Funds Managed by:

AKD Investment Management Ltd.

3rd Quarter Report
March 31, 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

Cheif Executive Officer
Mr. Imran Motiwala

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

CHIEF FINANCIAL OFFICER

Mr. Muhammad Munir Abdullah

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob

AUDIT COMMITTEE

Mr. Aurangzeb Ali Naqvi (Chairman)
Mr. Ali Qadir Gilani (Member)
Mr. M. Ramzan Sheikh (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 Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF)** and **AKD Opportunity Fund (AKDOF),** is pleased to present its Quarterly report along with the Fund's accounts for the nine month period ended March 31, 2012.

AKD Index Tracker Fund (AKDITF)

The NAV of AKDITF registered a rise of 8% to reach PkR9.31/unit for 9 MFY 2012 period ended March 31, 2012. The Fund ended the period with a profit of PkR8.403 million against a loss of PkR14.839 million subsequent period last year.

AKD Cash Fund (AKDCF)

AKD Investment Management Limited the Management Company in the 3QFY-12 launched AKD Cash Fund broadening its product range. A product of low risk and consistent flow of income, the AKD Cash Fund is suited for conservative investors with little tolerance for price volatility while ensuring liquidity, along with a regular return in line with on-going interest rates of AA and Government rated securities / instruments.

The NAV per unit of AKDCF as at March 31, 2012 was PkR50.5866 compared to PkR50.000 as on January 20, 2012. During the period the fund announced bonus units to AKD Cash Fund unit holders on a monthly basis. Net Assets of AKDCF as of March31, 2012 were PkR103 million. The Management Company in its efforts to encourage fund sales had waived off Management fee from 1.25% to 0% with prior approval of the SECP till 30th June 2012.

AKD Aggressive Income Fund (AKDAIF)

AKD Aggressive Income Fund (formerly AKD Income Fund) marked its 9MFY ended March 31, 2012 with an annualized return of 11.98% against KIBOR benchmark of 13.27%, hence underperform by 1.29% at a closing NAV of PkR 51.05504. Net Assets of AKDAIF as at March 31, 2012 were PkR443.015 million versus PkR413.691 million as at June 30, 2011. Net Income of AKDAIF for the nine month period ending March 31, 2012 was PkR34.152 million against 22.406 million in corresponding period last year. Including unrealized appreciation of investments and realized capital gains, total comprehensive income of AKDAIF was PkR36.763 million in 9MFY12 versus PkR24.710 million in 9MFY11. During this period Investment Portfolio showed income of PkR43.576 million versus PkR41.563 million during corresponding period last year. The difference of approximately PkR2.013 million can be attributed to higher income generated from Margin Trading System and income from Government Securities. The total amount of net investment as at March 31, 2012 was PkR264.845 million versus PkR342.348 million as at June 30, 2011.

AKD Opportunity Fund (AKDOF)

The Net Asset Value (NAV) of AKDOF was PkR38.37 as at March 31, 2012 versus PkR31.01 as at June 30, 2011. The Fund size in terms of Net Assets rose to PkR522.127 million as at end March 31, 2012 versus PkR458.984 million as at June 30, 2011. For the nine month period ended March 31, 2012 AKDOF had a profit of PkR100.118 million versus a loss of PkR27.443 million in the corresponding period last year. During the period gain from marketable securities increased by 0.73%, dividend income surged by 10.27% and net unrealized appreciation on re measurement of investment at fair value through profit increased by 9.59%. Fund operating expenses decreased by 13.02%. The fund during the quarter posted a return of 38.70% versus the benchmark KSE-100 Index return of 21.27% thus significantly outperforming the benchmark.

Macro Perspective

The period July 2011 - Mar 2012 has seen a further entrenchment of economic trends, while inflationary pressures have continued to ease the fiscal position has gradually worsened on the back of unprecedented government borrowing. CPI growth averaged a low 10.65% YoY in the period, which makes it all the more likely that inflation in FY12 will hover at around 11.00% only. However, there are still quite a few inflationary threats on the horizon, amongst which are the government's ever growing appetite for credit, SBP's liquidity injections for the purpose of the system's financial stability and an imminent increase in energy prices.

As the country continues to struggle with a power crisis, which has already frustrated the industrial sector hurting exports in the process and bound to eventually fuel inflation. This will impact prices at home as well as hurt exports, which in turn means dampened foreign exchange earnings. At the same time, it will limit the already limited foreign direct investment which is much needed for the country to create both economic activity and employment.

