Funds Managed by:

AKD Investment Management Ltd.

1st Quarter Report
September 30, 2012
(Un-audited)

Quarterly report

AKD AGGRESSIVE INCOME FUND

AKD CASH FUND

AKD OPPORTUNITY FUND

AKD INDEX TRACKER FUND

Partner with AKD Profit from the Experience

AKD Investment Management Ltd.

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CORPORATE INFORMATION

MANAGEMENT COMPANY

AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman
Mr. Farrukh Shaukat Ansari

Chief Executive Officer
Mr. Imran Motiwala

Directors
Mr. Ali Qadir Gilani
Mr. M. Ramzan Sheikh
Mr. Aurangzeb Ali Naqvi
Mr. Muhammad Amin Hussain
Mr. Nadeem Saulat Siddiqui

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Munir Abdullah

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob

AUDIT COMMITTEE

Mr. Ali Qadir Gilani (Chairman)
Mr. Aurangzeb Ali Naqvi (Member)
Mr. M. Ramzan Sheikh (Member)
Mr. Muhammad Amin Hussain (Member)
Mr. Muhammad Yaqoob (Secretary)

INTERNAL AUDITORS

Rafaqat Mansha Mohsin
Dossani Massom & Co.
Chartered Accountants
Suite 113, 3rd Floor,
Hafeez Centre, KCHS,
Block 7 & 8, Shahrah-e-Faisal,
Karachi-75350

RATING

AKD Investment Management Ltd. (AMC)
JCR-VIS: AM3- (AM Three Minus)

Vision

To serve investors in Pakistan's capital markets with diligence, integrity and professionalism, thereby delivering consistent superior returns and unparalleled customer service.

Mission Statement

AKD Fund shall continuously strive to:

- *Keep primary focus on investing clients' interest*
- *Achieve highest standards of regulatory compliance and good governance*
- *Prioritize risk management while endeavoring to provide inflation adjusted returns on original investment*
- *Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy*
- *Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent superior performance*
- *Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth*

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of **AKD Aggressive Income Fund (AKDAIF) formerly AKD Income Fund, AKD Cash Fund (AKDCF), AKD Opportunity Fund (AKDOF)** and **AKD Index Tracker Fund (AKDITF)** is pleased to present its Quarterly Report along with the Funds' accounts for the first quarter ended September 30, 2012.

Macro Perspective

Despite volatile economic and political conditions, our current account marked a surplus of US$432 million for the quarter ended September 30, 2012, as compared to a deficit of US$1,339 million witnessed during the corresponding period last year. The surplus was mainly on the back of strong remittances recorded at US$3.6 billion and a receipt of US$ 1.12 billion on account of the Coalition Support Fund subsequent to the revamping of ties with the US following an apology by the US on the Salala incident. The Trade Deficit also declined by 9.97% in the first quarter both due to rise in exports by 4.26% YoY to stand at US$ 6.19 billion as well as a decline in imports by 2.4% YoY to US$ 10.85 billion. The foreign exchange reserves of the country stood at US$ 14.9 billion at the end of September 2012, a decline of 2.37% on a year to date basis. However, had there been no payment under the Coalition Support Fund, the situation would have been grave due to the ongoing repayments to the International Monetary Fund. CPI inflation during July-September FY 2012-13 averaged 9.1% as compared to 11.5% during July-September FY 2011-12. With the decline in CPI Inflation, the State Bank of Pakistan decided to decrease the discount rate further by 200 basis points to stand at 10.00%.

Equity Market

The market continued to remain bullish on the back of healthy foreign inflows and significant cut in the discount rate. The market seems to have moved through three distinct phases, 1) sharp increase in July, 2) stable in August and 3) range bound during September with low volumes. The Index increased sharply by 1,643 points or 11.91%, making Pakistan the best performing market among its regional peers on a YTD basis. Bullish sentiment was on account of single digit CPI inflation numbers which allowed the State Bank to reduce the discount rate. Net foreign investment for the quarter stood at US$93 million. Average daily volumes for the quarter stood at 140 million shares. While inflation continues to ease there are further expectations of a reduction in the discount rate as the market run-up remains on track. On the other hand, investors will exercise caution as the volatile political scenario coupled with key institutions still at an impasse on a numerous issues will keep the market in check.

