Quarterly Report

March 31, 2024

(un-audited)

AKD

Cash 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.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), Golden Arrow Stock Fund (GASF), AKD Index Tracker Fund (AKDITF), AKD Islamic Stock Fund (AKDISSF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF) and AKD Islamic Daily Dividend Fund (AKDIDDF) is pleased to present its nine months report along with the funds' unaudited financial statements for the period ended March 31, 2024.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)
For the 9MFY24, the return of AKD Opportunity Fund stood at 19.08% compared to the benchmark KSE–100 Index return of 61.64%.

Golden Arrow Stock Fund (GASF)
For the 9MFY24, the return of Golden Arrow Stock Fund at 37.48% compared to the benchmark KSE–100 Index return of 61.64%.

AKD Islamic Stock Fund (AKDISSF)
For the 9MFY24, the return of AKD Islamic Stock Fund stood at 72.75% compared to the benchmark KMI–30 Index return of 58.82%.

AKD Index Tracker Fund (AKDITF)
For the 9MFY24, the return of AKD Index Tracker Fund at 58.34% compared to the benchmark KSE–100 Index return of 61.64%.

AKD Cash Fund (AKDCF)
For the 9MFY24, the annualized return of AKD Cash Fund stood at 21.67% compared to the benchmark return of 21.12%.

AKD Islamic Income Fund (AKDISIF)
For the 9MFY24, the annualized return of AKD Islamic Income Fund stood at 20.01% compared to the benchmark return of 9.79%.

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

AKD Islamic Daily Dividend Fund (AKDIDDF)
For the 9MFY24, the annualized return of AKD Islamic Daily Dividend Fund stood at 19.50% as compared to the benchmark return of 9.97%.

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.

EQUITY MARKET REVIEW

During the first nine months of FY24, the equity market exhibited remarkable performance, registering a gain of 25,552 points, representing a substantial return of 62%, with KSE-100 Index closing at 67,005 points. This performance was underpinned by several key factors. Investors celebrated improving macros, including an appreciating currency, amidst essential measures taken by the caretaker setup to ensure the country's sustainability. The bullish sentiment in 3QFY24 was fueled by Pakistan's successful first review of its Stand-By Arrangement with the IMF, unlocking funds from external partners. Reports of the government planning to inject PKR 1,250 billion to reduce energy sector's circular debt further boosted market sentiment. Political noise surrounding election results briefly marred momentum, but stability returned with the formation of the new government. The staff-level agreement with the IMF on the final review of the SBA also acted as a strong trigger for the local bourse, along with declining inflation, a stable currency, and an improved external account position, collectively contributing to the market's upward momentum.

Investor participation during the period witnessed a substantial increase, surging by 119% with an average daily volume of 443.98 million shares, compared to 202.48 million shares in the same period last year. Foreign Investors Portfolio Investment (FIPI) also witnessed a substantial rise, recording net buying of USD 74.88 million as compared to USD 7.21 million in the same period last year. Major foreign net buying was observed in key sectors such as Commercial Banks (USD 29.28 million), Power Generation & Distribution (USD 10.91 million), and Cement (USD 10.43 million). Meanwhile, domestically, only Insurance and Corporations remained net buyers, with USD 120.90 million and USD 30.54 million, respectively. This surge in investor participation reflects growing confidence in the market, driven by positive economic indicators.

Breaking down the sector-wise performance, top gainers during the period were led by Commercial Banks (76.62%), followed by Oil & Gas Exploration Companies (56.69%), and Fertilizer (44.63%). Conversely, sectors experiencing declines included Property (-5.74%), Modarabas (-3.92%), and Vanaspati & Allied Industries (-1.54%).

Over the past decade, the KSE-100 Index has yielded an annualized return of 9.4%. However, during the same period, the USD appreciated by ~11% annually against PKR, dissuading foreign investors from Pakistan's equity market. This trend shifted at the onset of FY24, with the PKR appreciating by 3% against the USD, closing at 277.95 by the end of March 2024. This relative stability in exchange rates has sparked renewed foreign interest, as evidenced by significant net foreign buying during this period, halting the continuous net selling observed in recent years. Therefore, ensuring this exchange rate stability becomes a critical task for the new government, necessitating strategic administrative actions to maintain and enhance this positive trajectory.

Looking ahead, the equity market outlook remains positive, supported by the country's stable and improved macroeconomic conditions as stock valuations remain attractive. However, certain factors pose potential risks to market performance. These include the possibility of rising inflation, PKR depreciation, a negative current account balance, or delays in expected inflows from external partners. While the overall sentiment is optimistic, investors should stay cautious and responsive to these challenges.

