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
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.

Message from CIO's Desk

The final month of CY23 proved to be an eventful one for the equity market, mirroring the volatile conditions on the national and international front. During the first half of Dec 23, benchmark KSE100 gained 5,895.51 points to close at 66,426.78 points reaching new record levels, while the latter half was a stark reversal in trend, with the index shedding 7,255.80 points to close below a major psychological barrier of 60,000. However, the final few sessions of CY23 illustrated a moderate recovery while the index consolidated and closed at month end level of 62,451.04 (MTD 3.17% / YTD 50.66%). Major incidents and concerns which fueled the second half sell off included the (1) decision of Monetary Policy Committee (MPC) to maintain the policy rate at 22 percent contrary to market consensus of a nominal cut, as the MPC opined inflationary pressures ahead following hike in gas prices (2) sharp increase in stock financing products and (3) Gaza-Israel conflict's impact on global politics and commodity prices.

Continuing the trend of previous months, investor participation saw a significant increase of 57% with average daily volume rising to 1.031 billion shares in Dec 23 compared to 655 million shares the previous month. Foreigners remained net buyers with inflows of USD 26.72 million, major interest shown in sectors of Power Generation & Distribution--USD 7.49 M, Cement --USD 6.05 M and sectors other than Top 9 -- USD 7.37 M. On the local front only insurance companies remained major net buyers with buying of USD 7.22 M, major net buying recorded in Oil and Gas Exploration Sector -- USD 2.47M.

Other significant developments which influenced the markets included:

- During the month of December 2023, SBP conducted 2 MTB auctions with a realized amount of PKR 3.48 trillion. The Weighted average yield for 3 months decreased slightly by 2bps, while 6 months and 12 months increased by 4bps, and 8bps respectively to 21.3208%, 21.3634% and 21.3371%.

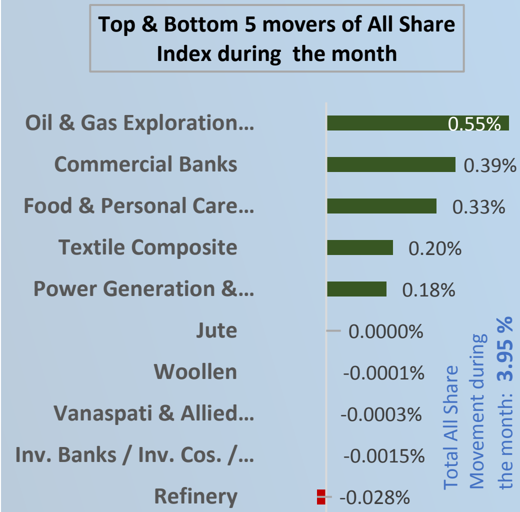
- The NCPI during the month of December 2023 clocked in at 29.66% YoY as compared to 29.23% in November 2023 and 24.5% in December 2022, taking 6MFY24 average NCPI to 28.79% compared to 25.02% during the SPLY. On a regional basis, Urban and Rural CPI clocked in at 30.93% and 27.86% respectively. This rise in inflation can be attributed to a 3.56% increase in prices of utilities i.e. Housing, Water, Electricity, Gas and Fuel which represents a weightage of 23.63% in the Consumer Price Index. Inflation expectation of both consumers and businesses, though improving in recent months, remain at an elevated level. Nevertheless, barring further sizable increase in administered prices, it is expected that headline inflation will decline significantly in the second half of FY24 due to contained aggregate demand, easing supply constraints, moderation in international commodity prices and favorable base effect.

