms. Anum Dhedhi
Mr. Muhammad Yaqoob, CFA	Mr. Ajay Kumar, CFA
Mr. M. Usman Mughal	Mr. Danish Aslam
Mr. Sheikh Usman Haroon	

++Total Expense Ratio (TER) includes 0.14% representing government levy and SECP fee

The Fund's returns are computed on NAV to NAV with dividends reinvested – (excluding sales load).

	FYTD	MTD	1 Year	3 Year*	5 Year*	Since Inception**
1 Year Kibor	9.32%	11.75%	8.69%	33.81%	54.17%	10.48%
AKDAIF	9.82%	8.73%	9.24%	32.89%	40.29%	8.06%

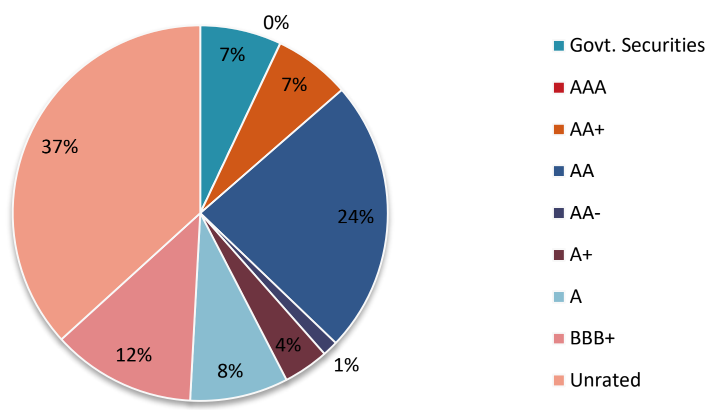
BM changed from 6 month Kibor to 1 year Kibor from September 2011 onwards

	FY21	FY20	FY19	FY18	FY17
1 Year Kibor	7.76%	12.31%	10.69%	6.69%	6.40%
AKDAIF	7.08%	13.12%	3.28%	3.62%	6.44%

BM changed from 6-month Kibor to 1-year Kibor from September 2011 onwards

Asset Allocation (% of Total Assets)	31-Dec-2021	30-Nov-2021
Cash	22.20%	3.76%
Pakistan Investment Bonds	0.00%	0.00%
T-bills	7.02%	30.42%
Placements with Banks & DFIs	0.00%	0.00%
Preference Shares	0.00%	0.00%
MTS	0.85%	0.00%
TFCs/Sukuks	25.60%	28.99%
Commercial papers	8.46%	10.07%
Spread Transactions	12.67%	22.78%
Other including Receivables	23.22%	3.98%

Credit Quality of Portfolio (% of Total Assets)



*Cumulative Return **Geometric Mean

TFCs/Sukuk Certificates	Rating	31-Dec-2021
Silk Bank Limited – 10-Aug-2017	BBB+	7.96%
Bank of Punjab - 23-Dec-2016	AA	6.91%
Hub Power Holdings Limited –12-Nov-2020	AA+	5.48%
TPL Trakker Limited – 30-Mar-2021	A+	2.53%
Mughal Iron & Steel Industries Limited – 2-Mar-2021	A+	1.38%
TPL Corporation Limited – 30-Dec-2021	AA-	1.33%
Total		**25.60%**

Disclosure of Sindh Workers' Welfare Fund (SWWF):

During the month of August 2021, provisioning against Sindh Workers Welfare Fund by AKDAIF amounting to PKR 5.95 million has been reversed on the basis of clarification received from Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan, received on August 13, 2021. This reversal of provision has contributed towards an unusual increase in NAV of the AKDAIF (0.38/unit) 0.73%. This is one-off event and is not likely to be repeated in the future.

Details of Non-Compliant Investment

Name of non-compliant investment	Type of Investment	Value of investment before provision	Provision held if any	Value of investment after provision	Percentage(%) of Net Assets	Percentage(%) of Gross Assets

* Fully provided for investments in TFCs of Dewan Cement Ltd (Rs. 100 Mn), Worldcall Telecom Ltd (Rs. 34.23 Mn) , Pace Pakistan Ltd (0.57 Mn), Summit Bank ltd. (Rs. 24.93 Mn) and Sukuk of New Allied Electronics Industries (Pvt.) Ltd. (Rs. 30 Mn).

MUFAP's Recommended Format