Money Market Dynamics

The yields on Treasury Bills have declined by 180-200 basis points since June 2012 following the discount rate cut. Cut off rates on the T-Bills and PIB declined by 150 bps and 141 bps respectively to close at 10.43% and 11.27% in the first quarter FY-13. The significant decline in yields is because of low inflation numbers primarily on account of declining oil and gas prices. During the quarter the State Bank continued to inject liquidity into the banking system through open market operations in order to stabilize the money market. Moving forward we believe that market interest rates will continue to follow the discount rate path, while we expect a further cut of 50 bps in the upcoming monetary policy announcement due in December 2012.

Future Outlook

Declining momentum in the CPI inflation during July-September FY13 averaged 9.1% as compared to 11.5% for the corresponding yearly position, the SBP citing it as an opportunity decreased the discount rate to 10.00% enhancing its effort to promote private sector credit off-take. Further aggressive rate cuts may be witnessed which seem unsustainable in the long run due to weakening of fiscal accounts. With no measures to increase the country's revenue (taxes) and increasing expenditures on account of upcoming elections the economy will remain in the woods for some time.

As general elections are around the corner we expect that the present Government will continue to announce a series of populist measures which will focus on boosting economic activity in the short-term which will bode well for the stock market.

Comparing to regional markets the KSE-100 is trading at a PE of 7.39 x as compared to its regional peers of 12.33x 2013. Furthermore the equity markets offer an attractive 2013 average dividend yield of 6.5% compared to the regional average of only 3.1% giving room for further upside. However impediments to this upside would be declining foreign exchange reserves due to repayments to the IMF and other donor agencies, weakening current and fiscal accounts and political volatility due to elections.

For and on behalf of the Board

Imran Motiwala
Chief Executive Officer

Karachi: October 31, 2012

AKD Opportunity Fund
Financial Statements - First Quarter FY13

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AKD Opportunity Fund

MANAGEMENT COMPANY
AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

INTERNAL AUDITORS
Rafaqat Mansha Mohsin Dossani
Masoom & Co.
Chartered Accountants
Suite 113, 3rd floor, Hafeez Centre
KCHS, Block 7 & 8 Shahra-e-Faisal,
Karachi-75350

TRUSTEE
Central Depository Company of
Pakistan Limited
CDC House 99-B, Block-B S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi.

BANKERS
Bank Alfalah Limited
Habib Metropolitan Bank Limited
KASB Bank Limited
Mybank Limited

AUDITORS
KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.2
Beaumont Road, Karachi.

LEGAL ADVISER
Sattar & Sattar
Attorneys -at -law
3rd Floor, UBL Building,
I.I. Chundrigar Road,
Karachi

REGISTRAR
AKD Investment Management Limited.
216 - 217, Continental Trade Centre,
Block-8, Clifton Karachi-74000
UAN: 111-253-465 (111-AKDIML)

DISTRIBUTORS
AKD Investment Management Limited
AKD Securities Limited
BMA Capital Management Limited
IGI Investment Bank Limited
The Bank of Punjab
Accesss Financial Services (Private) Limited
Al-Falah Securities (Private) Limited
Foundation Securities (Private) Limited
Reliance Financial Products (Private) Limited
Bulls & Bulls (Private) Limited

RATING - AKDOF
JCR-VIS: MFR 5-Star

FUND MANAGER'S REPORT

The Net Asset Value of the AKD Opportunity Fund (AKDOF) for the first quarter ending September 30, 2012 increased by 14% versus the KSE-100 Index increase of 11.91% outperforming the benchmark by 2.09%.

During the quarter ended September 30, 2012 the KSE-100 Index increased by 1,643 points to close at 15,445 translating a return of 11.91%. The Fund reported a profit of Rs. 47.503 million as compared to a loss of Rs. 26.294 million in the corresponding period of last year. The Fund's rating agency JCR-VIS rated AKDOF "5 Star" the highest rating which denotes very good performance.

AKDOF remains in line with its core investment philosophy of investing in deep value with strong capital appreciation prospects and a regular flow of dividend.

The Fund aims to hold maximum exposure in equities, with a view of strong market performance owing to broader based undervaluation of the stock market in general.

