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

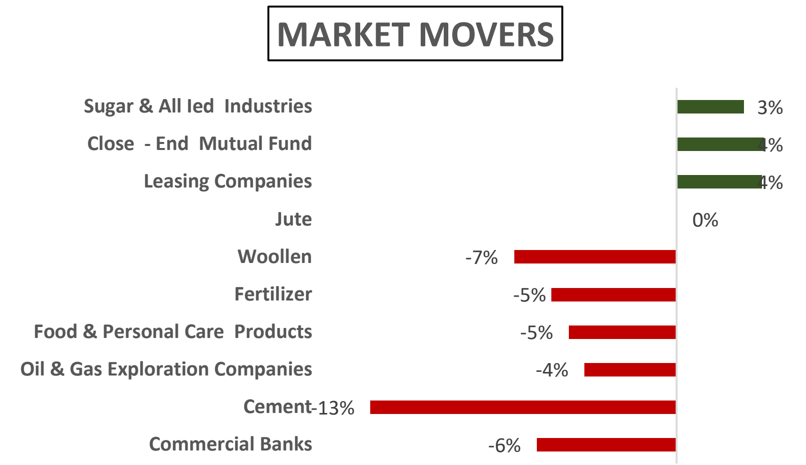
The benchmark KSE – 100 index plunged by 2,171.27 points (down 4.80%MoM) during the month of May 2022 to close at 43,078.14. The local bourse remained under pressure on grounds of prevailing political instability, concerns about the terms of IMF loan program, delay in approval of Saudi Arabia aid package, dwindling foreign exchange reserves and skyrocketing inflation. The average daily traded volume also decreased by 13% to 252.23 million as compared to 289.53 million recorded during the month of April 2022. Consecutively, KSE-100 Index closed at a forward P/E and P/B of 4.3x and 0.8x respectively, with a healthy dividend yield of 9.2%.

Foreigners remained net sellers during the month, with an outflow of USD 8.82 million as compared to an outflow of USD 5.07 million recorded during last month. This has taken cumulative outflows during 11MFY22 to USD 285.03 million. On the local front, Banks/DFIs and Individuals remained net buyers with net inflow of USD 31.77 million and USD 5.35 million, whereas Mutual Funds and Insurance remained net sellers with net outflow of USD 20.38 million and 12.44 million respectively.

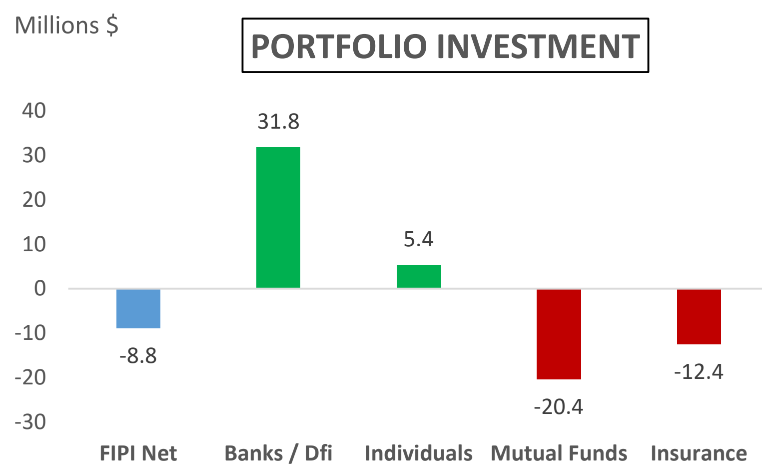
Major news that impacted the investors' sentiment during the month included: 1) The Government imposed ban on the import of 38 non-essential luxury items which would save USD 6 billion annual saving of foreign exchange reserves, 2) The Current Account Deficit (CAD) in April 2022 declined significantly by USD 623 million taking the 10MFY22 CAD to USD 13.78 billion, 3) The PKR plummeted below PKR 202 against USD for the first time in the Country's history, 4) The State Bank of Pakistan (SBP) in its last monetary policy meeting raised the policy rate by 250 bps to 13.75% in order to reduce external account pressures and improve the deteriorating inflation outlook, 5) Saudi Arabia announced that it is in the process of finalizing the extension of USD 3 billion to Pakistan which is contingent on the resumption of the IMF program, 6) No staff level agreement was reached with IMF as the fund pointed out 'deviations' on fiscal side from the policies agreed in the last review after which the Government increased the prices of petroleum products by PKR 30 per litre as an effort to pave its way to the resumption of IMF program, 7) The Foreign exchange reserves during the month declined by 635 million (-3.87% MoM) to USD 15.77 billion with SBP reserves being USD 9.72 billion, 8) The provisional growth rate for the year 2021-22 is estimated at 5.97% according to Ministry of Finance which is higher than the estimates of IMF and World Bank, 9) Inflows through Roshan Digital Account (RDA) reached USD 4.36 billion by end of May 2022 with more than 410,000 accounts opened.

