AKD Index Tracker Fund

For the month of December2011

AKD Index Tracker Fund

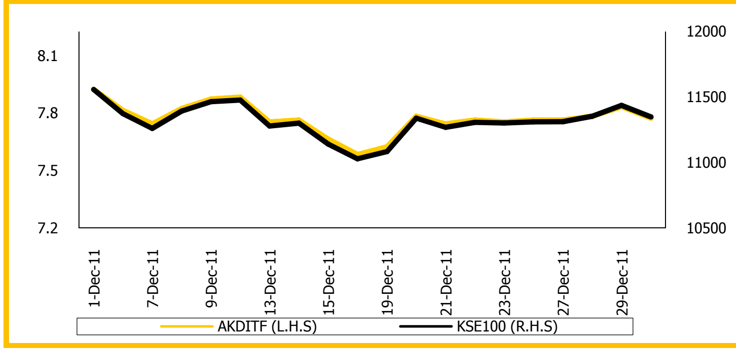
For the month of December, AKDITF posted a return of -1.90% against a benchmark KSE-100 Index return of -1.61%, thus underperforming the benchmark index on a MoM basis.

With the expected CPI to remain below the discount rate for FY12 and expected CPI in single digits for the year FY13 would result in a strong case for a discount rate cut going forward. However, fiscal slippages would counter any productive outcome from this end. Foreign inflows being dependant on the no objection certificate from the IMF which is subject to compliance of fiscal measures by the government coupled with tensed Pak-US relations would keep pressure on the balance of payments position and ultimately on the country's FX reserves. Local politics would also result in a volatile market with the Senate Elections due in FY12 and general election due in FY13. We advise investors to invest cautiously in the capital markets for the time being.

Investment Objective

To track the return of the KSE-100 index with up to 85% accuracy, providing investors with a high quality, indepth diversification instrument.

Fund Performance



	FYTD	1 Month	3 Month	6 Month	1 Year
KSE 100	-9.19%	-1.61%	-3.52%	-9.19%	-5.61%
AKDITF	-9.98%	-1.90%	-3.84%	-9.98%	-7.51%

Fund Information

Fund Type	Open-end
Category	Index Tracker
Date of Fund launch	October, 2005
Assets under Managemen	174.752 mn
NAV (30th Dec 2011)	PkR 7.7682
Benchmark	KSE100 Index
Dealing Days	Mon to Fri
Cut-off Timings	9:00 am to 5:00 pm
Pricing Mechanism	Forward Pricing
Management Fee	0.75% (exceptionally low fees for Passive management)
Sales Load	1%
Trustee	CDC
Auditor	KPMG & Taseer Hadi & Co.
Asset Manager Rating	AM3

Top Ten Equity Holdings

Oil and Gas Dev Co. Ltd	23.23%	MCB Bank Ltd	4.01%
Pakistan Petroleum Ltd	7.88%	Pakistan Oilfields Ltd	2.92%
Nestle Pakistan Ltd	5.79%	Unilever Pakistan Ltd	2.61%
Fauji Fertilizer Co. Ltd	4.52%	National Bank Of Pakistan	2.46%
Habib Bank Ltd	4.16%	United Bank Ltd	2.29%

Asset Allocation (% of Total Assets)	**30-Nov-11**	**31-Dec-11**
Equities	96.83%	94.04%
Fixed Income	0.00%	0.00%
Cash	3.02%	5.83%
Leverage	Nil	Nil
Other Assets	0.15%	0.13%

Sector Allocation	**30-Nov-11**	**31-Dec-11**
Oil and Gas	39.16%	38.16%
Banks	20.45%	19.02%
Chemicals	12.79%	11.35%
Food Producers	8.29%	9.58%
Electricity	3.17%	3.05%

Mr. Imran Motiwala   Mr. Nadeem S. Siddique

Mr. Amin Hussain   Mr. Muhammad Yaqoob