Economy

The first quarter of the new fiscal year started with a positive note as relations between Pakistan and US stabilized which resulted in the release of the long outstanding US$1.12 billion under the Coalition Support Fund coupled with US$280 million on account of Kerry Luger Bill. This resulted in the current account posting a surplus of US$ 356 million. Head line CPI also continued to ease which supported the State Bank of Pakistan's (SBP) efforts of inducing private sector credit off-take and subsequently the SBP reduced the discount rate by a hefty 150 basis points in the first quarter and another 50 basis points in the month of October. The country continues to retire its foreign currency debt, making payments of US$399 million and US$105 million in October 2012 to the International Monetary Fund (IMF).

The Pakistani Rupee remained stable on the back of foreign inflows against the Coalition Support Fund and Kerry Luger Bill, offsetting the urgency to service scheduled debt re-payments to IMF and other donor agencies.

Equity Market Review

The Karachi Stock Exchange continued to perform with increased participation from retailers and high net worth individuals. Monetary easing further supported the market bull-run where the Index increased by 1,643 during the quarter to close at 15,445 points, an increase of 11.91%. Volumes continued to improve on increased participation by investors which resulted in healthy daily volumes averaging 128.53 million shares a day for the quarter ended September 30, 2012.The significant performance of the index is mainly on account of reduction in discount rate, better ties with US, comparatively better foreign inflows and more than expected growth in earnings of major sectors including Food Producers, Cements, and Exploration and Production. Additionally, positive developments from the implementation of International Clearing House in order to limit grey trafficking of international calls into Pakistan kept the Fixed Line Telecommunications sector in the lime light.

Fund Strategy and Outlook

The Fund continues to remain in equities with exposure of 94.90%, which reflects our view of the strong market performance owing to broader based under valuation of the market relative to the region with low trading P/E multiples and strong dividend yields.

Top five sector exposure as of June 30, 2012 and their quarter performance:

Sector Name	% of NAV	Return for the quarter ended September 30, 2012
Chemicals	20.71%	-0.28%
Gas Water and Multiutilities	9.87%	15.94%
General Industrials	9.85%	10.17%
Personal Goods	9.82%	19.09%
Oil and Gas	8.05%	13.36%

As general elections come closer we expect the Government to announce populist measures to increase economic activity in the short-term, which will bode well for equities in general.

Elections in the world's largest economy the United States of America would also be a key for the global economic outlook, assuming the current regime is re-elected would result in continuation of the economic and foreign policies. Any change in the set-up would likely result in change in policies and although we expect broader perspectives of either a democrat or republican representative elected to remain consistent uncertainties in the short-term is probable

Global commodity prices would continue to play a role on the fate of the Pakistan's economy being an import based country and one third of the imports based on oil and oil related products. With global economies still struggling to surge from the financial turmoil, global demand for commodities would remain depressed. This would in the longer-term bode well for the Pakistani economy, while our Foreign Reserves on the other hand would remain under pressure due to re-payments to the IMF and other donor agencies. Pakistan is yet to receive an amount of US$ 2 billion on account of the Coalition Support Fund. Other foreseeable receipts include the successful auction of 3G licenses expected to raise approximately US$ 800-900million and an outstanding balance amount of US$ 800 million from Etisalat. This would release pressure from foreign exchange reserves and would prevent the further devaluation of the Pak Rupee

KSE-100 as compared to its regional peers is trading at very low multiples with 2013 forward price to earnings of 7.39x compared to regional average of 12.33x and historical average of 8.0 x, growth of 12.1%, Return on equity of 24%, price to book value of 1.6x and dividend yield of 7.11%. Based on these fundamentals we believe interest both from the local and foreign front will remain upbeat. The KSE-100 Index had yielded a return of 23.5% over the past 10 years and with attractive valuations coupled with a declining interest scenario the Pakistani equities as an asset class is bound to outperform all other asset classes. On the other hand, infrastructural weaknesses, lack of material reforms during election year, a weak currency, power outages and the overall law and order situation will continue to hamper Pakistan's ability to capitalize on its true potential.