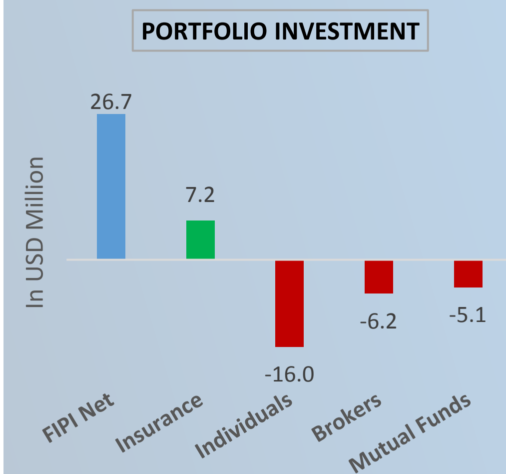
- Federal Board of Revenue created history by crossing 1 trillion collections during the month. Rs.1021 Billion were collected in December, 2023 (net collection of Rs.984 billion after adjusting for refunds). Targets for the month as well as for the first six months of the current financial year were also surpassed. Target for the first six months was Rs.4425 billion (as agreed with IMF), which was surpassed by 43 billion as FBR recorded collection of Rs.4468 billion. FBR in the corresponding six months of the previous year collected Rs.3428, thus registering an increase of more than 1 Trillion.

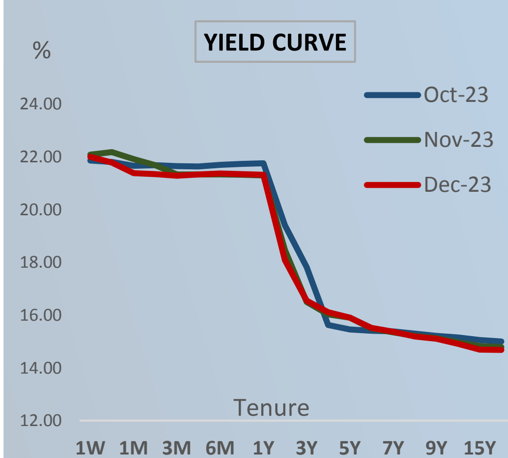
- The Current Account recorded a surplus for the month of Nov 2023 of USD 09 million, the first since Jun 23, compared to CAD of USD 184 million (revised) in Oct 2023 taking the 5MFY24 CAD to USD 1.16 billion against USD 3.26 billion SPLY, down -64% on the back of decline in imports, increase in exports and other current transfers

- The Large Scale Manufacturing Index (LSMI) output for the month of Oct 23 decreased by 4.08% YoY, after registering two consecutive months of increase. LSMI recorded MoM decrease of 2.00% while Jul-Oct 23 period showed a decline of 0.44% when compared to SPLY. The sectors majorly contributing to the overall decline included Textile, Furniture, Automobiles & Tobacco.

- The federal government's total debt (domestic and external) at Nov 23 stood at PKR 63.4 Trillion with an YOY increase of 24.39% while MoM increase stood at 1.5%. The federal government has accrued an incremental debt of 2.5 Trillion since the start of Fiscal Year 2024.







AKD Islamic Stock Fund

Fund Manager's Comments

During December-2023, the NAV of the AKD Islamic Stock Fund (AKDISSF) increased by 12.02% versus the KMI-30 which increased by 2.98%. Fiscal year to date return for the fund clocked in at 72.33% as compared 48.03% return provided by Benchmark KMI-30 Index.

Fund Information

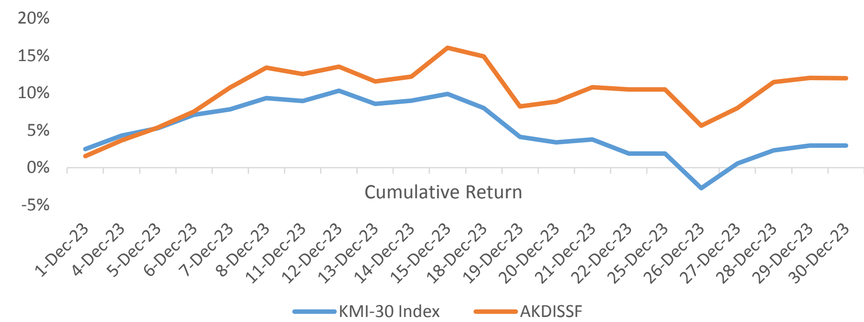
Investment Objective: : The Objective of AKD Islamic Stock Fund is to invest in the Capital Markets through an optimal combination of strategies in Shariah compliant equities providing capital growth and dividends.