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.

For and on behalf of the board

Imran Motiwala Chief Executive Officer	**Khalid Mehmood** Chairman

Karachi: ____________

FUND INFORMATION

AKD Cash Fund

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

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

Bankers
Askari Bank Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
United Bank Limited

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

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

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

Rating-AKDCF
BY PACRA: AA+(f)

FUND MANAGER'S REPORT

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

Open – end Money Market Scheme

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

The investment objective of the Fund is to provide optimum return consistent with minimal risk from a portfolio constituted of high quality short term securities / instruments, which will provide liquidity to investors. The fund exclusively invests in highly secure ('AA' and above) debt instruments such that the weighted average maturity of its assets stays below 90 days.

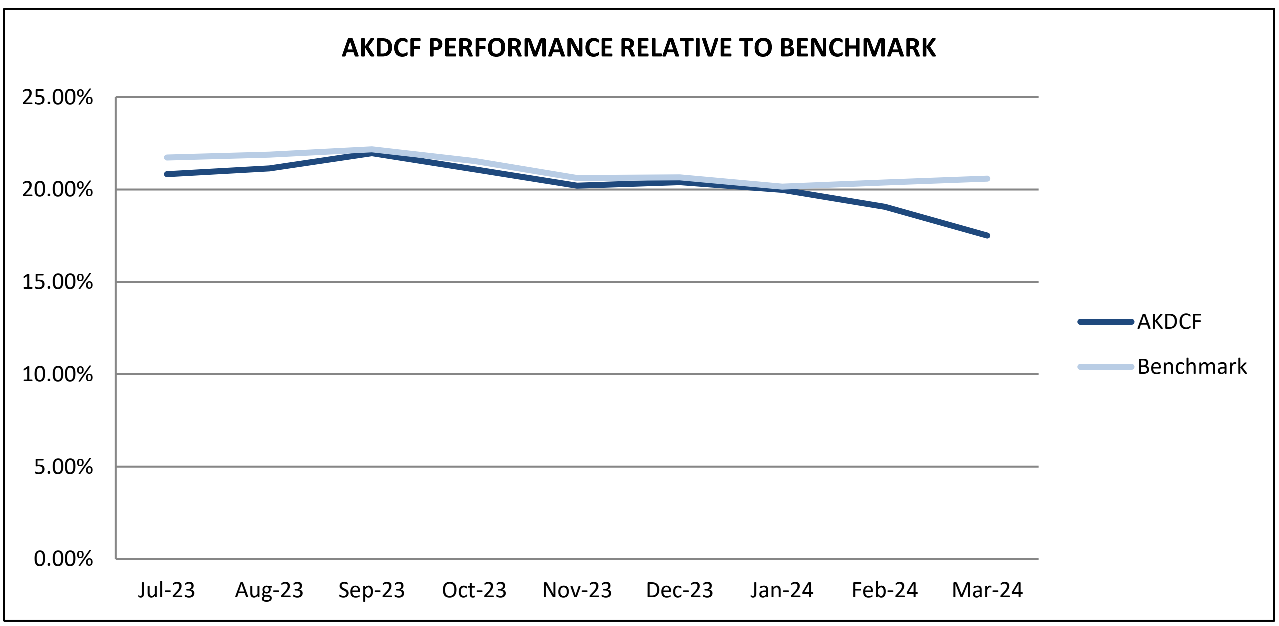
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 9MFY24, the annualized return of AKD Cash Fund stood at 21.67% compared to the benchmark return of 21.12%.

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

70% three (3) months PKRV rate + 30% three (3) months average deposit rate of three (3) AA rated scheduled Banks as selected by MUFAP.

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
AKDCF	20.83%	21.14%	21.97%	21.10%	20.21%	20.40%	19.99%	19.06%	17.51%
Benchmark	21.74%	21.90%	22.18%	21.54%	20.63%	20.67%	20.16%	20.38%	20.60%

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

AKD Cash Fund is an open – end Money Market Scheme. The returns of the fund are generated primarily through investment in high quality short term government securities and short term corporate debt instruments. AKDCF 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 report and particulars of significant changes in asset allocation:

Asset Allocation (% of Total Assets)	31-Mar-24	31-Dec-23
Cash and Cash Equivalents	89.97%	72.05%
Treasury Bills (over 90 days)	-	14.76%
Commercial Papers / Short Term Sukuk	9.33%	11.70%
Other Assets including Receivables	0.70%	1.50%