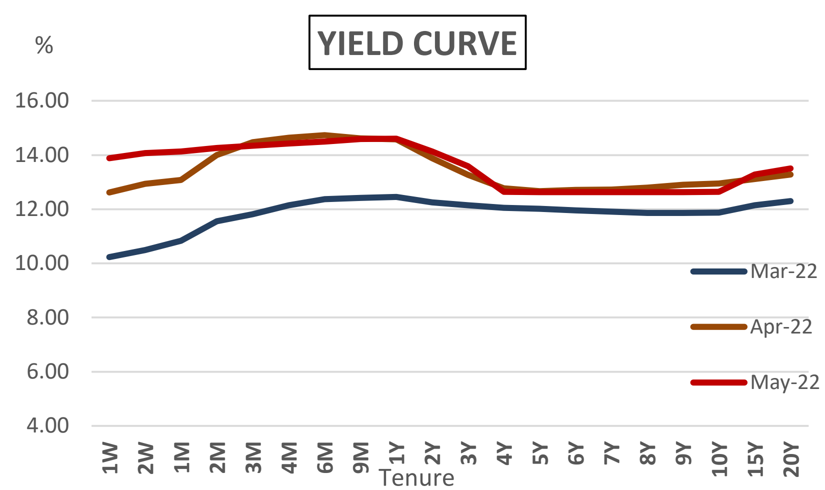
NCPI during the month of May 2022 clocked in at 13.8% YoY as compared to 13.4% YoY recorded during April 2022 taking 11MFY22 average NCPI to 11.29% YoY. Higher NCPI was witnessed due to 17.25% YoY increase in Food Items, and 5.84% YoY increase Housing, Water and Energy prices along with 31.77% increase in Transport prices. PKR depreciated by 6.44% during May 2022 to close at PKR 198.46 against USD due to depleting foreign exchange reserves.

On the Fixed Income front, T-Bills yields jumped to a 24 year high in the secondary market while the cut-off yields of Pakistan Investment Bonds (PIBs) also jacked up by up to 70 bps in the auction conducted by the SBP on May 25, 2022, making the recent hike in the policy rate by SBP redundant. During the month, the SBP conducted one (1) MTB auctions with a realized amount of PKR 0.33 trillion. Weighted average yields for 3 months and 12 months MTB increased by 23bps and 28bps to 14.4225% and 14.7499% respectively whereas yields for 6 months MTB remained same as compared to the last auction.



*Change in market capitalization during month





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.

SERVICE DESK - CLICK ME
Toll Free (From Landline Only) 0800-88008
Complaints https://sdms.secp.gov.pk complaints@secp.gov.pk
Queries queries@secp.gov.pk

AKD Cash Fund

Fund Manager's Comments

For the month of May'2022 the annualized FYTD return of the AKD Cash Fund stands at 9.12% versus the benchmark FYTD return which is 8.91%. Fund's annualized return for the month stands at 13.00%.

In continuation to provide distinguished services to our Unit Holders, AKD Investment Management Limited has decided to charge Management Fee on the AKD Cash Fund once the Net Assets of the fund crosses Rs.0.5 billion and will continue charging Management Fee on following basis:

Net Asset of the Fund	Management Fee (p.a.)
• Up to Rs.1 billion	0.4%
• Rs. 1 Billion – Rs. 1.5 Billion	0.5%
• Over Rs. 1.5 Billion	1.25%

Fund Information

Investment Objective: The objective of AKD Cash Fund (AKDCF) is to provide optimum returns consistent with minimal risk from a portfolio constituted of high quality short term securities/instruments, which will provide liquidity. The Fund will exclusively invest in highly secure ('AA' and above) short-term debt instruments such that the weighted average maturity of its net assets will stay below 90 days.

