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

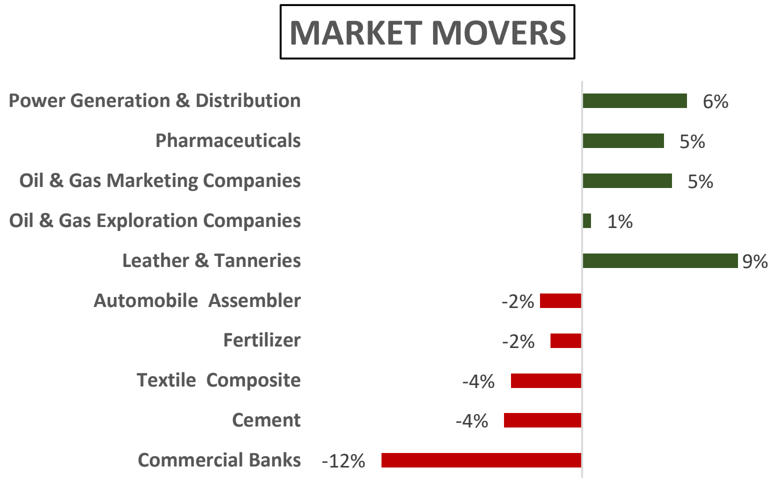
Message from CIOs

The concluding month of FY22 witnessed significant reforms both on the fiscal and economic front which continued to dampen investor' sentiments. During FY22, the benchmark KSE-100 shed 1,499.31/5,815.19 points (down 3.48%MoM/12.28%YoY) to close at 41,540.83. The local bourse remained under pressure on grounds of soaring Current Account Deficit (CAD), unprecedented PKR devaluation, delays in revival of the IMF loan program, skyrocketing inflation, imposition of heavy taxes on various sectors and increasing political noise. The average daily traded volume also decreased by 14% to 214.11 million as compared to 250.29 million recorded during the month of May 2022. The KSE-100 Index closed at a forward P/E and P/B of 3.88x and 0.81x respectively, with a healthy dividend yield of 9.83%.

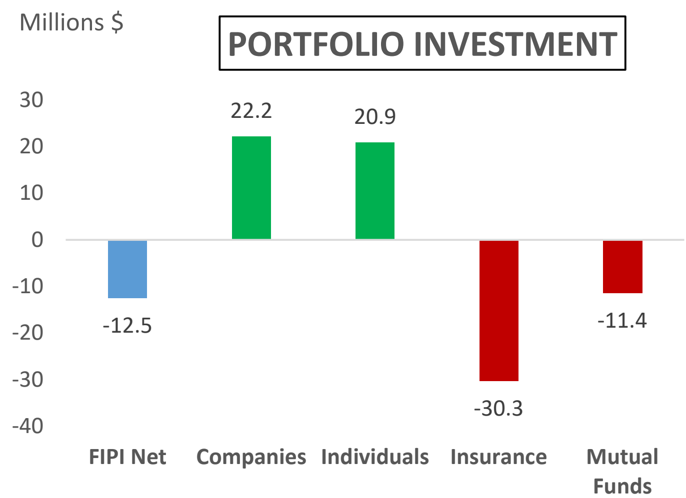
Foreigners remained net sellers during the month, with an outflow of USD 12.48 million as compared to an outflow of USD 8.82 million recorded during last month. This has taken cumulative outflows during FY22 to USD 297.51 million. On the local front, Companies and Individuals remained net buyers with net inflow of USD 22.21 million and USD 20.93 million, whereas Insurance and Mutual Funds remained net sellers with net outflow of USD 30.28 million and 11.38 million respectively.