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

9MFY24 Return (annualized)	21.67%
Benchmark Return (annualized)	21.12%

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

Net Assets Value			NAV Per Unit	
31-Mar-24	31-Dec-23	Change in Net Assets	31-Mar-24	31-Dec-23
(Rupees in 000)			(Rupees)	
1,650,513	1,875,197	-11.98%	59.4586	56.6936

x) Disclosure on the markets that the Collective Investment Scheme has invested in including review 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 Fund Manager’s report, not otherwise disclosed in the financial statements:

There was no significant change in the state of affairs during the period under review.

xii) Break down of unit holding by size:

Range (Units)	No. of Investors
0.0001 to 9,999	385
10000 to 49999	41
50,000 - 99,999	14
100,000 - 499,999	22
500,000 and above	10
Total	**472**

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

There were no unit splits during the period.

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 has been received by the AMC from its broker or dealer by virtue of transactions conducted by the Collective Investment Scheme.

AKD CASH 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	**54,568**	95,125
Investments	7	**1,602,935**	1,828,660
Profit receivable		**1,711**	9,840
Deposits, prepayments and other receivables	8	**9,931**	1,564
Receivable against conversion of AKD Funds		**(7,510)**	-
Total assets		**1,661,635**	1,935,189
LIABILITIES			
Payable to the AKD Investment Management Limited - Management Company	9	**1,451**	1,548
Payable to the Central Depository Company of Pakistan Limited - Trustee	10	**166**	93
Payable to Securities and Exchange Commission of Pakistan	11	**316**	308
Accrued expenses and other liabilities	12	**6,994**	20,608
Dividend payable		**2,194**	2,194
Total liabilities		**11,121**	24,751
NET ASSETS		**1,650,516**	1,910,438
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**1,650,516**	1,910,438
CONTINGENCIES AND COMMITMENTS	13		
		---------------(Number of units) ------------	
NUMBER OF UNITS IN ISSUE		**27,759,016**	37,263,063
		------------------ (Rupees) -----------------	
NET ASSETS VALUE PER UNIT		**59.4587**	51.2689

The annexed notes 1 to 20 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 CASH FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Note	Nine months period ended March 31, 2024	Nine months period ended March 31, 2023	Three months period ended March 31, 2024	Three months period ended March 31, 2023
		---------- (Rupees in '000) ----------			
INCOME					
Capital gain / (loss) on sale of investments		**967**	(3,619)	**(56)**	(2,567)
Net unrealised (diminution) / appreciation on remeasurement of investments as classified'at fair value through profit or loss	7.3	**(1,801)**	(802)	**(1,093)**	(1,680)
Income from government securities		**248,855**	142,377	**73,004**	49,276
Income from commercial papers / short term sukuk		**47,249**	34,604	**11,558**	13,469
Profit on bank deposits		**6,429**	4,048	**2,866**	714
Total income		**301,699**	176,608	**86,279**	59,212
EXPENSES					
Remuneration of the AKD Investment Management Limited - Management Company	9.1	**7,019**	5,622	**2,104**	1,829
Sindh sales tax on the remuneration of the Management Company	9.2	**912**	731	**273**	238
Expenses allocated by the Management Company	9.3	**-**	2,477	**(3,932)**	915
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	**774**	618	**232**	201
Sindh sales tax on the remuneration of trustee	10.2	**101**	81	**30**	27
Fee to the Securities and Exchange Commission of Pakistan	11.1	**1,053**	225	**316**	73
Auditor's remuneration		**247**	247	**81**	81
Brokerage and settlement charges		**25**	91	**(142)**	23
Bank charges		**175**	238	**175**	77
Fees and subscription		**5,794**	42	**5,779**	17
Legal and professional		**81**	238	**(79)**	83
Total expenses		**16,182**	10,610	**4,838**	3,564
Net income for the period before taxation		**285,518**	165,998	**81,442**	55,648
Taxation	14	**-**	-	**-**	-
Net income for the period		**285,518**	165,998	**81,442**	55,648
Allocation of net income for the period					
Net income for the period after taxation		**285,518**	165,998	**81,442**	55,646
Income already paid on units redeemed		**(85,849)**	(56,523)	**(38,089)**	(34,273)
		199,668	109,475	**43,353**	21,373
Accounting income available for distribution					
- Relating to capital gains		**-**	-	**(315)**	-
- Excluding capital gains		**199,668**	109,475	**43,667**	21,373
		199,668	109,475	**43,353**	21,373

