AKD Investment Management Ltd.

Partner with AKD
Profit from the Experience

Risk Profile of Collective Investment Schemes/Plans

Sr. No	Name of Collective Investment Scheme	Category	Risk Profile	Risk Of Principal Erosion
1	AKD Aggressive Income Fund (Formerly: AKD Income Fund)	Aggressive Fixed Income	Medium	Principal at Medium risk
2	AKD Cash Fund	Money Market	Low	Principal at Low risk
3	AKD Islamic Income Fund	Shariah Compliant Income	Medium	Principal at Medium risk
4	AKD Index Tracker Fund	Index Tracker	High	Principal at High risk
5	AKD Islamic Stock Fund	Shariah Compliant Equity	High	Principal at High risk
6	AKD Opportunity Fund	Equity	High	Principal at High risk
7	Golden Arrow Stock Fund (Formerly: Golden Arrow Selected Stocks Fund Limited)	Equity	High	Principal at High risk

Message from CIOs

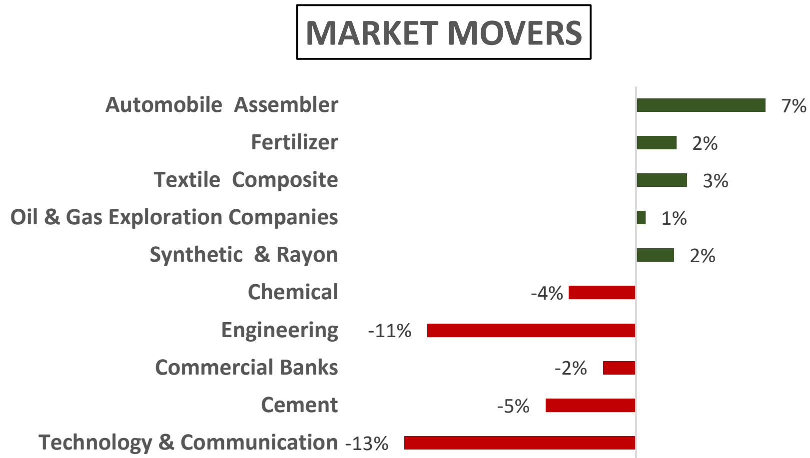
The KSE – 100 Index ended on a negative note during the month of February 2022 declining 914 points (down 2.05%MoM) to close at 44,461.01. Investors' sentiment crumbled as tension escalated between Russia and Ukraine and its subsequent impact on energy prices given oil prices crossed USD 100/bbl mark in February 2022 for the first time since 2014. On the economic front, IMF approved the completion of the sixth review under the Extended Fund Facility (EFF) which paved the way for immediate disbursement of USD 1 billion tranche. The average daily traded volume decreased by 14.38% to 226.8 million as compared to 264.9 million recorded during the month of January 2022. Consecutively, KSE-100 Index closed at a forward P/E and P/B of 5.0x and 0.8x respectively, with a healthy dividend yield of 8.8%.

Foreign investors remained net sellers during the month, with a net outflow of USD 15.03 million as compared to inflows of USD 17.57 million recorded during January 2022. This has taken cumulative outflows during FYTD22 to USD 247.81 million. During the month, Other Organizations and Companies were the major net buyers with net inflows of USD 14.14 million and USD 13.51 million respectively, whereas Mutual Funds and Insurance remained net sellers with net outflow of USD 19.77 million and 6.34 million respectively.

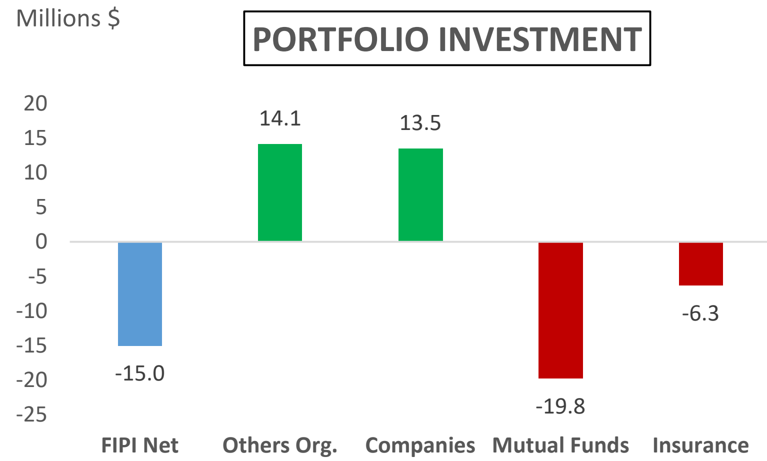
Major news that impacted the market during the month included: 1) Current Account Deficit (CAD) expanded by USD 2.55 billion in January 2022 which takes 7MFY22 CAD to USD 11.58 billion against a surplus of USD 1.03 billion during same period last year, 2) IMF approved the completion of the sixth review for an immediate disbursement of USD 1 billion to Pakistan, 3) The NCPI jumps to 12.24% YoY in February 2022, 4) The forex reserves increased to USD 23.23 billion as the country received USD 1 billion from IMF under the EFF program, 5) Commodity prices surged owing to geopolitical tension wherein oil prices crossed USD 100/bbl mark, 6) During 8MFY22, FBR reported net revenue collection of PKR 3,799 billion, up by 30.3% YoY, and 7) Petrol price hiked by a massive PKR 12/ltr.