Major news that affected the investors' sentiment and outlook during the month included:

- The inflation outlook further deteriorated after the Government increased the prices of POL products by PKR 54.03/litre during the month thus removing all subsidies in an effort to pave its way to the revival of the IMF program.
- The incumbent government announced the federal budget for the year 2022-23 worth of PKR 9.502 trillion on June 10, 2022, before which the investors' adopted a wait and see approach.
- Moody's downgraded Pakistan's outlook to negative from stable on the back of heightened external vulnerability risk and uncertainty about the Government's ability to secure additional external financing.
- The Economic Coordination Committee approved the payment of PKR 149 billion as second tranche (60%) under payment mechanism to the IPPs under 2002 power policy.
- Pakistan received the much awaited commercial loan of USD 2.3 billion which gave life to the Country's dried up foreign exchange reserves which went back in to double digits to USD 10.31 billion.
- The National Assembly approved the amended Finance Bill 2022 which entailed imposition of 10% supertax for the Tax Year 2022 on 15 sectors/industries, where income exceeds Rs300 million.
- The Country's Current Account Deficit (CAD) swelled to USD 15 billion during the first 11 months of the fiscal year 2022, mainly due to higher import bill following soaring commodity prices in the world markets.
- Inflows through Roshan Digital Account (RDA) reached USD 4.63 billion by end of June 2022 with more than 420,000 accounts opened.
- The FBR created history by exceeding the upward revised revenue target by collecting over PKR 6 trillion in FY22. However, for the year 2023 tax collection target had initially been set at PKR 7 trillion which was then revised upwards to PKR 7.4 trillion as per the IMF demands.
- The PKR depreciated to its record low of PKR 211.93 during the month however it took some breather in the last week of the month and appreciated to PKR 204.85. The exchange rate started FY22 at PKR 157.54 after which it depreciated horrendously by 23% to close at PKR 204.85.
- As the world started to fear a global recession, the international commodity prices began to slide down.



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.

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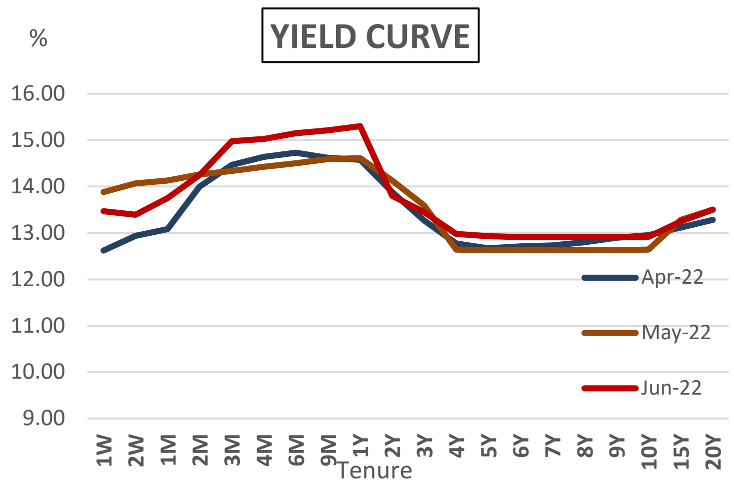
NCPI during the month of June 2022 clocked in at 21.3% YoY, highest in over 13 years taking the average inflation for FY22 to 12.15%. The hike in prices of fuel and electricity coupled with soaring import bill and PKR depreciation has led to this extraordinary increase in inflation which is expected to ease off going forward due to base rate effect and expected turnaround in macros as the government is making considerable efforts to curb imports and reduce expenses to curb twin deficits.

During FY22, the State Bank of Pakistan (SBP) increased policy rate by a whopping 675 basis points to 13.75% aiming to reduce pressures on inflation and current account through demand compression. Furthermore, 26 MTB auctions were carried out by the SBP, where the government managed to raise PKR 17.19 trillion cumulatively. Weighted average yield of 3, 6 and 12 months MTB were 10.16%, 10.54% and 10.53% respectively, up by 3.01%, 3.25% and 3.11% same period last year. Also to address the additional liquidity requirements, SBP conducted 12 auctions of fixed rate Pakistan Investment Bond (PIB) and was successful in raising PKR 1.84 trillion. The weighted average yield for 3, 5 and 10 year PIBs increased by 2.23%, 1.77% and 1.61% to 10.67%, 10.70% and 11.06% respectively compared to same period last year. Currently, the yield curve is inverted as depicted by the short term yields being higher than the long term yields. However, we expect this to reverse once we receive financing from IMF and additional clarity on FATF.