The annexed notes 1 to 20 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 CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Nine months period ended March 31,		Three months period ended March 31,	
	2024	2023	**2024**	2023
	(Rupees in '000)			
Net income for the period	**285,518**	165,998	**81,442**	55,648
Other comprehensive income for the period	**-**	-	**-**	-
Total comprehensive income for the period	**285,518**	165,998	**81,442**	55,648

The annexed notes 1 to 20 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 CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE 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)			-------------------------
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation		**285,518**	165,998	**81,442**	55,648
Adjustments for non cash and other items :					
Net unrealised diminution / (appreciation) on remeasurement of investments classified at 'fair value through profit or loss'		**1,801**	802	**1,093**	1,680
Realised gain on sale of investments - net		**(967)**	-	**(967)**	
Income from government securities		**(248,855)**	-	**(73,004)**	-
Income from commercial papers / short term sukuk		**(47,249)**	-	**(11,558)**	-
Profit on bank deposits		**(6,429)**	-	**(2,866)**	-
		(16,182)	166,800	**(5,861)**	57,328
(Increase) / decrease in assets					
Profit receivable on bank deposits		**8,129**	(11,938)	**8,129**	(10,577)
Receivable from funds against conversion of units		**7,510**	(5)	**7,510**	(5)
Deposits, prepayments and other receivables		**(8,367)**	(206)	**(8,366)**	(170)
		7,273	**(12,149)**	**7,274**	(10,752)
Increase / (decrease) in liabilities					
Payable to the AKD Investment Management Limited - Management Company		**(97)**	273	**(788)**	(169)
Payable to the Central Depository Company of Pakistan Limited - Trustee		**73**	13	**64**	(12)
Payable to Securities and Exchange Commission of Pakistan		**8**	47	**194**	74
Payable aginst conversion / redemption of units		**-**	77	**-**	77
Unclaimed dividend		**(0)**	(53)	**(0)**	
Accrued expenses and other liabilities		**(13,614)**	(8,887)	**3,404**	(1,051)
		(13,630)	(8,530)	**2,874**	(1,081)
Income received		**60,487**	-	**(122,957)**	-
Investments - net		**226,559**	(91,474)	**455,410**	(24,534)
Net cash (used in) / generated from operating activities		**264,507**	**54,647**	**336,740**	**20,961**
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts from issuance of units		**991,907**	1,580,153	**182,048**	584,651
Payment on redemption of units		**(1,530,172)**	(1,352,585)	**(491,853)**	(612,421)
Dividend paid		**(7,175)**	-	**(191)**	-
Net cash (used in) / generated from financing activities		**(545,440)**	227,568	**(309,996)**	(27,770)
Net (decrease) / increase in cash and cash equivalents		**(280,933)**	282,215	**26,745**	(6,809)
Cash and cash equivalents at beginning of the period		**1,674,785**	1,012,902	**-**	1,301,926
Cash and cash equivalents at end of the period	16	**1,393,852**	1,295,117	**26,745**	1,295,117

The annexed notes 1 to 20 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 CASH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE NINE 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	**1,898,093**	**12,345**	**1,910,438**	1,268,034	5,365	1,273,399
Issue of 15,232,479 (2022: 18,916,853) units						
- Capital value (at Ex-Net asset value per unit at beginning of the period)	**932,961**		**932,961**	1,490,601	-	1,490,601
- Element of income	**58,946**		**58,946**	89,552	-	89,552
	991,907	**-**	**991,907**	1,580,153	-	1,580,153
Redemption of 19,419,562 (2022 :13,980,263) units						
- Capital value (at Ex-Net asset value per unit at beginning of the period)	**(1,420,223)**		**(1,420,223)**	(1,271,250)	(56,523)	(1,327,773)
- Element of loss	**(24,100)**	**(85,849)**	**(109,949)**	(24,812)	-	(24,812)
	(1,444,323)	**(85,849)**	**(1,530,172)**	(1,296,062)	(56,523)	(1,352,585)
Total comprehensive income for the period	**-**	**285,518**	**285,518**	-	165,998	165,998
Interim cash distribution declared on June 26, 2023 @ Rs. 0.1933	**-**	**(7,175)**	**(7,175)**	-	-	-
Refund of capital		**-**	**-**	-	-	-
Net income for the period after distribution	**-**	**278,343**	**278,343**	-	165,998	165,998
Net assets at end of the period	**1,445,677**	**204,838**	**1,650,516**	1,552,125	114,840	1,666,965
Undistributed income brought forward						
- Realised income		**14,442**			5,020	
- Unrealised income		**(2,097)**			345	
		12,345			5,365	
Accounting income available for distribution						
- Relating to capital gains		**-**			-	
- Excluding capital gains		**199,668**			109,475	
		199,668			109,475	
Interim cash distribution declared on June 26, 2023 @ Rs. 0.1933		**(7,175)**			-	
Undistributed income carried forward		**204,838**			114,840	
Undistributed income carried forward						
- Realised income		**206,639**			115,642	
- Unrealised (loss) / income		**(1,801)**			(802)	
		204,838			114,840	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			**51.2689**			50.7461
Net assets value per unit at end of the period			**59.4587**			54.5787

