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 CIO's Desk

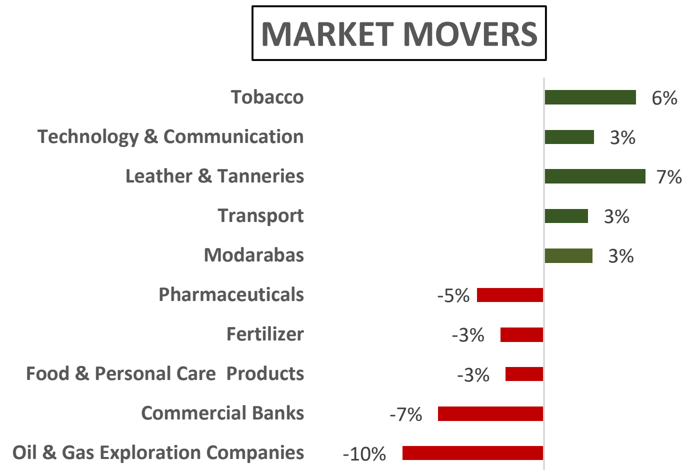
During the month of September 2022, the equity market remained under pressure recording a decline of 1,222 points to settle at 41,128.67 points (down 2.89%/0.99% MoM/FYTD). Weak sentiment during the month stemmed from unprecedented devastating floods which is reportedly expected to cost the economy USD 28 billion and drag GDP growth to below 2.5% in FY23. While Pakistan received its much-needed IMF tranche of USD 1.16 billion, but increased financing requirements and import pressures led to a continued devaluation of the exchange rate to PKR 228/USD. The average daily traded volume decreased by 47% to 172.57 million as compared to 326.58 million recorded during August 2022 and the KSE-100 Index closed at a forward P/E and P/B of 4.2x and 0.8x respectively, with a healthy dividend yield of 9.8%.

On the other hand, it was encouraging to note foreigners as net buyers with a net inflow of USD 14.59 million during the month as compared to an outflow of USD 5.38 million recorded during the preceding month. On the local front, Mutual Funds and Insurance offloaded dismal amounts of USD 20.20 million and USD 16.66 million respectively as liquidity it seems continued to move to high yielding government securities, whereas Banks and Individuals remained net buyers with amounts of USD 9.00 million and USD 6.46 million, respectively.

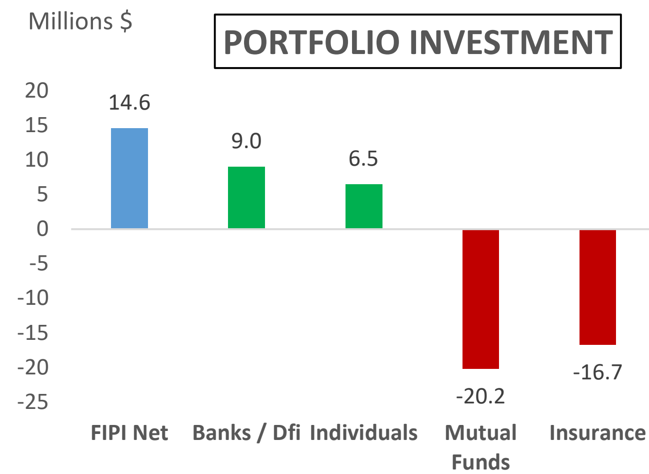
Other major news reports that affected the investors' sentiment during the month included:
1) A 15-member team of the Financial Action Task Force (FATF) concluded a five-day visit to Pakistan which is expected to pave the way for the Country to finally exit the Grey List.
2) The Saudi Fund for Development (SFD) agreed to roll over USD 3 billion deposits with Pakistan for another year which was deposited in December 2021 under an agreement, which was notably scheduled to mature in December 2022.
3) The Country's Current Account Deficit (CAD) for the month of August 2022 shrunk by 42% MoM to USD 703 million taking the 2MFY23 CAD to USD 1.92 billion compared to USD 2.37 billion in SPLY.
4) The Large Scale Manufacturing Index (LSMI) for the month of July 2022 declined by 16.5% MoM /1.4% YoY as compared to July 2021.
5) Ishaq Dar, a veteran politician, was sworn in as the Country's Finance Minister for the fourth time after his predecessor Miftah Ismail resigned from the said post.
6) The World Bank and Asian Development Bank are reportedly contemplating financing approximately USD 2 billion and USD 1.5 billion arrangements respectively, to jump start reconstruction and rehabilitation of infrastructure, housing, restoring livelihoods, and more importantly to help strengthen Pakistan's resilience to climate-related risks.
7) During the month, the Country's Foreign Exchange Reserves held with the State Bank of Pakistan (SBP) declined by another USD 828 million (down 9%) to close at USD 8.01 billion.

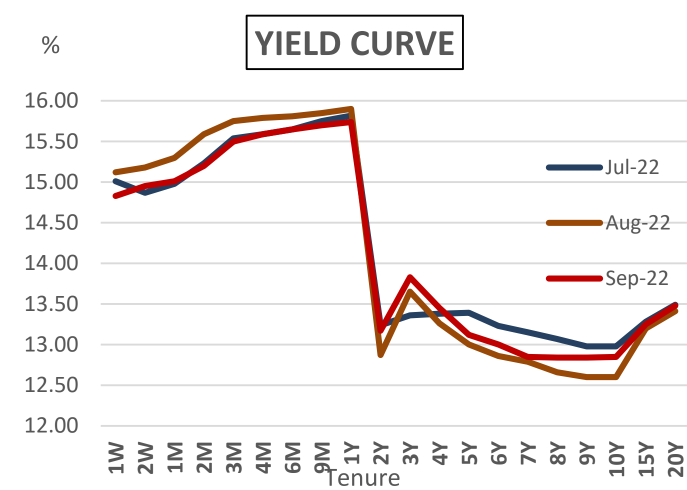
NCPI during the month of September 2022 clocked in at 23.2%, a surprisingly low reading than the estimated 26% taking the average inflation for 3MFY23 to 25.11%. This decline in monthly inflation came mainly on the back of the Government's decision to disperse fuel tariff adjustments over the course of October 2022-March 2023 to offset the flood-induced price hike in food items.