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AKD Islamic Income Fund

Fund Manager's Comments

During June'2022, the annualized MTD return of AKD Islamic Income Fund (AKDISIF) stands at 14.37% versus the benchmark MTD return of 4.00%.

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)	892,873,824
NAV (PKR) (Ex Div.)	50.5961
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*)++	1.16%
Date of Fund Launch	February, 2018
Trustee	Digital Custodian Company Limited (Formerly: MCBFSL)
Auditor	Yousuf Adil Chartered Accountants
Stability Rating	A+(f) by PACRA (8 Mar' 2022)
Asset Manager Rating	AM3++ by PACRA (30 Jun' 2022)
Weighted Average Maturity (Days)	428
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. Sheikh Usman Haroon	Mr. Danish Aslam

++Total Expense Ratio (TER) includes 0.12% representing government levy and SECP fee.

The Fund's returns are computed on NAV to NAV with dividends reinvested - (excluding sales load).

** Cumulative Return

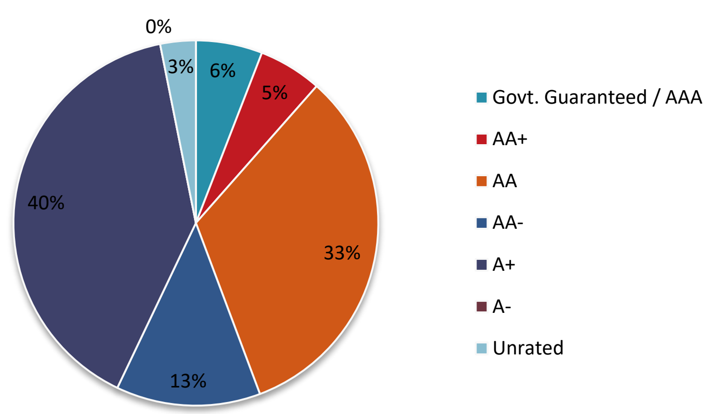
*** Geometric mean

	FYTD	MTD	1 Year	3 Year**	5 Year**	Since Inception***
BM*	3.34%	4.00%	3.34%	13.82%	-	4.06%
AKDISIF	9.39%	14.37%	9.39%	30.49%	-	8.67%
		FY22	FY21	FY20	FY19	FY18
BM*		3.34%	3.55%	6.33%	3.68%	2.41%
AKDISIF		9.39%	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)	30-Jun-2022	31-May-2022
Cash	37.50%	41.44%
Sukuks	59.35%	55.75%
Commercial Papers	0.00%	0.00%
Spread transactions	0.00%	0.00%
Placements with Banks and DFIs	0.00%	0.00%
Others including receivables	3.14%	2.80%

Credit Quality of Portfolio (% of Total Assets)



Sukuk Certificates	Rating	30-Jun-2022
TPL Corporation Limited – 23-Jun-2022	AA-	12.80%
TPL Trakker Limited – 30-Mar-2021	A+	10.72%
K-Electric Limited STS – 12-Apr-2022	AA	10.02%
Lucky Electric Power Company Ltd. STS – 15-Jun-2022	AA	8.12%
Pakistan International Airlines Corp. Ltd. – 26-Jul-2021	Govt. Guaranteed / AAA	5.47%
Lucky Electric Power Company Ltd. STS – 14-Apr-2022	AA	5.12%
The Hub Power Company Limited – 19-Mar-2020	AA+	2.86%
Hub Power Holdings Limited – 12-Nov-2020	AA+	2.75%
Mughal Iron & Steel Industries Limited – 02-Mar-2021	A+	1.06%
Cinergyco PK Ltd (Formerly: Byco Petroleum Pakistan Ltd) – 18-Jan-2017	Govt. Guaranteed / AAA	0.43%
Total		**59.35%**

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