AKD Investment Management Ltd. AKD

INCOME FUND

Fund Managers
Muhammad Yaqoob
Zeeshan Shalwani

Base Currency of Fund
PkR

Total Units
43,904,338 Units

Face Value
PkR 50

Assets under Management
PkR 2.273bn

Type of Fund
Open-end

Date of Fund launch
22 March, 2007

Fund Benchmark
6-Month Kibor

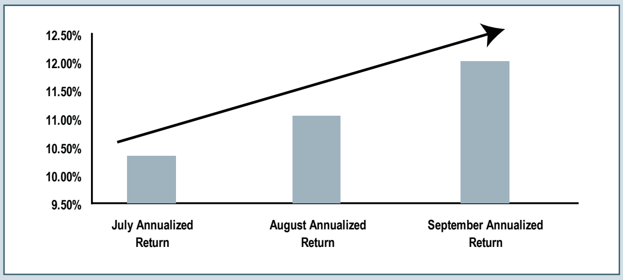
Net Asset Value (30th Sep 08)
PkR 51.7830

Management Fee
1.25%

Sales Load (Front-end)
1.00%

Financial Year
July 1st - June 30th

Auditor
A. F. Fergusons



Fund Performance

AKDIF has posted an annualized return of 12.02% for the month of September-08 improving from an annualized return of 11.05% in the month of August-08 and 10.34% in the month of July-08. We had anticipated in July-08 that our fund yield would touch 12% by Nov-08, fortunately we were able to achieve that target in Sep-08 and going forward we expect to further improve on it.

- Investments in Term Finance Certificates increased to 45.07% from 44.19% of the net assets.
- Our net cash position and investment in other assets stood at 54.93% from 55.81% of net assets.

Money Market Activity during the month

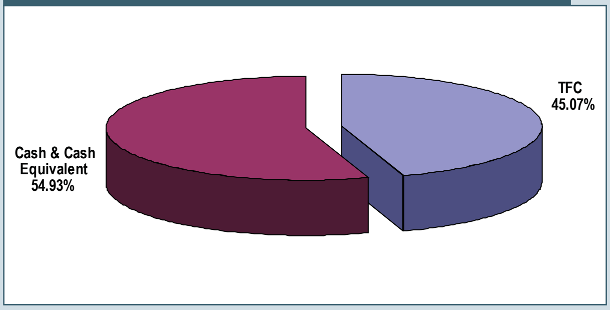
During the month September SBP conducted two T-bill auctions.

- In the first T-bill auction, SBP sold T-bill worth PkR 14.76bn against the total participation of PkR 46.45bn. Yield on 3-months T-bill increased to 12.56% from 12.38%, while their no bid were received in 12-months T-bill and bids for 6 months T-bill were rejected
- In second T-bill auction, SBP sold T-bill worth PkR 34.26bn against the total participation of PkR 59.31bn, yield on 3-month T-bill was kept constant at 12.56% and yield on 6-month T-bill rose to 12.68%, bids in 12-month T-bill were rejected.
- The SBP on 15th September 2008 accepted bids worth PkR 6.52bn for 3-year GoP 'Ijara Sukuk'. Participation of PkR 9.52bn were received against the target of Rs 10 billion.

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)



September 2008