AKD Investment Management Ltd. AKD

INCOME FUND

Fund Managers
Muhammad Yaqoob
Zeeshan Shalwani

Base Currency of Fund
PkR

Total Units
23,436,005 Units

Face Value
PkR 50

Assets under Management
PkR 1.094bn

Type of Fund
Open-end

Date of Fund launch
22 March, 2007

Fund Benchmark
6-Month Kibor

Net Asset Value (28th Nov 08)
PkR 46.6942

Management Fee
1.25%

Sales Load (Front-end)
1.00%

Financial Year
July 1st - June 30th

Auditor
A. F. Fergusons

Fund Performance

The Management Company of AKD Income Fund (Fund) has marked down its (Term Finance Certificates) TFCs/Sukuk portfolio as per the circular No.NBFC/MF-Cir/897 issued by SECP on November 5, 2008. In the directive, SECP has instructed all the asset management companies (AMCs) to mark down their TFCs/Sukuk portfolio in order to reflect more authentic market prices of TFCs/Sukuk in their Net Asset Value (NAV). Hence this action has caused an unrealized loss to mutual fund invested in debt securities.

Following the mark down from November 5, 2008 AKDIF has posted an annualized return of 12.59% for the month of November-08

Following are the changes in the portfolio composition of the Fund for the month of November, 2008:

- Investments in Term Finance Certificates decreased to 61.51% from 71.36% of the net assets.
- Investment in other assets increased to 38.49% from 28.63% of net assets.

Money Market Activity during the month

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

- In the first T-bill auction, SBP raised its three-month Treasury bill cut-off yield by 97 basis points to 13.5313 percent, which was a clear indication of further monetary tightening by SBP.
- During the month, SBP announced its interim monetary policy and as required by IMF, the SBP raised its Discount Rate by 200 bps to 15% from 13%
- In the second T-bill auction, SBP sold T-bills worth PkR 103bn. Cut-off yield on 6-month T-bill raised to 14.01%, an increase of 135bps

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)