Fund Type	Open-End
Category	Islamic Equity Scheme
Net Assets (PKR)	191,282,826
NAV (PKR)	57.2504
Risk Profile	High
Risk of Principal Erosion	Principal at high risk
Benchmark	KMI-30 Index
Dealing Days	Monday to Friday
Cut-off Timings	9:00 am to 5:00 pm
Pricing Mechanism	Forward Pricing
Management Fee	2%
Sales Load (Front End)	3%
Sales Load (Back End)	Nil
Total Expense Ratio (Annualized)	MTD (5.23%) YTD (4.84%)
Government Levies (Annualized)	MTD (0.39%) YTD (0.46%)
Date of Fund Launch	February 20, 2018
Trustee	Digital Custodian Company Limited (Formerly: MCBFSL)
Auditor	Riaz Ahmad & Company, Chartered Accountants
Asset Manager Rating	AM3++ by PACRA (27-Jun-23)
Fund Rating	1 Star (1 Year), 4 Star (3 Year), 1 Star (5 Year) by PACRA (15-Aug-23)
Leverage	Nil
Fund Manager	
Ms. Anum Dhedhi	
Investment Committee Members	
Mr. Imran Motiwala	Ms. Anum Dhedhi
Mr. Muhammad Yaqoob, CFA	Mr. Danyal Dawoodani
Mr. Usman Haroon, CFA, FCCA	

* Cumulative Return

** Geometric Mean

Fund Performance: December-2023



	FYTD	MTD	365 Days	3 Years*	5 Years*	Since Inception**
KMI-30	48.03%	2.98%	53.39%	47.16%	71.20%	6.41%
AKDISSF	72.33%	12.02%	59.21%	37.08%	37.87%	2.34%

	FY23	FY22	FY21	FY20	FY19
KMI-30	2.88%	(10.25%)	39.32%	1.62%	(23.84%)
AKDISSF	(17.92%)	(18.72%)	66.48%	(14.05%)	(25.95%)

Asset Allocation (% of Total Assets)	31-Dec-23	30-Nov-23
Equities	86.59%	87.98%
T-Bills	0.00%	0.00%
Cash	4.52%	10.57%
Other Assets	8.89%	1.46%

Top Ten Equity Holdings (% of Total Assets)			
Faysal Bank Limited	15.30%	Thal Limited	7.75%
Hub Power Company Limited	10.27%	Interloop Limited	6.37%
Al Shaheer Corporation Limited	9.74%	Pakistan Petroleum Limited	5.31%
Pakistan State Oil Company Limited	9.38%	Punjab Oil Mills Limited	2.99%
Tata Textile Mills Limited	9.21%	Oil & Gas Development Company Limited	2.60%

Sector Allocation (% of Total Assets)	31-Dec-23	30-Nov-23
Commercial Banks	15.30%	6.54%
Power Generation & Distribution	11.31%	17.06%
Food & Personal Care Products	10.64%	7.76%
Oil & Gas Marketing Companies	9.38%	9.28%
Textile Spinning	9.21%	8.78%
Others	44.16%	50.58%

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
Faysal Bank Limited	Equity	33,137,085	-	33,137,085.42	17.32%	15.30%

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

Disclosure of Sindh Workers' Welfare Fund (SWWF)

During the month of August 2021, provisioning against Sindh Workers Welfare Fund by AKDISSF amounting to PKR 2.26 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 AKDISSF (0.26/unit) 0.53%. This is one-off event and is not likely to be repeated in the future.

MUFAP's Recommended Format