The annexed notes 1 to 20 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 Cash Fund (the Fund) was established under a Trust Deed executed between AKD Investment Management Limited (AKDIML) 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 August 15, 2011 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Initial Public Offering (IPO) of the Fund was made during the period from January 19, 2012 to January 20, 2012. The Fund commenced operations from January 21, 2012. In accordance with the Trust Deed, the first accounting period of the Fund commenced on the date on which the Fund property was first transferred to the Trustee i.e. January 19, 2012.

The Management Company of the Fund has been registered as a Non - Banking Finance Company (NBFC) under the NBFC Rules and has obtained a requisite license from SECP to undertake Asset Management services. 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 offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The Fund is categorised as Money Market Fund as per circular 7 of 2009 by SECP. The principal activity of the Fund is to make investments in government securities, treasury bills, cash and near cash instruments, money market placements, deposits with banks, certificate of deposits, certificate of musharakas, commercial papers and reverse repos.

The Title to the assets of the Fund are held in the name of 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 'AA+(f)' by PACRA on September 8, 2023.

The Fund registered on August 23, 2021 with Assistant Director of Industries and Commerce (Trust Wing) Government of Sindh under Section 12 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, part VIII A 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 requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed, differ from the IAS 34, 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 Regulations 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 IAS-34. 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 NBFC Regulations, 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, unless stated otherwise.

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 annual financial statements 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 has been updated with material accounting policy.

4. ACCOUNTING ESIMATES AND JUDGMENT

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 this 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.

	Note	**(Unaudited) March 31, 2024**	(Audited) June 30, 2023
		-------- (Rupees in '000)	**--------**
6. BANK BALANCES			
Savings accounts	6.1	**51,197**	95,120
Current accounts		**3,371**	5
		54,568	95,125

6.1 Mark-up rates on these accounts is 20.50% per annum (June 30, 2023: 13% to 19.5% per annum).

	Note	**(Unaudited) March 31, 2024**	(Audited) June 30, 2023
7. INVESTMENTS		**-------- (Rupees in '000)**	**--------**
At fair value through profit or loss			
- Government securities - Market treasury bills	7.1	**1,447,935**	1,579,660
At amortised cost			
- Commercial papers / Short term Sukuks (STS)	7.2	**155,000**	249,000
		1,602,935	1,828,660

