AKD Investment Management Ltd. AKD

INCOME FUND

Fund Managers
Muhammad Yaqoob

Base Currency of Fund
PkR

Total Units
14,241,683 Units

Face Value
PkR 50

Assets under Management
PkR 645.901mn

Type of Fund
Open-end

Date of Fund launch
22 March, 2007

Fund Benchmark
6-Month Kibor

Net Asset Value (30th Sep 09)
45.3528

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 3.33% for the month of September 2009. Mainly on account of fluctuation in corporate debt instrument prices. During the month our net assets increased by 14% MoM.

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

- Investment in TFCs/Sukuk marginally increased to 48.70% from 47.11%.
- Investment in other assets and cash decreased to 47.61% from 52.89%.
- The fund participated in the T-bill auction and made investment of 25,000,000 (at face value) contributing 3.69% of the fund size as of 30th Sep 2009

Money Market Activity during the month

During the month of September, the State Bank of Pakistan announced its monetary policy and conducted two T-bill auctions.

- In the first T-bill auction, SBP sold T-bills worth PkR 51.25bn against the target of PkR 50bn with an increase in cut-off yield on twelve-month paper to 12.4822 percent from 12.4442 percent. The yield on six-month paper increased to 12.7783 percent from 12.5517 percent, an increase of 22 basis points. The yield on three-month paper rose to 12.5171 percent from 12.3792 percent, a rise of 14 basis points.
- In the second T-bill auction conducted on Friday 25th September 2009 due to Eid Holidays, SBP sold T-bills worth PkR 57.45bn. The yield on twelve-month paper rose to 12.5384 percent. However yield on six-month and three-month paper decreased to 12.5996 percent and 12.4929 percent respectively.
- During the month of September, SBP also announced its monetary policy in which it kept the discount rate constant at 13 percent and highlighted four factors which will determine future track of monetary policy. These are (a) inflation, (b) resolution of electricity crisis, (c) timing of FoDP inflows, and (d) extent of fiscal consolidation.

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)