

# AKD Income Fund



For the month ending Jun 2011

## Fund activity during the month

The NAV of the AKD Income Fund for the month of June appreciated by 1.49% (19.79% annualized). This has resulted in a year to date return of 11.59% annualized.

| Name of non-compliant investment***     | Type of Investment        | Value of Investment before provision | Provision held if any | Value of investment after provision | % of Net Assets | % of Gross Assets |
|-----------------------------------------|---------------------------|--------------------------------------|-----------------------|-------------------------------------|-----------------|-------------------|
| Security Leasing Company Limited        | Preference Shares         | 11,352,099                           | -                     | 11,352,099                          | 2.74%           | 2.68%             |
| Kohat Cement Company Limited *          | SUKUK                     | 12,251,297                           | 3,336,323             | 8,914,974                           | 2.15%           | 2.10%             |
| Maple Leaf Cement Factory Limited *     | SUKUK                     | 8,761,860                            | 2,498,406             | 6,263,454                           | 1.51%           | 1.48%             |
| Maple Leaf Cement Factory Limited *     | SUKUK                     | 264,022                              | -                     | 264,022                             | 0.06%           | 0.06%             |
| Pace Pakistan Limited *                 | TFC                       | 386,230                              | -                     | 386,230                             | 0.09%           | 0.09%             |
| Invest Capital Investment Bank Limited* | Certificate of Investment | 4,382,190                            | -                     | 4,382,190                           | 1.06%           | 1.03%             |
| Saudi Pak Leasing Company Limited*      | Certificate of Investment | 26,000,000                           | -                     | 26,000,000                          | 6.28%           | 6.14%             |

\* Investments Performing but below investment grade.

\*\* Investment non-performing and below investment grade.

\*\*\* Fully provided for investments in Dewan Cement Limited (Rs. 100 Mn) and New Allied Electronics Industries (Private) Limited (Rs. 30 Mn)

## Investment Objective

AKDIF is a dedicated fund that focuses primarily on fixed income securities and instruments. The objective of AKDIF 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 Information

|                         |                    |
|-------------------------|--------------------|
| Fund Type               | Open-end           |
| Category                | Income             |
| Date of Fund launch     | March, 2007        |
| Assets under Management | 413.691mn          |
| NAV (30th Jun 2011)     | PkR 50.5272        |
| Benchmark               | 6-M Kibor          |
| Dealing Days            | Mon to Fri         |
| Cut-off Timings         | 9:00 am to 5:00 pm |
| Pricing Mechanism       | Forward Pricing    |
| Management Fee          | 1.50%              |
| Sales Load              | 1.00%              |
| Risk Profile            | Low / Medium       |
| Trustee                 | CDC                |
| Auditor                 | A. F. Fergusons    |
| Asset Manager Rating    | AM3                |
| Stability Rating        | BBB                |

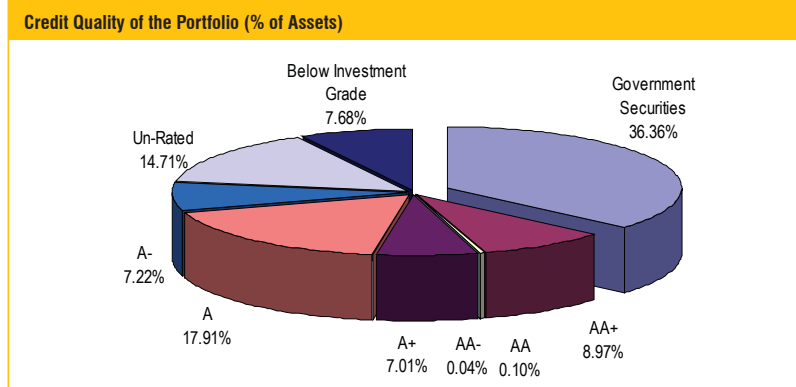
## Investment Committee Members

|                        |                     |
|------------------------|---------------------|
| Mr. Imran Motiwala     | Mr. Amin Hussain    |
| Mr. Nadeem S. Siddique | Mr. Muhammad Yaqoob |
| Mr. Ahmed Hassan       |                     |

|               | FYTD   | 1 Month | 3 Month | 6 Month | 1 Year |
|---------------|--------|---------|---------|---------|--------|
| 6-month Kibor | 13.42% | 13.78%  | 13.72%  | 13.73%  | 13.42% |
| AKDIF         | 11.59% | 19.79%  | 23.07%  | 11.86%  | 11.59% |

| Asset Allocation (% of NAV)         | May 31, 2011 | Jun 30, 2011 |
|-------------------------------------|--------------|--------------|
| Cash and Cash Equivalents           | 27.78%       | 29.82%       |
| T-bills exceeding 90 days maturity  | 11.59%       | 11.69%       |
| Placement with NBFCs                | 7.98%        | 7.34%        |
| Preference Shares                   | 2.80%        | 2.74%        |
| MTS                                 | 2.90%        | 3.25%        |
| TFCs / SUKUK                        | 45.32%       | 44.33%       |
| Others Assets Including Receivables | 1.63%        | 0.83%        |

| Top Ten TFC's                        | Rating    | Jun 30, 2011 |
|--------------------------------------|-----------|--------------|
| Worldcall Telecom Limited            | A         | 10.10%       |
| JDW Sugar Mills Limited              | A         | 7.92%        |
| Avani Hotels Limited                 | A-        | 7.09%        |
| Al-Abbas Sugar Mills Limited         | A+        | 6.88%        |
| First Dawood Investment Bank Limited | D         | 4.79%        |
| Orix Leasing Pakistan Limited        | AA+       | 3.09%        |
| Kohat Cement Company Limited         | Withdrawn | 2.15%        |
| Maple Leaf Cement Factory Limited    | BB+       | 1.51%        |
| Trakker (Pvt.) Ltd.                  | A         | 0.60%        |
| Pace Pakistan Limited                | D         | 0.09%        |



**DISCLAIMER & CAUTION:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in capital market instruments, including mutual funds, equities and fixed rate instruments are subject to market risk and issuer risk which includes volatility of principal and returns as well as loss in value of the principal amount. The NAV based price of units of mutual funds and any dividends/returns thereon are dependent on forces and factors affecting capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Investors are urged to carefully assess the risk factors prior to investing in capital market instruments.