The appreciation of the local currency by 4% to PKR/USD 228.45 after touching a low of PKR 239.71 coupled with the Government's administrative efforts is widely expected to positively impact the inflation readings going forward; thus providing space to the State Bank of Pakistan (SBP) to keep the interest rates unchanged in the next Monetary Policy Statement (MPS) scheduled on October 10, 2022. However, it is pertinent to note that one of Pakistan's International Bonds amounting to USD 1 billion is scheduled to mature in December 2022 which is expected to eat into approximately 12% of the Country's FX reserves. During the month, the SBP conducted two MTB auctions with a realized amount of PKR 2.12 trillion. The Weighted average yields for 3 months, 6 months, and 12 months, MTB increased by 24bps, 13bps, and 9bps to 15.9749%, 15.9461%, and 15.9884% respectively as compared to the last month.



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.

AKD Islamic Stock Fund

Fund Manager's Comments

During September-2022, the NAV of the AKD Islamic Stock Fund (AKDISSF) decreased by 1.77% versus the KMI-30 which decreased by 4.10%. Fiscal year to date return for the fund clocked in at -3.87% as compared -1.90% return provided by Benchmark KMI-30 Index.

Fund Information

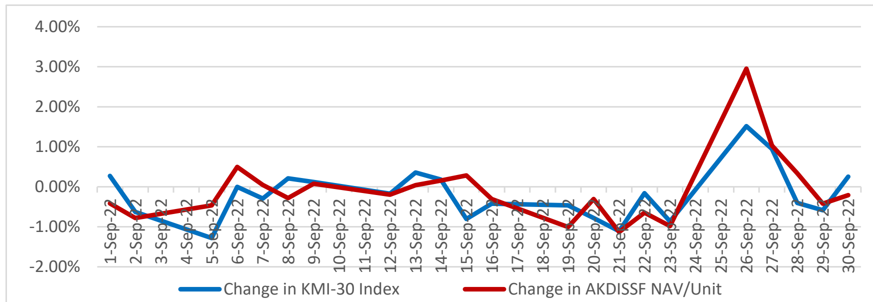
Investment Objective: : The Objective of AKD Islamic Stock Fund is to invest in the Capital Markets through an optimal combination of strategies in Shariah compliant equities providing capital growth and dividends.

Fund Type	Open-End
Category	Islamic Equity Scheme
Net Assets (PKR)	227,007,144
NAV (PKR)	38.9050
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 (4.29%), YTD (4.19%)
Government Levies (Annualized)	MTD (0.35%), YTD (0.36%)
Date of Fund Launch	February, 2018
Trustee	Digital Custodian Company Limited – Formerly MCBFSL
Auditor	Riaz Ahmad & Company, Chartered Accountants
Asset Manager Rating	AM3++ by PACRA (30-Jun-2022)
Fund Rating	3 Star (1 Year), 5 Star (3 Year), by PACRA (10-Aug-22)
Leverage	Nil
Fund Manager	
Ms. Anum Dhedhi	
Investment Committee Members	
Mr. Imran Motiwala	Ms. Anum Dhedhi
Mr. Muhammad Yaqoob, CFA	Mr. Danish Aslam
Mr. Sheikh Usman Haroon	
Mr . Ali Abbas, CFA	

* Cumulative Returns*

** Geometric Mean

Fund Performance: September-2022



	FYTD	MTD	365 Days	3 Years*	5 Years*	Since Inception**
KMI-30	(1.90%)	(4.10%)	(6.71%)	31.89%	-	(1.62%)
AKDISSF	(3.87%)	(1.77%)	(15.83%)	27.21%	-	(5.30%)

	FY22	FY21	FY20	FY19	FY18
KMI-30	(10.25%)	39.32%	1.62%	(23.84%)	(1.81%)
AKDISSF	(18.72%)	66.48%	(14.05%)	(25.95%)	(5.94%)

Asset Allocation (% of Total Assets)	30-Sep-22	31-Aug-22
Equities	97.25%	96.79%
T-Bills	0.00%	0.00%
Cash	0.93%	1.82%
Other Assets	1.82%	1.39%

Top Ten Equity Holdings (% of Total Assets)			
BankIslami Pakistan Ltd.	13.90%	Al Shaheer Corporation Ltd	9.86%
Hub Power Company Ltd	12.92%	Attock Refinery Ltd	5.76%
Thal Limited	10.13%	K-Electric Ltd	4.53%
Cnergyico PK Ltd	10.04%	Pakistan State Oil Co. Ltd	3.53%
Abbott Lab (Pakistan) Ltd.	9.88%	International Steels Ltd	3.00%

Sector Allocation (% of Total Assets)	30-Sep-22	31-Aug-22
Refinery	18.44%	18.96%
Power Generation & Distribution	17.45%	18.28%
Commercial Banks	13.90%	14.25%
Automobile Parts & Accessories	10.13%	9.63%
Pharmaceuticals	9.88%	8.96%
Others	30.19%	29.92%

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 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.