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2012

	Note	(Un-audited) September 30, 2012	(Audited) 30 June 2012
		--------- (Rupees in '000)	---------
ASSETS			
Bank balances	6	**7,524**	2,556
Investments	7	**388,480**	335,489
Receivable against Sale of Investments		**10,032**	-
Dividend and profit receivables		**704**	593
Security deposits and other receivables		**2,630**	4,028
Total Assets		**409,370**	342,666
LIABILITIES			
Payable to the Management Company		**764**	536
Remuneration payable to the Trustee		**63**	55
Annual Fee payable to Securities and Exchange Commission of Pakistan		**89**	365
Payable against purchase of investments		**3,648**	-
Payable on redemption of units		**10,256**	-
Accrued expenses and other liabilities		**556**	414
Provision for Workers' Welfare Fund	8	**6,670**	5,701
Unclaimed dividend		**11**	11
Total Liabilities		**22,057**	7,082
NET ASSETS		**387,313**	335,584
Unit holders' fund (as per statement attached)		**387,313**	335,584
		(Number of Units)	
Number of units in issue		**9,634,135**	8,033,809
		(Rupees)	
Net assets value per unit (face value per unit Rs. 50/-)		**40.20**	41.77

The annexed notes from 1 to 12 form an integral part of these financial statements.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2012

	Note	Quarter ended September 30, 2012	2011
		---------(Rupees in '000)---------	
Income			
Gain / (loss) from transactions in marketable securities - net		**8,972**	(1,526)
Dividend income		**649**	1,871
Financial income on			
- bank deposits		**175**	142
- investment in debt securities		**2**	276
Net Unrealised appreciation / (diminution)on remeasurement of investment at fair value through profit or loss - held for trading		**40,949**	(26,746)
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed - net		**655**	2,704
		51,402	(23,279)
Expenses			
Remuneration to the AKD Investment Management Limited - Management company of the Fund		**1,869**	2,056
Sales Tax on Remuneration to the Management Company	10	**299**	329
Remuneration to the Central Depository Company of Pakistan Limited - Trustee of the Fund		**185**	206
Annual fee to the Securities & Exchange Commission of Pakistan		**89**	98
Securities transaction cost		**229**	92
Auditor's remuneration		**60**	60
Provision for workers' welfare fund	8	**969**	-
Others		**199**	174
		3,899	3,015
Net income / (loss) for the period		**47,503**	(26,294)

The annexed notes from 1 to 12 form an integral part of these financial statements.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2012

	Quarter ended September 30, 2012	Quarter ended September 30, 2011
	---------(Rupees in '000)---------	
Net income / (loss) for the period	**47,503**	(26,294)
Other comprehensive income	**-**	-
Total comprehensive income / (loss) for the period	**47,503**	(26,294)

The annexed notes from 1 to 12 form an integral part of these financial statements.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2012

	Quarter ended September 30, 2012	Quarter ended September 30, 2011
	---------(Rupees in '000)---------	
Deficit at beginning of the period		
- Realised	**(154,577)**	(182,313)
- Unrealised	**(39,982)**	(98,667)
	(194,559)	(280,980)
Net gain / (loss) for the period	**47,503**	(26,294)
Distribution:		
Bonus units issued for the year ended 30 June 2012 (at the rate of Rs. 6.50 per unit distributed on 09 July 2012)	**(52,220)**	-
	(4,717)	(26,294)
Deficit at the end of the period	**(199,276)**	(307,274)
Represented by:		
- Realised	**(190,234)**	(178,277)
- Unrealised	**(9,042)**	(128,997)
	(199,276)	(307,274)

The annexed notes from 1 to 12 form an integral part of these financial statements.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2012

	Quarter ended September 30, 2012	Quarter ended September 30, 2011
	------(Rupees in '000)------	
Net assets at beginning of the period	**335,584**	458,984
Amount received on issue of 424,290 units (2011: 424,290 units)	**39,142**	12,197
Amount paid on redemption of 359,751 units (2011 : 1,861,185 units)	**(34,261)**	(54,057)
	4,881	(41,860)
Final distribution of 1,006,053 bonus units for the year ended 30 June 2012	**52,220**	-
Element of (income) / loss included in prices of units sold less those in units redeemed	**(655)**	(2,704)
Total comprehensive loss for the period after distribution	**(4,717)**	(26,294)
Net assets at end of the period	**387,313**	388,126
	----------(Rupees)---------	
Net assets value per unit (face value per unit Rs.50/-)	**40.20**	29.05