However, going into election year it is unlikely that the government with its coalition partners be able to implement material reforms while the lingering problem will further antagonize the current crisis. Public sector enterprises continue to receive time to time government bailouts a technical short term solution, which will again be replenished through borrowing and arbitrary taxation measures. In fact, the government has already emphasized that the forthcoming budget would be "people friendly" causing more concern on the future economic outlook.

On the political front, the standoff between the executive and armed forces has somewhat shifted priorities away from the economy to the courts. Political stability is unlikely in the short-term has key decisions regarding the implementation of the NRO verdict including reopening proceedings against the President in a Swiss based case and the Memo-Gate scandal where the former Pakistan Ambassador has been accused of brokering US support on behalf of the President against an imminent coup. Time to time meetings between the President and Prime Minister with the Chief of Army Staff has readily been seen as thawing of relations and probable stability. However, these relations between the government and the army are increasingly based on mistrust – initially created by the discovery of Osama bin Laden in Pakistan and later exacerbated by the Memogate scandal, which led to the prime minister accusing the military leadership of conspiring against his government.

On the external front, while Pakistan's relations with its immediate neighbours, including India, continue to improve, there seems to be a shift in its relationship with the United States, its biggest ally and source of external funds. More importantly improved relations here would come in the form of successfully concluding new rules of engagement with the US and the re-opening of NATO routes.

Overall, the internal security situation in Pakistan will remain uncertain with the military operation continuing in the tribal areas and the insurgency gaining ground in the Balochistan province. While the US seeks to withdraw its troops entirely from Afghanistan, pressure is expected to remain on Pakistan's armed forces and the government to do more against alleged safe havens in the country.

Foreign exchange reserves have already declined by USD 1.74bn in the first nine months of the fiscal year on the back of deficit in the current account and financial account's inability to support it. In the fourth quarter of FY12, the government was hoping to improve the external position through CSF receipts, and one time receipts from privatization of publicly owned listed organizations. One off receipts from mobile (3G) license auction is likely to get postponed till FY13. Nevertheless, reserves are expected to continue declining as the current account deficit is expected to reach 2.1% of GDP by the end of FY12.

On the other hand, the fiscal position is not any better, and the central bank expects it to have already deteriorated to 4.3% of GDP in the first nine months. Given that the government still has to pay around USD 590m to the IMF, fiscal operations are usually worse in the last quarter of the fiscal year, and that general elections are fast approaching, it is more than likely the fiscal deficit slip to 5.8% of GDP.

Equity Market Dynamics

The KSE-100 Index started the quarter at 11,348 and ended the quarter at 13,762, showing a positive return of 21.27%. The announcement by the Finance Minister during the quarter approving key proposals by the Securities and Exchange Commission of Pakistan to revamping the process of Capital Gains Tax was welcomed and cheered by stock investors. Better stock prices on much stronger volumes since the financial fiasco of 2008-09 in contrast to a dead beat market for most of the preceding few years was indeed needed to revive investor interest. High for the quarter was 13,762 and low was 10,909 i.e. a range of 2,853 points or about 26% between the high & low.

Money Market Dynamics

The money market continues to remain illiquid and the Government continues to borrow from the banking system through treasury bills. We expect that SBP would continue to maintain the discount rate based on the premise that although the CPI supports for a further rate cut, however other deteriorating economic numbers would restrict the SBP from a rate cut.

For and on behalf of the Board

Imran Motiwala
Chief Executive Officer

Karachi: April 30, 2012

AKD Opportunity Fund
Financial Statements - Third Quarter FY12

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AKD Opportunity Fund

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
Gangjees Registrar Services (Pvt.) Ltd.
516, Clifton Centre,
Khayaban-e-Roomi,
Kehkashan, Block-5, Clifton, Karachi.
Tel: 35375714 - 35836920.

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
AKD Opportunity Fund
JCR-VIS: MFR 1-Star

FUND MANAGER'S REPORT

AKD Opportunity fund outperformed its bench mark, KSE-100 index by 13.58% in 9MFY 2012, where the Fund NAV appreciated by 23.71%, against KSE-100 Index by 10.13% thus significantly outperform the bench mark. The aggressive nature of fund played an important role in this outperformance in 9MFY 2012. The diversified and value seeking oriented characteristics of the Fund finally paid off resulting in outperformance in the 9MFY 2012.

