AKD Index Tracker Fund

For the month ending March 2011

Fund activity during the month:
AKD Index Tracker Fund posted a return of 4.45% against 4.61% for the benchmark for the month of March 2011.

The benchmark has been re-composed reflecting the change in market-capitalization for the companies in the Index. As a result, a total of three companies have replaced a similar number in the Index. Fauji Cement, KASB Bank and World Call have been replaced by Agritech, Fatima Fertilizer and Indus Dyeing. The changes are expected to be put into effect in first trading session of April 2011.

The tracking error of the Fund has been contained at 0.16% as we continue to follow the policy of tracking error minimization discussed in previous monthly reports. In terms of outlook the KSE-100 Index has entered into range bound territory in the near term and we expect this to continue until the budget picture begins to clear by end May 2011. That said, the Investment Committee's view is that over a 8-12 month investment horizon the KSE-100 Index has over 15% upside which should be driven by improved corporate fundamentals. As investors begin to look beyond FY11 earnings and focus on FY12 outlook, valuations are likely to expand over next three to four quarters. Further, relatively healthy dividend yield at around 7% plus, should act as protection against significant downside risk

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.

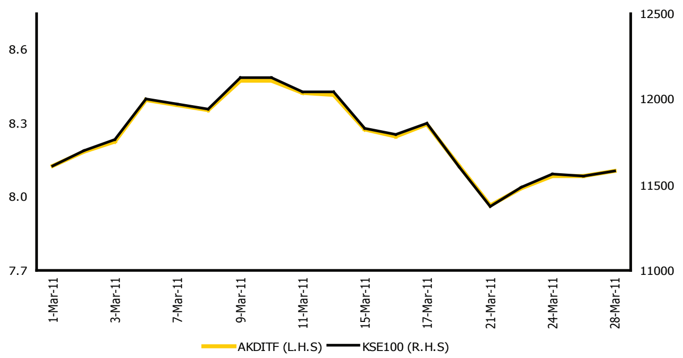
Fund Information

Fund Type	Open-end
Category	Index Tracker
Date of Fund launch	October, 2005
Assets under Management	175.371mn
NAV (31st Mar 2011)	PkR 8.21
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)
Trustee	CDC
Auditor	M. Yousaf Adil Saleem & Co.
Asset Manager Rating	AM3

Investment Committee Members

Mr. Nadeem Naqvi	Mr. Imran Motiwala
Mr. Amin Hussain	Mr. Nadeem S. Siddique
Mr. Muhammad Yaqoob	Mr. Ahmed Hassan

Fund Performance



	FYTD	1 Month	3 Month	6 Month	1 Year
KSE 100	21.47%	4.61%	-1.77%	17.94%	16.03%
AKDITF	19.28%	4.45%	-2.15%	16.45%	9.45%

Top Ten Equity Holdings

Oil and Gas Development	19.64%	Fauji Fertilizer Company	3.95%
Pakistan Petroleum	8.51%	National Bank Pakistan	3.23%
Muslim Commercial Bank	5.85%	Engro Chemicals	2.74%
Nestle Pakistan	5.25%	Pakistan Oilfields Limited	2.59%
Habib Bank Limited	4.15%	United Bank Limited	2.54%

Asset Allocation (% of Total Assets)	Feb 28, 2011	Mar 31, 2011
Equities	98.08%	96.84%
Fixed Income	0.00%	0.00%
Cash	1.92%	3.16%
Leverage	NIL	NIL

Sector Allocation (% of NAV)	Feb 28, 2011	Mar 31, 2011
Oil and Gas	37.23%	35.34%
Banks	21.85%	22.22%
Chemicals	10.22%	11.32%
Food Producers	8.81%	8.45%
Electricity	3.23%	3.01%