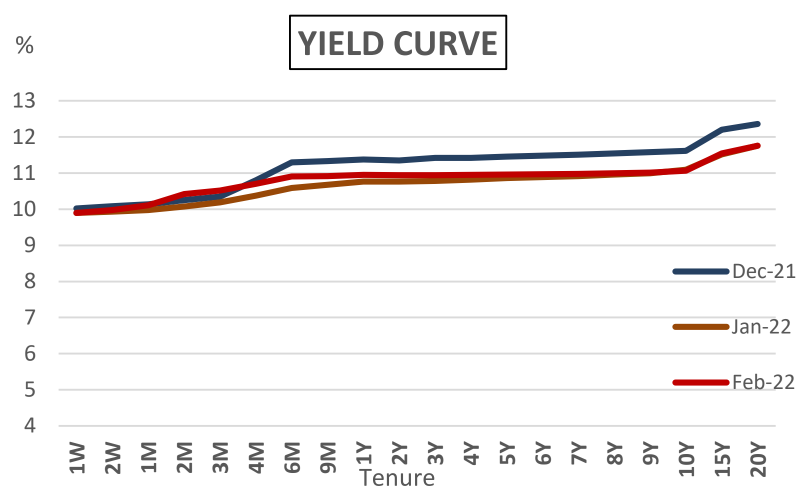
NCPI during the month of February 2022 clocked in at 12.24% YoY as compared to 12.96% YoY recorded during January 2022 taking 8MFY22 average NCPI to 10.52%. Higher NCPI was witnessed due to 12.10% YoY and 8.99% YoY increase in Non-Perishable Food Items and Housing, Water and Energy prices respectively. Moreover, PKR depreciated by 0.42% during February 2022 to close at PKR 177.47 against USD.

On the Fixed Income front, yields of Government Securities flattened during the month as the SBP had given forward guidance on the monetary settings in the last monetary policy statement of January 24, 2022. During the month, the SBP conducted two (2) MTB auctions with a cumulative realized amount of PKR 0.92 trillion. Weighted average yields for 3 months, 6 months and 12 months MTB increased by 12bps, 21bps and 6bps to 10.3836%, 10.8417% and 10.9140% respectively as compared to the last auction.



**Change in market capitalization during month*





DISPUTE RESOLUTION/ COMPLAINTS HANDLING:

Investors may lodge their complaints to our Investor Services Department through any of the following options where our dedicated staff is available 24/7 to provide assistance: Call at (+92-21) 111-AKD-IML (253465), Toll-free # 0800-25346, Email at info@akdinvestment.com, complaints@akdinvestment.com, Sales@akdinvestment.com. In case your complaint has not been properly redressed by us, you may lodge your complaint with SECP at the link https://sdms.secp.gov.pk/. However, please note that SECP will entertain only those complaints which were at first directly requested to be redressed by the Company and the Company has failed to redress the same. Further, the complaints that are not relevant to SECP's regulatory domain/competence shall not be entertained by the SECP.

SERVICE DESK - CLICK ME
Toll Free (From Landline Only) 0800-88008
Complaints
Queries

AKD Islamic Income Fund

Fund Manager's Comments

During February'2022, the annualized MTD return of AKD Islamic Income Fund (AKDISIF) stands at 9.00% versus the benchmark MTD return of 3.28%.

Fund Information

Investment Objective: The objective of AKD Islamic Income Fund (AKDISIF) is to provide investors with an investment vehicle that strives to enhance capital coupled with regular halal income by investing in Shariah compliant income investments.