7.1 **Government securities - Market treasury bills**

Issue Date	Tenor	Face value				Balance as at March 31, 2024			Market value as a percentage of		
		As at July 01, 2023	Purchased during the period	Sold / matured during the	As at March 31, 2024	Carrying value	Market value	Appreciation / (diminution)	Investments	Net assets	
		---------- (Rupees in '000) ----------							------------- (%) ------------		
September 22, 2022	12 months	-	35,000	35,000	-	-	-	-	-	-	
October 6, 2022	12 months	-	105,000	105,000	-	-	-	-	-	-	
May 4, 2023	3 months	150,000	-	150,000	-	-	-	-	-	-	
May 18, 2023	3 months	13,000	-	13,000	-	-	-	-	-	-	
May 18, 2023	3 months	24,000	-	24,000	-	-	-	-	-	-	
May 18, 2023	3 months	25,000	-	25,000	-	-	-	-	-	-	
June 15, 2023	3 months	250,000	-	250,000	-	-	-	-	-	-	
June 15, 2023	3 months	250,000	-	250,000	-	-	-	-	-	-	
June 15, 2023	3 months	500,000	-	500,000	-	-	-	-	-	-	
June 15, 2023	3 months	100,000	-	100,000	-	-	-	-	-	-	
June 15, 2023	3 months	200,000	-	200,000	-	-	-	-	-	-	
June 22, 2023	3 months	130,000	-	130,000	-	-	-	-	-	-	
June 22, 2023	3 months	-	70,000	70,000	-	-	-	-	-	-	
June 22, 2023	3 months	-	105,000	105,000	-	-	-	-	-	-	
June 22, 2023	3 months	-	35,000	35,000	-	-	-	-	-	-	
July 13, 2023	3 months	-	35,000	35,000	-	-	-	-	-	-	
July 25, 2023	3 months	-	82,250	82,250	-	-	-	-	-	-	
July 25, 2023	3 months	-	165,000	165,000	-	-	-	-	-	-	
July 25, 2023	3 months	-	45,000	45,000	-	-	-	-	-	-	
August 10, 2023	3 months	-	400,000	400,000	-	-	-	-	-	-	
August 10, 2023	3 months	-	375,000	375,000	-	-	-	-	-	-	
August 10, 2023	3 months	-	485,000	485,000	-	-	-	-	-	-	
August 10, 2023	3 months	-	15,000	15,000	-	-	-	-	-	-	-
August 10, 2023	3 months	-	11,000	11,000	-	-	-	-	-	-	-
August 24, 2023	3 months	-	31,000	31,000	-	-	-	-	-	-	
September 21, 2023	3 months	-	590,000	590,000	-	-	-	-	-	-	
September 21, 2023	3 months	-	75,000	75,000	-	-	-	-	-	-	
October 5, 2023	3 months	-	155,000	155,000	-	-	-	-	-	-	
October 19, 2023	3 months	-	247,000	247,000	-	-	-	-	-	-	
November 2, 2023	6 months	-	300,000	-	300,000	294,981	294,505	-	-	-	
November 2, 2023	3 months	-	500,000	500,000	-	-	-	-	-	-	
November 16, 2023	3 months	-	31,000	31,000	-	-	-	-	-	-	
November 16, 2023	3 months	-	150,000	150,000	-	-	-	-	-	-	
November 16, 2023	3 months	-	26,000	26,000	-	-	-	-	-	-	
November 16, 2023	3 months	-	25,000	25,000	-	-	-	-	-	-	
November 16, 2023	3 months	-	59,000	59,000	-	-	-	-	-	-	
December 14, 2023	3 months	-	490,000	490,000	-	-	-	-	-	-	
January 11,2024	3 months	-	125,000	-	125,000	124,795	124,774				
January 23,2024	3 months	-	50,000	50,000	-	-	-				
January 25,2024	3 months	-	375,000	-	375,000	371,585	371,199				
January 29,2024	3 months	-	26,000	26,000	-	-	-				
February 07,2024	3 months	-	110,000	-	110,000	108,177	107,985				
February 19,2024	6 months	-	130,000	-	130,000	127,765	127,619				
February 23,2024	6 months	-	50,000	-	50,000	48,764	48,682				
March 07,2024	3 months	-	336,000	-	336,000	324,961	324,487				
March 08,2024	3 months	-	336,000	336,000	-	-	-				
March 25,2024	6 months	-	50,000	-	50,000	48,708	48,685				
Investments as at December 31, 2023						**1,449,737**	**1,447,935**	**-**			

7.2 Commercial papers / short term sukuks (STS)

Investee Company	Rate of return per annum	Issue date	Maturity date	Face value				Carrying value as at March 31, 2024	Rating	Face value as percentage of	
				As at July 01, 2023	Purchased during the period	Sold / matured during the period	As at March 31, 2024			Investments	Net assets
	(%)		-- (Rupees in '000)	--						------------------ (%) ---------------	
Power Generation and Distribution											
K- Electric Limited	21.77	February 27, 2023	August 28, 2023	12,000	-	12,000	-	-	-		
K- Electric Limited	22.12	March 21, 2023	September 21, 2023	34,000	-	34,000	-	-	-		
Lucky Electric Power Company Limited	22.56	April 28, 2023	October 30, 2023	61,000	-	61,000	-	-	-		
K- Electric Limited	22.49	May 18, 2023	November 17, 2023	92,000	-	92,000	-	-	-		
Hub Power Company Limited	22.34	May 18, 2023	November 17, 2023	50,000	-	50,000	-	-	-		
Lucky Electric Power Company Limited	23.53	August 15, 2023	February 15, 2024	-	125,000	125,000	-	-	AA		
K- Electric Limited	23.61	August 28, 2023	February 28, 2024	-	17,000	17,000	-	-	AA		
K-Electric Limited	23.49	September 22, 2023	March 22, 2024	-	30,000	30,000	-	-	AA		
Hub Power Company Limited	21.96	November 8, 2023	May 8, 2024	-	50,000	-	50,000	50,000	AA+		
K-Electric Limited	21.51	February 14, 2024	August 15, 2024	-	105,000	-	105,000	105,000	AAA		
Investments as at March 31, 2024							**155,000**	**155,000**			

7.1.1 The exposure limit of investment in a single company as a percentage of net assets exceeded by 0.37% against the prescribed limit of 10% of the total net assets as required under the NBFC Regulations.