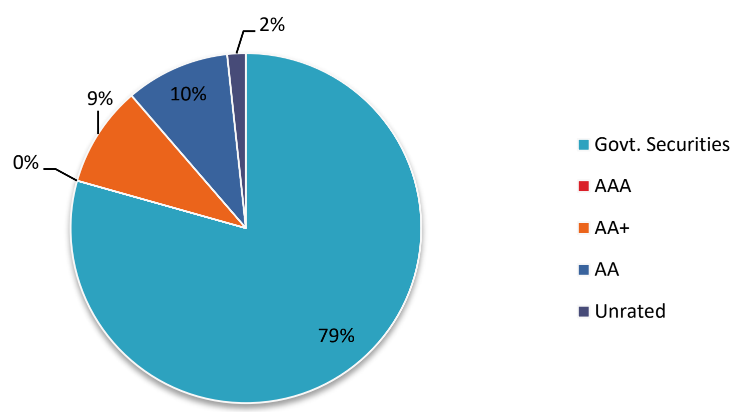
Fund Type	Open-End
Category	Money Market Scheme
Risk Profile	Low
Risk of Principal Erosion	Principal at Low Risk
Net Assets (PKR)	1,311,778,876
NAV (PKR)	54.8676
Benchmark	BM CF*
Dealing Days	Monday to Friday
Cut-off Timings	9:00 am to 5:00 pm
Pricing Mechanism	Forward Pricing
Management Fee	0.50% per annum
Total Expense Ratio (*Absolute*) ++	0.80%
Sales Load (Front end)	Nil
Sales Load (Back end)	Nil
Date of Fund Launch	January, 2012
Trustee	Central Depository Company (CDC)
Auditor	Yousuf Adil Chartered Accountants
Stability Rating	AA+(f) by PACRA (8 Mar' 2022)
Asset Manager Rating	AM3++ by PACRA (8 Feb' 2021)
Weighted Average Maturity (Years)	0.16
Duration(Days)	57
Leverage	Nil
Fund Manager	
Mr. Danish Aslam	
Investment Committee Members	
Mr. Imran Motiwala	Ms. Anum Dhedhi
Mr. Muhammad Yaqoob, CFA	Mr. Ali Abbas, CFA
Mr. Sheikh Usman Haroon	Mr. Danish Aslam

	FYTD	MTD	1 Year	3 Year**	5 Year**	Since Inception***
BM*	8.91%	12.98%	8.74%	30.06%	48.15%	7.65%
AKDCF	9.12%	13.00%	8.97%	30.75%	47.08%	7.90%
	FY21	**FY20**	**FY19**	**FY18**	**FY17**	**FY16**
BM*	6.70%	11.69%	8.66%	5.35%	5.21%	-
AKDCF	6.38%	12.24%	7.89%	4.77%	6.34%	-

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

Asset Allocation (% of Total Assets)	31-May-2022	30-Apr-2022
Cash	0.93%	2.98%
T-Bills	79.37%	77.40%
Commercial Papers	8.51%	9.17%
Placements with Banks and DFIs	0.00%	0.00%
TFCs / Sukuks	9.48%	10.22%
Others including receivables	1.71%	0.24%

Credit Quality of Portfolio (% of Total Assets)



Sukuk Certificates	Rating	31-May-2022
Lucky Electric Power Company Limited – 14-Apr-2022	AA	1.14%
K-Electric Limited – 12-Apr-2022	AA	8.34%
Total		**9.48%**

++Total Expense Ratio (TER) includes 0.08% representing government levy and SECP fee.
The Fund's returns are computed on NAV to NAV with dividends reinvested – (excluding sales load).
** Cumulative Return
*** Geometric mean

Disclosure of Sindh Workers' Welfare Fund (SWWF): During the month of August 2021, provisioning against Sindh Workers Welfare Fund by AKDCF amounting to PKR 3.11 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 AKDCF (0.25/unit) 0.49%. 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

MUFAP's Recommended Format