Economic Overview

The Economic outlook remains "fragile", with domestic debt crossing Rs. 7.0 trillion mark, fiscal deficit at Rs. 532 bn for 1 HFY 12, budgetary borrowing from banks at PKR 914 bn, surge in the Trade deficit to USD 14.6 bn coupled with Government's plan to borrow additional Rs. 1 trillion from the Commercial banks to meet expenditure. Repayments to IMF till the year end of $510 million approximately; will further hamper the economy in both short and long term and squeeze liquidity. Energy and gas shortages continue to injure the manufacturing sector and hamper their efforts to increase the production and exports resulting in subdued investment in the manufacturing sector. Hike in domestic oil prices on a regular basis has created uncertainty among business circles and keeping CPI inflation in double digits at 10.79% for the first half of fiscal year 2012. Positives on the other hand include support from Iran to offer oil to Pakistan on concessionary terms along with barter arrangements. Tax collection (Rs. 1,122 bn) on the fiscal side increased by 28% YoY basis and has provided some respite. With respect to IP gas pipeline project, sanctions imposed on Iran resulting in China to stop its support to Pakistan financially to complete IP gas project and later Russian Government's assurance to Pakistan with regards to assistance with the project have resulted in a delays. Government estimates raising $850 mn from the sale of 3G licenses (auction to be completed in the month of March has been delayed), $800 mn from Etisalat over the sale of PTCL and a receipt of $800 mn from the Coalition Support Fund to finance its deficits.

We anticipate the Central bank to keep the discount rate unchanged for the current fiscal, although there has been a decline in CPI inflation which has remained below the discount rate, however CPI inflations persistence to remain in double digits and weakening of other economic numbers would restrict the SBP to further decrease the discount rate.

Political update

Pakistan's political situation remains volatile with the Memo gate scandal and the NRO cases coming to center stage. Unexpected developments in both cases including permission granted to leave the country to former ambassador Haqqani and contempt charges against the PM for non compliance of the Supreme Court's order to implement proceedings against NRO beneficiaries with particular reference to Swiss cases related to the President has further antagonized the situation of late.

In fact, it seems that the contempt proceedings against the PM are benchmarked to the President's "head of state" immunity, which remains really the only argument for the government's defense council.

Tensions between the armed forces and the Government that were created due to the Memo Gate scandal seemed to ease subsequent to meetings between the Prime Minister, Chief of Army Staff and DG ISI.

On the international front relations continue to remain sour between Pakistan and US subsequent to an attack by the ISAF forces on a Pakistani check post bordering Afghanistan. NATO supplies though land routes still are not allowed. The issue has been discussed at length and subsequently the Parliament has agreed to the restoration and just allowed foods items to be transported in the initial stage.

The political scenario is expected to remain volatile as the general elections near, the judiciary will probably add to this as it is scheduled to announce its verdict on the NRO's implementation in while the PM remains adamant on drafting to the Swiss courts to re-open cases against the President.

Fund Strategy & Outlook

The Fund continues to remain in equities and its exposure stood at 86.15% of the Net Asset as of March 31, 2012. Our view remains intact of strong market performance owing to broader based undervaluation of the stock market.

Top five sector exposure as of June 30, 2011 and their nine months performance:

Sector Name	% of NAV	Return 9MFY12
Banks	19.37%	17.95%
Chemicals	14.37%	4.29%
Gas Water and Multiutilities	10.47%	11.43%
Personal Goods	10.14%	7.85%
Food Producers	8.61%	13.61%

Fund continues to invest in growth stocks. Moving forward implementation of the revamped Capital Gains Tax regime, politically motivated "people friendly" budget, ease of relations between the United States and Pakistan and improved ties with India is expected to set the stage for a rally.