7.3 Net unrealized (diminution) / appreciation on re-measurement of investments classified 'at fair value through profit & loss'	**(Unaudited) March 31, 2024**	(Audited) June 30, 2023
	-------- (Rupees in '000)	--------
Market Value of Investments	1,602,935	1,579,660
Carrying amount of Investments	(1,801)	(1,581,757)
	1,601,134	(2,097)

		Note	(Unaudited) Mar 31, 2024	(Audited) June 30, 2023
			-------- (Rupees in '000) --------	
8.	**DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**			
	Security deposits with Central Depository Company of Pakistan Limited		**200**	200
	Prepaid listing fee of PSX		**10**	-
	Prepaid CDC annual fee		**-9**	18
	Advance tax	8.1	**2,460**	628
	Interest receivable from Sukuk certificates		**7,270**	718
			9,931	1,564

8.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance), payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 151 and 150 of the Ordinance. However, uptill period ended December 31, 2023, withholding tax on profit on debt 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.

		Note	(Unaudited) Mar 31, 2024	(Audited) June 30, 2023
			-------- (Rupees in '000) --------	
9.	**PAYABLE TO THE AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY**			
	Management fee	9.1	**694**	256
	Sindh sales tax on management fee	9.2	**88**	33
	Expenses allocated by the Management company	9.3	**-**	590
	Federal excise duty on management fee	9.4	**669**	669
			1,451	1,548

9.1 As per the offering document the Management Company has charged remuneration at the following rates per annum of the average net assets of the Fund. The remuneration is paid to the management on a monthly basis in arrears.

Net Assets of the Fund	**Remuneration Rate (Per annum)**
Up to Rupees 1 billion	0.40%
Rupees 1 billion - 1.5 billion	0.50%
Over Rupees 1 billion	0.50%

9.2 Sindh Sales Tax on services at the rate of 13% (June 30, 2023: 13%) on gross value of management fee under the provisions of Sindh Sales Tax on Services Act, 2011.

9.3 The Management Company has charged expenses at the rate of 0.5% from July 01, 2023 to December 31, 2023 (June 30, 2023: 0.4%) per annum of the average annual net assets of the Fund. The expense is paid to the management company on a monthly basis in arrears.

9.4 There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the note 8.4 to annual audited 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 Rs. 0.020 (June 30, 2023: Rs. 0.018) per unit.

		Note	(Unaudited) Mar 31, 2024	(Audited) June 30, 2023
10.	**PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**		-------- (Rupees in '000) --------	
	Trustee fee	10.1	**147**	81
	Sindh sales Tax on trustee fee	10.2	**19**	11
			166	93

10.1 The Trustee is entitled to a remuneration to be paid monthly for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund. The remuneration is paid to the Trustee at 0.055% (June 30, 2023: 0.055%) of net assets on monthly basis in arrears.

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

		Note	(Unaudited) Mar 31, 2024	(Audited) June 30, 2023
11.	**PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**		-------- (Rupees in '000) --------	
	Fee to SECP	11.1	**316**	308

11.1 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 0.095% 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.

		(Unaudited) Mar 31, 2024	(Audited) June 30, 2023
		-------- (Rupees in '000) --------	
12.	**ACCRUED EXPENSES AND OTHER LIABILITIES**		
	Auditor's remuneration	**261**	279
	Printing charges payable	**-**	150
	Withholding tax payable	**361**	17,627
	Payable against redemption / conversion	**5,522**	2,545
	Rating fee payable	**157**	-
	Brokerage payable	**46**	7
	Others	**648**	-
		6,992	20,608

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2024 and June 30, 2023 except disclosed elsewhere.

14. 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 loss and capital gains whether realised or unrealised is distributed to the unit holders by way of cash dividend. The Fund is also exempt from the provisions of section 113 (Minimum Tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. During the period, Management Company has distributed cash dividend of at least 90% of the aforementioned accounting income to the unit holders. Accordingly, no provision for taxation has been recognised in these condensed financial information.

