



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
8	AKD Islamic Daily Dividend Fund	Shariah Compliant Money Market	Low	Principal at Low risk

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.



DISCLAIMER: This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc



Message from CIO's Desk

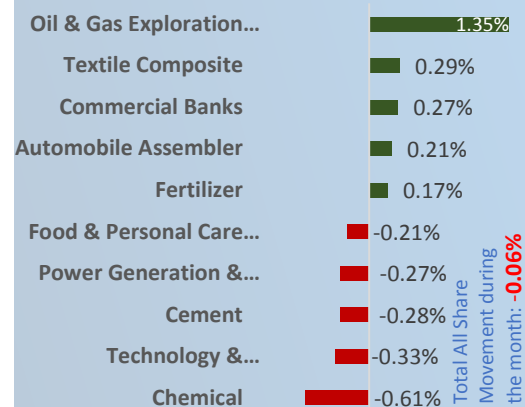
After an eventful first half of FY24 in which the index KSE 100 increased by 20,998 points, generating a huge return of 50.66% and the market trading at elevated levels of 476.60 million average daily volume, the first month of 2HFY24 was characterized by relative caution and uncertainty. The market remained volatile with bullish sentiment during the first few weeks of the month in which KSE 100 gained 2,371 points to close at month high level of 64,822.43, on the back of improving macro indicators and seamless talks with the IMF. However, as general elections drew closer, political uncertainty came into mainstream investor focus and with significant foreign selling; the tail end of the month turned sentiment bearish as the KSE 100 shed 2,843 points to close at 61,979.18 level (MTD -0.76% / YTD 49.52%).

Bucking the trend of previous months, investor participation saw a significant decline of 52% as well, with average daily volume falling to 491 million shares in Jan 24 compared to 1.031 billion shares the previous month. After months of accumulation, since the start of FY24 in which Foreign Portfolio Investment increased by USD 71 million, January 2024 saw huge net selling of USD 37.22 million by foreign investors. Major sell-off were recorded in Commercial Banks--USD 13.58 M, Oil and Gas Exploration Companies --USD 8.75 M and Cement -- USD 5.50 M. While on the local front Insurance & Corporates were major net buyers with buying of USD 28.93 M and USD 11.66 M respectively.

Other significant developments which influenced the markets included:

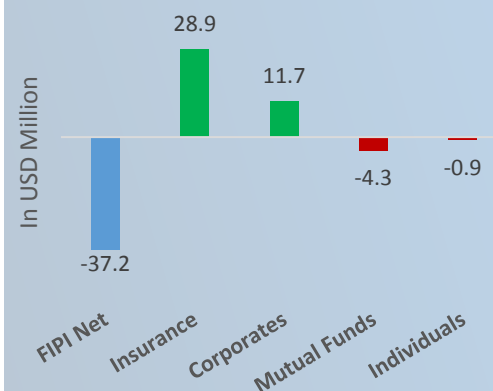
- During January 2024, SBP conducted 2 MTB auctions with a realized amount of PKR 0.40 trillion. The Weighted average yield for 3 months decreased by 85bps, 6 months by 97bps and 12 months by 120ps to 20.4745%, 20.3951% and 20.1411% respectively; signaling a prospective cut in interest rates going forward.
- The NCPI during January 2024 clocked in at 28.34% YoY as compared to 29.66% in December 2023 and 27.55% in January 2023, taking 7MFY24 average NCPI to 28.73% compared to 25.40% during the SPLY. On a regional basis, Urban and Rural CPI clocked in at 30.23% and 25.69% respectively. The slow pace of decline in inflation can be attributed to frequent and sizeable adjustments in administered energy prices which has also impeded expectations of a sustained decrease in inflation. On the other hand, the non-energy inflation continues to moderate, in line with SBP's projections.
- During the first seven months of FY24, the FBR collected PKR 5.150 trillion, exceeding the PKR 5.115 trillion target by PKR 35 billion. The government has projected a revenue collection target of PKR 9.415 trillion for FY24 as against the revised collection of PKR 7.2 trillion in FY23, an increase of PKR 2.219 trillion (30%).
- The Current Account recorded a surplus for the month of Dec 2023 of USD 397 million, the first since Jun 23, compared to a deficit of USD 15 million (revised) in Nov 2023 taking the HFY24 Current Account Deficit (CAD) to USD 831 million against CAD of USD 3.63 billion SPLY, down 77% on the back of decline in imports, increase in exports and other current transfers. The HFY24 total Imports stood at 30.44 billion USD down by 10% SPLY, total exports stood at 19.06 billion USD up by 10% SPLY, while steady exchange rates also boosted workers' remittances as the 2nd QFY24 recorded remittances of 7.10 billion USD up by 10% when compared to the corresponding quarter last year.
- The prolonged monetary and fiscal tightening took its toll on the real sector with LSMI output for Jul to Nov 23 declining by 0.8% compared to SPLY. The sectors majorly contributing to the overall decline included Textile, Automobiles, Furniture and Tobacco. Agriculture output, however, saw some positive developments as yield on Kharif crops turned out better than last year while the prospects for Rabi crops also appeared promising amid better input conditions.
- The federal government's total debt (domestic and external) at the end of Nov 23 stood at PKR 63.4 Trillion with a YOY increase of 24.39% while MoM increase stood at 1.5%. The federal government has accrued an incremental debt of PKR 2.5 Trillion since the start of Fiscal Year 2024.

