AKD Income Fund

AKD Investment Management Ltd — March 2008

Investment Objective
AKD Income Fund (AKDIF) is a dedicated fund that focuses primarily on fixed income securities and instruments. The objective of AKDIF is to offer investors an ideal vehicle to invest in a diversified portfolio of fixed income securities/instruments that provide consistent optimum returns with concern for preservation of capital.

Fund Manager:
Muhammad Yaqoob

Base Currency of Fund:
PkR

Total Units:
115.236 mln Units

Face Value:
PkR 50

Assets under Management
PkR 6.223 bn

Dividend Yield for FY07
3.1874% (Inception March 22nd 2007 Rs. 50)

Type of Fund
Open end

Date of Fund launch
22 March, 2007

Fund Benchmark
6-Month KIBOR

Net Asset Value (31st Mar 08)
PkR 54.0046

KSE symbol
AKDIF

Management Fee
1.10%

Sales load (front-end)
1.00%

Financial Year
July 1st ~ June 30th

Auditor
A. F. Ferguson

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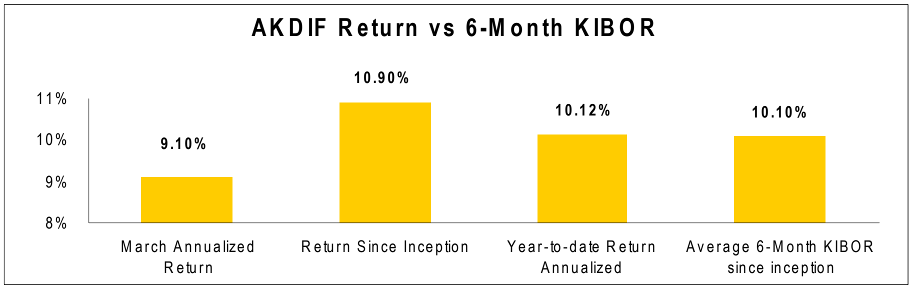
AKD Investment Management Ltd.

Cumulative Performance % (Dividends re-invested)



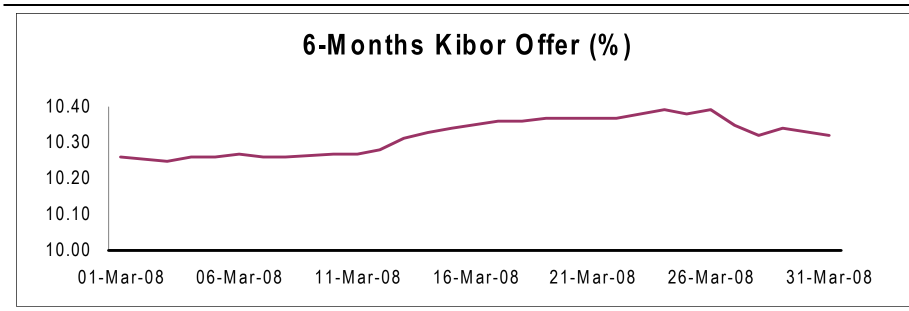
Returns calculated using Tax Method. (Base adjusted for payouts)

Fund Performance
The NAV of AKD Income Fund on March 31, 2008 stood at PkR 54.0046, appreciating by 0.77% in the month representing an annualized yield of 9.10%; while the annualized return since inception stood at 10.90.%. The net assets of the Fund stood at PkR 6.223 bn. Following is the month on month change in the portfolio composition of AKD Income Fund:

- Investments in Term Finance Certificates increased to 19.43% of the net assets previously 17.46%.
- Investments in TDR / COM / COI decreased to 47.64% from 51.78% previously.
- Investment in Government securities declined to 2.70% from 3.11%.
- Cash position increased to 24.88% of the Net Assets from 19.67% on February 29, 2008.

Money Market Activity during the month
Two T-Bill auctions were conducted during the month. In the first auction held on March 12, 2008 the SBP accepted bids worth PkR 28.25 bn against an offer of PkR 33.51 bn and a combined target of PkR 30 bn. The cut-off yield on 6 Month T-Bill rose to 9.8686% from the previous 9.8024%. One year cut-off increased to 10.1357% from the previous 10.0385%. The cut-off yield on three month paper increased to 9.5475% from the previous 9.4568%. In the second auction held on March 26, 2008 SBP was not committed to increase the cut-off and just accepted PkR 9 mn worth of bids in the one year paper. Total target for the auction was of PkR 45 bn.
PIB auction was also held during the month. Yields increased in the range of 18 bps to 60 bps. Total bids accepted were PkR 4.51 bn against the pre-auction target of PkR 20 bn.

Market Overview



Portfolio Composition (% of total)