The annexed notes from 1 to 12 form an integral part of these financial statements.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2012

	Quarter ended September 30, 2012	Quarter ended September 30, 2011
	----------(Rupees in '000)----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period	**47,503**	(26,294)
Adjustments for non-cash and other items:		
Unrealised diminution / (appreciation) on remeasurement of investment at 'fair value through profit or loss' - held for trading	**(40,949)**	26,746
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed	**(655)**	(2,704)
	5,899	(2,252)
Decrease / (Increase) in assets		
Investments	**(12,042)**	19,830
Receivable against sale of investments	**(10,032)**	46,288
Dividend and profit receivables	**(111)**	(2,079)
Security deposits & other receivables	**1,398**	5,000
	(20,787)	69,039
(Decrease) / Increase in liabilities		
Payable to the Management Company	**228**	(29)
Remuneration payable to trustee	**8**	(13)
Annual fee payable to the Securities and Exchange Commission of Pakistan	**(276)**	(347)
Payable against purchase of Investments	**3,648**	(24,596)
Payable on redemption of units	**10,256**	(707)
Accrued expenses and other liabilities	**142**	(34)
Provision for Workers' Welfare Fund	**969**	-
	14,975	(25,726)
Net cash generated from operating activities	**87**	41,061
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	**39,142**	12,197
Amount paid on redemption of units	**(34,261)**	(54,057)
Net cash used in financing activities	**4,881**	(41,860)
Net increase / (decrease) in cash and cash equivalents during the period	**4,968**	(799)
Cash and cash equivalents at beginning of the period	**2,556**	2,707
Cash and cash equivalents at end of the period	**7,524**	1,908

The annexed notes from 1 to 12 form an integral part of these financial statements.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2012

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Opportunity Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. The Fund is governed under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008. It has been constituted under the trust deed, dated 19 December 2005, between AKD Investment Management Limited (AKDIML) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was Executed on 7 December 2005 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 19 December 2005 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. Accordingly title to the assets of the Fund is held in the name of Central Depository Company Limited as a Trustee of the Fund. The Fund is registered as notified entity under NBFC Regulations, 2008.

The Fund is an open end mutual fund and is listed on Karachi Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund.

The Fund shall invests at least 70% of its net assets in listed equity securities and the remaining net assets shall be invested in cash or near cash instruments which include cash in bank accounts (excluding TDRs) and treasury bills not exceeding 90 days maturity.

The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh, Pakistan.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These condensed interim financial information have been presented in condensed form in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. They do not include all the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Fund as at and for the year ended 30 June 2012.

These condensed interim financial information comprise of condensed interim statement of assets and liabilities as at 30 September 2012 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement, and notes thereto, for the first quarter ended September 30, 2012.

2.2 Functional and presentation currency

These condensed interim financial information are presented in Pak Rupees, which is the functional currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupees thousand.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the published financial statements as at and for the year ended 30 June 2012.

4. ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2012.

5. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2012.

		September 30, 2012 (Unaudited)	June 30, 2012 (Audited)
		(Rupees in '000)	
6. BANK BALANCES			
- In profit and loss saving accounts		**7,499**	2,531
- In current accounts		**25**	25
		7,524	2,556
7. INVESTMENTS			
Investments in securities at fair value through profit or loss - held for trading			
Quoted equity securities	*7.1*	**388,480**	335,489
		388,480	335,489