15. TOTAL EXPENSE RATIO

The total expense ratio of the Fund from July 01, 2023 to December 31, 2023 is 0.60% annualised (June 30 2023: 0.99%), which includes 0.08% (June 30, 2023 : 0.09%) representing government levy and SECP fee. This ratio is within the maximum limit of 2.0% prescribed under the NBFC Regulations.

16. CASH AND CASH EQUIVALENTS

	(Unaudited) Mar 31, 2024	June 30, 2023
	-------- (Rupees in '000) --------	
Bank balances	**54,568**	95,125
Market treasury bills (with original maturity of three months or less)	**1,339,284**	1,579,660
	1,393,852	1,674,785

17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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 / related parties are in the normal course of business, and are carried out on agreed terms at contracted rates.

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

17.1 Details of transactions with related parties / connected persons during the period

	(Unaudited) For the period ended March 31, 2024	2023
	-------- (Rupees in '000) --------	
AKD Investment Management Limited - Management Company		
Issue of nil (2022 : 39,310) units	**-**	2,000
Redemption of nil (2022 : 39,310) units	**-**	2,004
Management remuneration	**7,019**	5,622
Sindh sales tax on management remuneration	**912**	**731**
Expenses allocated by the Management Company	**-**	**2,477**
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	**774**	618
Sindh sales tax on trustee remuneration		81
AKD Securities Limited		
Brokerage Paid		1
AKD Islamic Income Fund		
AKD Islamic Income Fund		68,084
Ali Abbas - Head of Research		
Issue of (2023 : 14,812) Units		779
Redemption of (2023 : 28,832) Units		1,517
Unit holders holding 10% or more of the units in issue		
Durrain Cassim		
Issue of 3,239,840 (2022 : 1,508,481) Units		80,000
Redemption of 3,173,166 (2022 : 1,030,449) Units		415,142

	(Unaudited) For the half year ended December 31, 2023	2022
	-------- (Rupees in '000) --------	
Dinaz Cassim		
Redemption of (2023 : 1,951,406) Units		105,000
Redemption of (2023: 1,567,296) Units		84,567
Lubna Najmul Hussain Dossa		
Issue of units (2023 : 4,498,345) Units		235,000
Redemption of (2023 : 363,888) Units		19,916
**KAPCO Employees Pension Trust Fund ** **		
Issue of 18,403 (2022 : Nil) Units		-

17.2 Details of balances with related parties / connected persons as at period / year end

	(Un-audited) December 31, 2023	(Audited) June 30, 2023
	-------- (Rupees in '000) --------	
AKD Investment Management Limited - Management Company		
Management remuneration payable	**694**	256
Federal excise duty payable on management remuneration*	**669**	669
Sindh Sales tax payable on management remuneration*	**88**	33
Payable against allocated expenses	**-**	590
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	**147**	81
CDS charges payable	**-**	1
Sindh Sales Tax payable on trustee remuneration	**19**	11
Deposit with CDC	**200**	200
AKD Securities Limited		
Brokerage payable		-
Receivable / payable against conversion of units - Funds managed under management company		
Payable against conversion of units - AKD Opportunity Fund		-
Payable against conversion of units - AKD Islamic Stock Fund		-
Payable against conversion of units - Golden Arrow Stock Fund		1,045
Payable against conversion of units - AKD Islamic Income Fund		500
Receivable against conversion of units- AKD Opportunity Fund		471
Receivable against conversion of units- Golden Arrow Stock Fund		247
Receivable against conversion of units- AKD Islamic Stock Fund		-
Unit holders holding 10% or more of the units in issue		
Dinaz Cassim		
Units held 6,754,978 (June 30, 2023: 6,688,304) Units		342,902
**Lubna Najmul Hussain Dossa ** **		
Units held 5,925,070 (June 30, 2023: 7,688,653) Units		394,190
**KAPCO Employees Pension Trust Fund ** **		
Units held 4,882,121 (June 30, 2023: 4,863,718) Units		249,358

* Prior period connected person, current figures not shown

** current period connected person prior figures not shown

18. 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				
Government securities - Market treasury bills	**-**	**1,619,317**	**-**	**1,619,317**

	(Audited) As at June 30, 2023			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
ASSETS				
Government securities - Market treasury bills	-	1,579,660	-	1,579,660

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

19. GENERAL

19.1 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 and December 31, 2022 in this condensed interim financial information, has not been subject to limited scope review by the auditors.

19.2 Comparative figures have been reclassified where necessary for the purpose of better presentation and comparison.

19.3 The figures have been rounded off to the nearest thousand rupees unless otherwise specified.

20. 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