AKD
Index Tracker Fund

AKD Index Tracker Fund

AKD Investment Management Ltd **January '08**

Investment objective

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

Fund Manager
Ali Alvi

Base Currency of Fund: PkR

Total Units: 39,245,380 units

Assets Under Management
PkR 520mn

Dividend Yield for FY07
5.6% (on starting NAV of FY07)

Type of Fund: Open ended

Date of Fund launch
Oct, 2005

Fund Index
KSE100 Index

Net Asset Value (31st Jan '08)
PkR.13.25

KSE symbol
AKDITF

Management Fee
0.75% (exceptionally low fees for passive management)

Sales load
1% Front-end
2% Back-end (only for seed investors)

Financial Year
July 1st ~ June 30th

Auditor
M. Yousaf Adil Saleem & Co.

Contact Us

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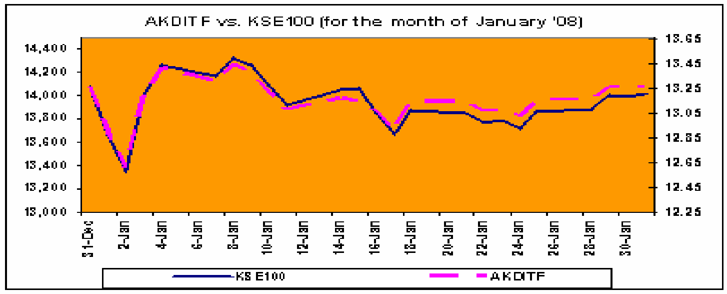
AKD Investment Management Ltd.

Fund Performance



Cumulative Performance (Dividends reinvested)

	YTD	1 Month	3 Months	6 Months	1 Year
KSE 100	1.77%	-0.42%	-2.12%	2.02%	24.34%
AKD Index Tracker Fund	-1.78%	-0.08%	-4.40%	-0.97%	18.52%

Market Performance

The market for the month was range bound, down 0.42% MoM. The after effects of Mohtarma Benazir Bhutto's assassination led to negative opening for the KSE100 Index, which lost 5.14% in the first two trading days. However, normalcy gradually set in and the market started to recover closing the month with a flat performance.

News for the month was not very encouraging where most of the earning announcements were below expectations. This was further exacerbated by fears of US recession, downward trend in global markets, outflow from SCRA account, and high inflation (December CPI stood at 8.79%). Going forward, result season will come into full swing in February while on the political front investors will also keep a close eye on the Feb 18th elections and the developments thereafter.

Fund Activity during the month

AKD Index Tracker Fund, being a passively managed fund, does not require intensive fund management. However, the fund managers continued to fine tune the portfolio to minimize the tracking error and manage liquidity. PICIC and PICIC Bank has been taken over by NIB and therefore the former two companies have been replaced in the KSE100 index by NIB. The fund has received NIB shares in replacement of holdings in PICIC / PICIC Bank.

Portfolio Details

Portfolio Composition (% of Assets under Management)

Equity: 98.85%	**Debt: 0%**	**Cash: 1.15%**

Top 5 Holdings (31st January '08)

Security Name	%
Oil & Gas Dev Co.	13.67
Muslim Commercial Bank	7.96
National Bank of Pakistan	6.11
Pakistan Petroleum Ltd	4.91
Standard Chartered Bank	4.76

Fund Characteristics

Statistic	FY08F
Price to Earning Ratio	10.38x
Price to Book Value Ratio	2.64x
EPS Growth	20.13%
Dividend Yield	5.05%

Sector Breakdown (31st January '08)