7.1 **Listed equity securities - Held for trading**

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at the beginning of the period 1 July, 2012	Acquired during the period	Bonus / right shares received during the period	Disposed during the period	Holding at the end of the period September 30, 2012	Cost	Carrying value (before revaluation as at September 30, 2012)	Market value as at September 30, 2012	Unrealised appreciation/ (diminution)	Net assets	Total market value of Investment	Investee paid up capital
	---------- (Number of Share) ----------					---------- (Rupees in '000) ----------						
Commercial Banks												
Habib Metropolitan Bank Limited	464,010	-	-	-	464,010	10,111	8,009	8,144	135	2.10	2.10	0.04
NIB Bank Limited	823,471	-	-	-	823,471	3,739	1,639	2,116	477	0.55	0.54	0.01
National Bank of Pakistan	-	250,000	-	-	250,000	11,438	11,438	10,985	(453)	2.84	2.83	0.02
Soneri Bank Limited	1,579,211	-	-	-	1,579,211	7,991	11,670	10,912	(758)	2.82	2.81	0.20
						33,279	**32,756**	**32,157**		**8.30**	**8.28**	**0.27**
Non Life Insurance												
Adamjee Insurance Company Limited	-	35,000	-	-	35,000	2,187	2,187	2,275	88	0.59	0.59	0.03
						2,187	**2,187**	**2,275**		**0.59**	**0.59**	**0.03**
Personal Goods (Textile)												
Artistic Denim Mills Limited	876,062	-	-	-	876,062	28,138	21,025	22,208	1,183	5.73	5.72	1.04
Ellcot Spinning Mills Limited	105,138	-	-	-	105,138	2,727	2,734	3,593	859	0.93	0.92	0.96
Gul Ahmed Textile Mills Limited	3,820	-	-	-	3,820	84	81	80	(1)	0.02	0.02	-
Island Textile Mills Limited	30,800	-	-	-	30,800	4,871	6,378	9,086	2,708	2.35	2.34	6.16
Service Industries Limited	16,536	5,000	-	-	21,536	4,369	3,640	4,029	389	1.04	1.04	0.18
						40,189	**33,858**	**38,996**		**5.73**	**5.72**	**1.04**
Construction and Materials (Cement)												
Cherat Cement Company Limited	115,000	-	-	115,000	-	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited	-	75,000	-	75,000	-	-	-	-	-	-	-	-
						-	**-**	**-**		**-**	**-**	**-**
Oil and Gas												
Attock Refinery Limited	95,000	-	-	95,000	-	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	65,000	-	12,500	2,500	75,000	16,284	14,740	16,290	1,550	4.21	4.19	0.04
						16,284	**14,740**	**16,290**		**-**	**-**	**-**
Multiutilities (Gas and Water)												
Sui Northern Gas Pipelines Limited	-	540,000	-	240,000	300,000	6,075	6,075	6,201	126	1.60	1.60	0.03
Sui Southern Gas Company Limited	1,698,595	-	-	-	1,698,595	22,538	33,123	37,420	4,297	9.66	9.63	0.19
						28,613	**39,198**	**43,621**		**11.26**	**11.23**	**0.22**
Electricity												
Karachi Electric Supply Company Limited	-	1,156,500	-	1,000,000	156,500	1,008	1,008	1,000	(8)	0.26	0.26	-
Kohinoor Energy Limited	514,250	-	-	-	514,250	17,278	11,056	13,057	2,001	3.37	3.36	0.30
						18,286	**12,064**	**14,057**		**3.63**	**3.62**	**0.30**
Industrial Metals and Mining												
Huffaz Seamless Pipe Industries Limited	176,675	-	-	-	176,675	5,831	4,090	3,666	(424)	0.95	0.94	0.32
Crescent Steel and Allied Products	-	128,000	-	-	128,000	3,464	3,464	3,315	(149)	0.86	0.85	0.23
						9,295	**7,554**	**6,981**		**0.95**	**0.94**	**0.32**
Engineering												
Al-Ghazi Tractors Limited *	56,600	-	-	7,900	48,700	10,745	10,000	9,985	(15)	2.58	2.57	0.11
						10,745	**10,000**	**9,985**		**2.58**	**2.57**	**0.11**
Industrial Transportation												
Pakistan International Container Terminal Ltd.	1,230	-	-	-	1,230	91	180	182	2	0.05	0.05	-
Pakistan International Bulk Terminal Limited**	35,000	-	-	-	35,000	-	350	350	-	0.09	0.09	-
Pakistan National Shipping Corporation Ltd.	240,470	-	-	-	240,470	18,271	3,706	4,232	526	1.09	1.09	0.18
						18,362	**4,236**	**4,764**		**1.23**	**1.23**	**0.18**