Top & Bottom 5 movers of All Share Index during the month

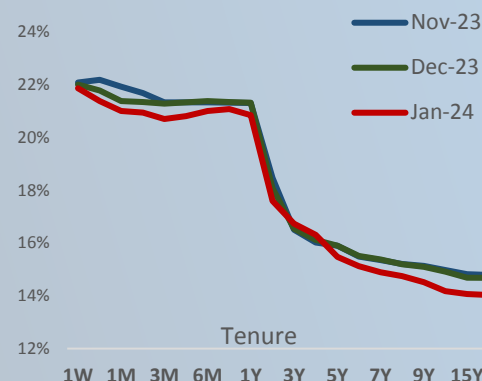


*Weighted change in sector capitalization

PORTFOLIO INVESTMENT



YIELD CURVE





AKD Islamic Income Fund

Fund Manager's Comments

For the month of January-2024, AKD Islamic Income Fund (AKDISIF) posted an annualized return of 18.92% against the benchmark rate of 11.10%. The exposure in Sukuk was 30.47%, 15.9% in Commercial Papers / Short Term Sukuk (STS), Government Backed / Guaranteed securities was 0.65% and Cash was 44.71% at the end of January-2024. The weighted average maturity of the Fund was at 190 days.

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
Net Assets (PKR)	1,545,475,695
NAV (PKR)	56.7836
Risk Profile	Medium
Risk of Principal Erosion	Principal at medium risk
Benchmark	BM*
Dealing Days	Monday to Friday
Cut-off Timings	9:00 am to 5:00 pm
Pricing Mechanism	Forward Pricing
Management Fee	0.4% per anum
Sales Load (Front End)	1%
Sales Load (Back End)	Nil
Total Expense Ratio (Annualized)	MTD (1.24%) YTD (1.28%)
Government Levies (Annualized)	MTD (0.15%) YTD (0.16%)
Date of Fund Launch	20-Feb-18
Trustee	Digital Custodian Company Limited (Formerly: MCBFSL)
Auditor	Riaz Ahmad & Company, Chartered Accountants
Stability Rating	AA-(f) by PACRA (7-Sep-23)
Asset Manager Rating	AM3++ by PACRA (27-Jun-23)
Weighted Average Maturity (Days)	190
Leverage	Nil

Fund Manager

Mr. Raheel Farooque

Investment Committee Members

Mr. Imran Motiwala	Ms. Anum Dhedhi
Mr. Muhammad Yaqoob, CFA	Mr. Raheel Farooque
Mr. Usman Haroon, CFA, FCCA	

** Cumulative Return

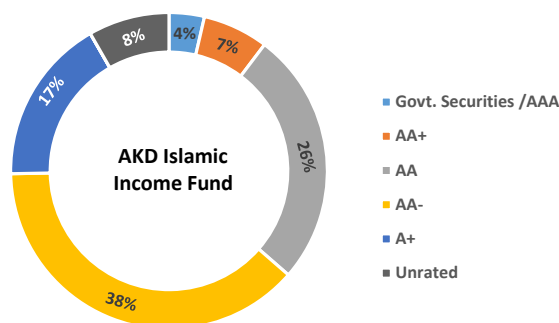
*** Geometric Mean

	FYTD	MTD	365 Days	3 Years**	5 Years**	Since Inception***
BM*	9.38%	11.10%	8.28%	17.00%	29.65%	4.89%
AKDISIF	19.98%	18.92%	20.49%	48.07%	78.22%	11.28%
	FY23	FY22	FY21	FY20	FY19	
BM*	6.06%	3.34%	3.55%	6.33%	3.68%	
AKDISIF	17.65%	9.39%	6.95%	11.54%	8.43%	

*Six (6) months average deposit rates of three (3)A Rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP. The Fund's returns are computed on NAV to NAV with dividends reinvested - (excluding sales load).

Asset Allocation (% of Total Assets)	31-Jan-24	31-Dec-23
Cash	44.71%	37.75%
Govt. Backed/Guaranteed Securities	0.65%	0.59%
Placements with Banks and DFIs	0.00%	0.00%
MTS	0.00%	0.00%
Sukuk	30.47%	27.96%
Commercial Papers / Short Term Sukuk	15.90%	17.11%
Spread Transactions	0.00%	2.90%
Others including receivables	8.28%	13.68%

Credit Quality of Portfolio (% of Total Assets)



Top 10 Sukuk Certificates Holding	Rating	31-Jan-24
Mughal Iron & Steel Industries Limited – 27-Dec-23	A+	12.87%
TPL Corporation Limited – 23-Jun-22	AA-	7.01%
K-Electric Limited STS – 28-Aug-23	AA	5.47%
Lucky Electric Power Company Ltd. STS– 16-Aug-23	AA	4.18%
TPL Trakker Limited – 30-Mar-21	A+	3.77%
The Hub Power Company Limited STS– 08-Nov-23	AA+	3.22%
Hub Power Holdings Limited – 12-Nov-20	AA+	3.09%
Lucky Electric Power Company Ltd. STS– 28-Dec-23	AA	3.02%
Pakistan International Airlines – 26-Jul-21	AAA	2.96%
The Hub Power Company Ltd. - 19-Mar-20	AA+	0.40%
Total		46.00%

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
-	-	-	-	-	-	-

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.

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MUFAP's Recommended Format