AKD Investment Management Ltd. AKD

INCOME FUND

Fund Managers
Muhammad Yaqoob

Base Currency of Fund
PkR

Total Units
12,522,511 Units

Face Value
PkR 50

Assets under Management
PkR 566.401mn

Type of Fund
Open-end

Date of Fund launch
22 March, 2007

Fund Benchmark
6-Month Kibor

Net Asset Value (31st Aug 09)
45.2307

Management Fee
1.50%

Sales Load (Front-end)
1.00%

Financial Year
July 1st - June 30th

Auditor
A. F. Fergusons

Fund Performance

The Fund posted an annualized return of -11.16% for the month of August 2009, mainly on account of fluctuation in debt instrument prices.

Following are the changes in the portfolio composition of the Fund during the month of August, 2009:

- Investment in TFCs/Sukuk marginally increased to 47.11% from 46.37%
- Investment in other assets and cash slightly decreased to 52.89% from 53.63%.

Money Market Activity during the month

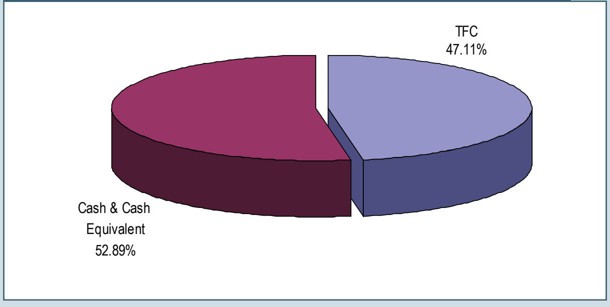
During the month of August, SBP announced its monetary policy and conducted two T-bill auctions.

- In the first T-bill auction, SBP sold T-bills worth PkR 79.72bn. With an increase in cut-off yield on twelve-month to 12.2292 percent from 11.8769, an increase of 35bps. However, the bids for three-month and six-month paper were rejected.
- In the second T-bill auction, it sold T-bills worth PkR 39.20bn. The yield on twelve-month paper rose to 12.4442 percent and yield on six-month and three-month paper also increased to 12.5517 percent and 12.3792 percent respectively.
- During the month of August, SBP also announced its monetary policy and slashed discount rate by 100 bps to 13 percent on the back improvements in key macro-economic indicators - CPI inflation continues to fall, government borrowing from the central bank remains within the quarterly limits, and SBP's foreign exchange reserves show a rising trend.

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.

Portfolio Composition (% of total)



August 2009