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at the beginning of the period 1 July, 2012	Acquired during the period	Bonus / right shares received during the period	Disposed during the period	Holding at the end of the period September 30, 2012	Cost	Carrying value (before revaluation as at September 30, 2012)	Market value as at September 30, 2012	Unrealised appreciation/ (diminution)	Net assets	Total market value of Investment	Investee paid up capital
	(Number of Share)					(Rupees in '000)						
Fixed Line Telecommunication												
Pak Datacom Limited	304,227	-	-	-	304,227	22,968	19,133	15,211	(3,922)	3.93	3.92	3.88
						22,968	**19,133**	**15,211**		**3.93**	**3.92**	**3.88**
Chemicals												
Clariant Pakistan Limited	180,000	-	-	-	180,000	26,602	31,860	39,209	7,349	10.12	10.09	0.53
Ghani Gases Limited	28,517	-	-	-	28,517	371	264	332	68	0.09	0.09	0.04
Sitara Chemical Industries Limited	98,844	-	-	80,400	18,444	4,810	1,938	2,491	553	0.64	0.64	0.09
Engro Corporation Limited	265,000	86,200	-	-	351,200	35,609	35,047	37,498	2,451	9.68	9.65	0.09
Dawood Hercules Corporation Limited	-	243,000	-	155,500	87,500	2,687	2,687	3,125	438	0.81	0.80	0.02
						70,079	**71,796**	**82,655**		**21.34**	**21.28**	**0.77**
General Industrials												
Thal Limited *	355,369	-	-	50,000	305,369	27,309	28,399	39,738	11,339	10.26	10.23	0.41
						27,309	**28,399**	**39,738**		**10.26**	**10.23**	**0.41**
Pharma and Bio Tech												
Searle Pakistan Limited	206,500	-	-	-	206,500	8,880	9,827	11,981	2,154	3.09	3.08	0.67
Otsuka Pakistan Limited	168,371	-	-	-	168,371	12,628	6,036	7,914	1,878	2.04	2.04	1.68
Wyeth Pakistan Limited	961	-	-	-	961	769	826	817	(9)	0.21	0.21	-
						22,277	**16,689**	**20,712**		**5.35**	**5.33**	**2.35**
Media												
Hum Network Limited	300,000	-	-	-	300,000	6,750	6,300	7,095	795	1.83	1.83	6.00
						6,750	**6,300**	**7,095**		**1.83**	**1.83**	**6.00**
Support Services												
TRG Pakistan Limited	6,169,124	-	-	-	6,169,124	28,089	21,098	22,394	1,296	5.78	5.76	1.60
						28,089	**21,098**	**22,394**		**5.78**	**5.76**	**1.60**
Food Producers												
Engro Foods Limited	-	100,000	-	-	100,000	7,048	7,048	7,004	(44)	1.81	1.80	0.01
JDW Sugar Mills Limited	6,577	-	-	-	6,577	523	664	674	10	0.17	0.17	0.02
Noon Sugar Mills Limited	75,370	-	-	-	75,370	1,553	1,507	1,626	119	0.42	0.42	0.46
Quice Food Industries Limited	1,280,000	310,000	-	415,522	1,174,478	7,036	11,929	15,116	3,187	3.90	3.89	2.77
Quice Food Industries Limited - Right	384,000	164,500	-	548,500	-	-	-	-	-	-	-	-
Sanghar Sugar Mills Limited	120,361	-	-	-	120,361	1,743	1,715	2,973	1,258	0.77	0.77	1.01
						17,903	**22,863**	**27,393**		**7.07**	**7.05**	**4.27**
Technology Hardware and Equipment												
TPL Trakker Limited	465,958	-	-	-	465,958	4,660	4,660	4,156	(504)	1.07	1.07	0.25
						4,660	**4,660**	**4,156**		**1.07**	**1.07**	**0.25**
Total as at September 30, 2012						**377,275**	**347,531**	**388,480**	**40,949**	**90.91**	**90.63**	**22.00**
Total as at June 30, 2012						375,472	303,170	335,489	32,320			

*Ordinary shares of face value Rs.5/- each

**These are physical shares of Pakistan International Bulk Terminal Limited (PIBTL), received as specie dividend from Pakistan International Container Terminal Limited (PICTL), in the ratio of one share for every two shares of PICTL held by the Fund on 27 July 2011. The shares of PIBTL are valued at Rs. 10 which is approximately equal to its fair value. While in the NBFC Regulations, the Fund is not allowed to invest in unlisted securities, PIBTL had applied for lising on Karachi Stock Exchange. Besides the management is of the view that it did not on its own self invested in the shares of the above company as it received specie dividend from investee company.