Fund Type	Open-End
Category	Islamic Income Scheme
Risk Profile	Medium
Risk of Principal Erosion	Principal at Medium Risk
Net Assets (PKR)	710,807,488
NAV (PKR) (Ex Div.)	53.0198
Benchmark	BM*
Dealing Days	Monday to Friday
Cut-off Timings	9:00 am to 5:00 pm
Pricing Mechanism	Forward Pricing
Management Fee	0.40% per annum
Sales Load (Front end)	1%
Sales Load (Back end)	-
Total Expense Ratio (*Absolute*)++	0.85%
Date of Fund Launch	February, 2018
Trustee	Digital Custodian Company Limited (Formerly: MCBFSL)
Auditor	Yousuf Adil Chartered Accountants
Stability Rating	A+(f) by PACRA (4 Sep' 2021)
Asset Manager Rating	AM3++ by PACRA (8 Feb' 2021)
Weighted Average Maturity (Days)	489
Leverage	Nil

Fund Manager

Mr. Danish Aslam

Investment Committee Members

Mr. Imran Motiwala	Ms. Anum Dhedhi
Mr. Muhammad Yaqoob, CFA	Mr. Ali Abbas, CFA
Mr. M. Usman Mughal	Mr. Danish Aslam
Mr. Sheikh Usman Haroon	

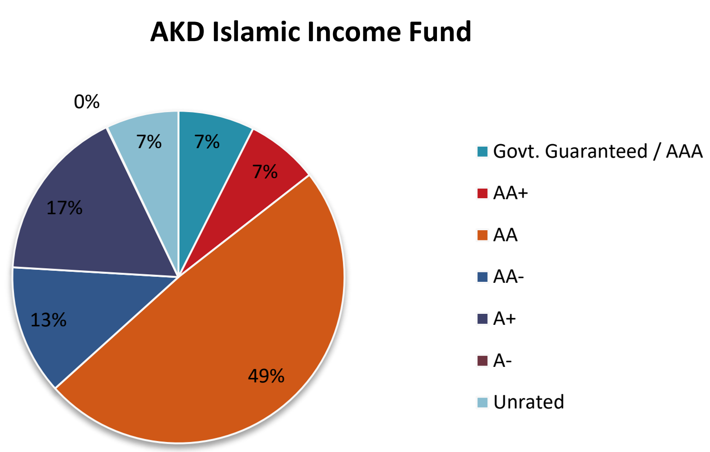
++Total Expense Ratio (TER) includes 0.08% representing government levy and SECP fee.
** Cumulative Return
*** Geometric mean

	FYTD	MTD	1 Year	3 Year**	5 Year**	Since Inception***
BM*	3.15%	3.28%	3.13%	14.23%	-	4.09%
AKDISIF	7.67%	9.00%	7.71%	29.49%	-	8.34%
	FY21	**FY20**	**FY19**	**FY18**	**FY17**	**FY16**
BM*	3.55%	6.33%	3.68%	2.41%	-	-
AKDISIF	6.95%	11.54%	8.43%	4.30%	-	-

*Six (6) months average deposit rates of three (3)A Rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP

Asset Allocation (% of Total Assets)	28-Feb-2022	31-Jan-2022
Cash	40.35%	42.58%
Sukuks	43.84%	45.72%
Commercial Papers	8.73%	9.10%
Spread transactions	0.00%	0.00%
Placements with Banks and DFIs	0.00%	0.00%
Others including receivables	7.08%	2.60%

Credit Quality of Portfolio (% of Total Assets)



Sukuk Certificates	Rating	28-Feb-2022
TPL Trakker Limited – 30-Mar-2021	A+	15.30%
TPL Corporation Limited – 07-Jan-2022	AA-	12.61%
Pakistan International Airlines Corp. Ltd. – 26-Jul-2021	Govt. Guaranteed / AAA	6.72%
The Hub Power Company Limited – 19-Mar-2020	AA+	3.57%
Hub Power Holdings Limited – 12-Nov-2020	AA+	3.47%
Mughal Iron & Steel Industries Limited – 02-Mar-2021	A+	1.46%
Cinergyco PK Ltd (Formerly: Byco Petroleum Pakistan Ltd) – 18-Jan-2017	Govt. Guaranteed / AAA	0.71%
Total		**43.84%**

Disclosure of Sindh Workers' Welfare Fund (SWWF):
During the month of August 2021, provisioning against Sindh Workers Welfare Fund by AKDISIF amounting to PKR 1.64 million has been reversed on the basis of clarification received from Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan, received on August 13, 2021. This reversal of provision has contributed towards an unusual increase in NAV of the AKDISIF (0.11/unit) 0.21%. This is one-off event and is not likely to be repeated in the future.

Details of Non-Compliant Investment

Name of non-compliant investment	Type of Investment	Value of investment before provision	Provision held if any	Value of investment after provision	Percentage(%) of Net Assets	Percentage(%) of Gross Assets
TPL Trakker Limited	Sukuk	109,154,167	Nil	109,154,167	15.36%	15.30%

Non-Compliance Disclaimer: AKD Islamic Income Fund holds above mentioned non-compliant investment. Before making any investment decision, investors should review this document and latest Financial Statements