AKD Income Fund

For the month ending August 2010

Fund activity during the month

The return for the month was 1.67% annualized and from June 30th to August 31st, 2010 the return was 7.75% 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	11,351,833	-	11,351,833	2.46%	2.42%
First Dawood Investment Bank Limited*	Term Finance Certficate	22,355,204	-	22,355,204	4.84%	4.77%
Kohat Cement Company Limited*	SUKUK	13,345,290	3,336,323	10,008,968	2.17%	2.13%
Pace Pakistan Limited	Term Finance Certficate	559,276	81,557	477,719	0.10%	0.10%
Maple Leaf Cement Factory Limited	SUKUK	9,995,750	4,077,792	5,917,958	1.28%	1.26%
Saudi Pak Leasing Company Limited*	Certificate of Investment	64,000,000	-	64,000,000	13.85%	13.65%
World Call Telecom Limited**	Term Finance Certificate	84,263,931	-	84,263,931	18.24%	17.97%
Dewan Cement Limited	Term Finance Certificate	100,000,000	100,000,000	-	0.00%	0.00%
New Allied Electronics Industies (Pvt) Ltd	SUKUK	30,000,000	30,000,000	-	0.00%	0.00%

* Investments performing but not an authorized investment.

** Investments performing but in Excess of 10% Exposue Limits of the Net Assets

*** Cash and Cash equivalents constitute 8.33% of the Net Assets however according to circular 16 dated 07 July 2010, 25% of the net assets should be in cash and cash equivalents, by 31.12.10

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	462.001mn
NAV (31st Aug 2010)	45.8558
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

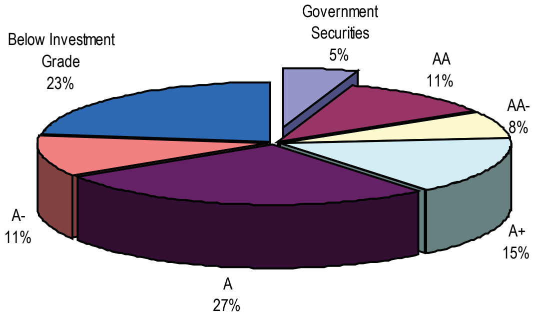
Mr. Nadeem Naqvi
Mr. Imran Motiwala
Mr. Amin Hussain
Mr. Muhammad Yaqoob
Mr. Ahmed Hassan

	YTD	1 Month	3 Month	6 Month	1 Year
AKDIF	7.75%	1.67%	11.41%	11.03%	8.90%

Asset Allocation (% of NAV)	July 30, 2010	Aug 31, 2010
Cash	8.33%	7.37%
Placement with NBFCs	28.08%	26.60%
Preference Shares	2.40%	2.46%
Government Securities	4.87%	5.03%
TFCs	55.33%	55.93%
Others Including Receivables	0.99%	2.61%

Top Ten TFC's	Rating	Aug 31, 2010
Worldcall Telecom Limited	A	18.24%
Pakistan Mobile Communication Limited	AA-	7.30%
JDW Sugar Mills Limited	A	6.59%
Avari Hotels Limited	A-	6.54%
First Dawood Investment Bank Limited	D	4.84%
Al-Abbas Sugar Mills Limited	A+	4.04%
Orix Leasing Pakistan Limited	AA	3.20%
Kohat Cement Company Limited	Non-Rated	2.17%
Trakker (Pvt.) Ltd.	A	1.60%
Maple Leaf Cement Factory Limited	D	1.28%

Credit Quality of the Portfolio (% of Assets)



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