8. WORKERS WELFARE FUND

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it is alleged that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh, challenging the applicability of WWF to the CISs, which is pending adjudication.

During last year, in August 2011, the Lahore High Court (LHC) issued a judgment in response to a petition in similar case whereby the amendments introduced in WWF Ordinance through Finance Acts, 2006 and 2008 have been declared unconstitutional and therefore struck down.

In view of the aforementioned developments of last year, the management company as a matter of abundant caution, has decided to retain and continue with the provision for WWF amounting to Rs.6.670 million (including Rs.0.969 million for the current period) in these financial statements.

Had the above recognition not been made, the net asset value per unit of the Fund would be higher by Re.0.69 / 1.72%.

9. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the fund is required to distribute 90% of the net accounting income other than unrealized capital gains to the unit holders.The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11 of part 1V of the Second Schedule to the Income Tax Ordinance, 2001.

10. SALES TAX ON REMUNERATION TO THE MANAGEMENT COMPANY

During the current quarter an amount of Rs.0.299 million charged against sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include AKD Investment Management Limited (AKDIML), being the asset management company of the Fund, Aqeel Karim Dhedhi Securities (Private) Limited, AKD Securities Limited being the related companies of the management company, Central Depository Company of Pakistan Limited being the trustee, other collective investment schemes managed by the Management Company and directors and key management personnel of the Management Company and also includes entities holding 10% or more in the units of the Fund as at 30 September 2012.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations, and Trust Deed respectively. Other transactions with connected persons are at agreed rates.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

	September 30, 2012 (Unaudited)	June 30, 2012 (Audited)
11.1 Balance as at period / year ended	(Rupees in '000)	
AKD Investment Management Limited - Management Company of the Fund		
Remuneration payable	**622**	536
Sales Tax Provincial on Remuneration Payable	**103**	85
Payable against Redemption of Units	**10,256**	-
Units Outstanding - 165,564 (June 2012: 434,047)	**6,656**	18,131
Central Depository Company of Pakistan - Trustee		
Remuneration payable	**63**	75
National Bank of Pakistan		
Units outstanding - 3,884,759 (June 2012: 3,280,255)	**156,167**	137,021
AKD Investment Management Limited Staff Provident Fund		
Units outstanding - 51,874 (June 2012: 44,905)	**2,085**	1,876
Directors of the Management Company (Key management personnel)		
Units outstanding - 34,141 (June 2012: 9,810)	**1,372**	410
Aqeel Karim Dhedhi Securities (Pvt.) Limited Staff Provident Fund		
Units outstanding - 37,662 (June 2012: 31,802)	**1,279**	1,328

11.2 Transactions during the period

	Quarter ended September 30, 2012	2011
	(Rupees in '000)	
AKD Investment Management Limited - Management Company		
Remuneration	**1,869**	2,056
Sales Tax Provincial on Remuneration	**329**	329
Sales load	**15**	-
Value of units issued - Nil (2011: 174,006) units	**-**	4,992
Value of units redeemed 87,438 (2011: 87,438) units	**13,765**	2,492
Issue of bonus - 79,989 (2011: Nil) units	**2,821**	-
Aqeel Karim Dehdhi Securities (Private) Limited - Staff Provident Fund		
Issue of bonus - 5,861 (2011: Nil) units	**207**	-
AKD Investment Management Limited - Staff Provident Fund		
Issue of bonus - 8,275 (2011: Nil) units	**292**	-
Value of units issued - 51,874 (2011: 133,899) units	**2,000**	3,851
Value of units redeemed 53,180 (2011: 71,980) units	**2,004**	2,051
Central Depository Company of Pakistan - Trustee of the Fund		
Remuneration	**185**	206
Central Depository Service charges	**8**	8

12. DATE OF AUTHORISATION FOR ISSUE

12.1 These condensed interim financial information are unaudited.

12.2 These condensed interim financial information were authorised for issue on October 31, 2012 by the Board of Directors of the Management Company.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

AKD Investment Management Ltd.

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