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT MARCH 31, 2012

	Note	31 March 2012 (Unaudited)	30 June 2011 (Audited)
		(Rupees in '000)	
ASSETS			
Bank balances	6	**59,133**	4,784
Investments	7	**455,120**	431,106
Dividend and profit receivables		**14,112**	352
Deposits prepayments and other receivables		**4,797**	53,888
Total Assets		**533,162**	490,130
LIABILITIES			
Payable to the AKD Investment Management Limited - Management Company of the Fund		**970**	750
Remuneration payable to the Central Depository Company of Pakistan Limited - Trustee of the Fund		**83**	75
Annual fee payable to the Securities and Exchange Commission of Pakistan		**287**	445
Accrued expenses and other payables	8	**3,704**	25,928
Unclaimed dividend		**11**	11
Workers' welfare fund payable	9	**5,980**	3,937
Total Liabilities		**11,035**	31,146
NET ASSETS		**522,127**	458,984
Unit holders' fund (as per statement attached)		**522,127**	458,984
		(Number of Units)	
Number of units in issue		**13,607,016**	14,799,239
		(Rupees)	
Net assets value per unit (face value per unit Rs. 50/-)		**38.37**	31.01

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Note	Nine months period ended March 31, 2012	Nine months period ended March 31, 2011	Three months period ended March 31, 2012	Three months period ended March 31, 2011
		-----------------(Rupees in '000)-----------------			
INCOME					
Gain from disposal of marketable securities - net		**35,265**	35,010	**37,660**	18,910
Dividend income		**27,577**	25,008	**13,666**	9,334
Financial income on					
- bank deposits		**406**	502	**154**	293
- investment in debt securities		**695**	1,264	**205**	313
Net unrealised appreciation / (diminution) on remeasurement of investment at 'fair value through profit or loss - held for trading'	7.1 & 7.2	**40,286**	36,761	**94,071**	(29,751)
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed - net		**6,903**	(113,325)	**1,912**	(31,091)
		111,132	(14,780)	**147,668**	(31,992)
EXPENSES					
Remuneration to the AKD Investment Management Limited - Management Company of the Fund		**6,032**	10,452	**2,094**	3,486
Remuneration to the Central Depository Company of Pakistan Limited - Trustee of the Fund		**603**	697	**209**	233
Annual fee to the Securities and Exchange Commission of Pakistan		**287**	331	**100**	110
Securities transaction cost		**436**	490	**291**	287
Auditors' remuneration		**189**	192	**68**	65
Provision for workers' welfare fund	9	**2,043**	-	**2,043**	(176)
Others	12.2	**1,424**	501	**403**	69
		11,014	12,663	**5,208**	4,074
Net income / (loss) for the period		**100,118**	(27,443)	**142,460**	(36,066)

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months period ended March 31,		Three months period ended March 31,	
	2012	2011	2012	2011
	---------------------(Rupees in '000)---------------------			
Net income / (loss) for the period	**100,118**	(27,443)	**142,460**	(36,066)
Other comprehensive income for the period	**-**	-	-	-
Total comprehensive income / (loss) for the period	**100,118**	(27,443)	**142,460**	(36,066)

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months period ended March 31,		Three months period ended March 31,	
	2012	2011	2012	2011
	--------------------(Rupees in '000)--------------------			
(Deficit) / surplus at beginning of the period				
- Realised	**(182,313)**	58,665	**(166,574)**	(205,006)
- Unrealised	**(98,667)**	(160,521)	**(156,748)**	(65,877)
	(280,980)	(101,856)	**(323,322)**	(270,883)
Net income / (loss) for the period	**100,118**	(27,443)	**142,460**	(36,066)
Distribution:				
Bonus units issued for the year ended 30 June 2010 (at the rate of Rs.15.30 per unit distributed on 08 July 2010)	**-**	(177,650)	**-**	-
	100,118	(205,093)	**142,460**	(36,066)
Deficit at the end of the period	**(180,862)**	(306,949)	**(180,862)**	(306,949)
Represented by:				
- Realised	**(115,431)**	(220,908)	**(115,431)**	(220,908)
- Unrealised	**(65,431)**	(86,041)	**(65,431)**	(86,041)
	(180,862)	(306,949)	**(180,862)**	(306,949)

The annexed notes from 1 to 12 form an integral part of these condensed interim financial inforn

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

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

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months period ended March 31,		Three months period ended March 31,	
	2012	2011	2012	2011
	--------------------(Rupees in '000)--------------------			
Net assets at beginning of the period	**458,984**	478,701	**347,921**	469,258
Amount received on issue of 1,935,512 units (2011: 4,690,572 units)	**61,799**	140,040	**45,870**	113,154
Amount paid on redemption of 3,127,735 units (2011: 6,778,456 units)	**(91,871)**	(192,825)	**(12,212)**	(65,639)
	(30,072)	(52,785)	**33,658**	47,515
Final distribution of 6,851,680 bonus units for the year ended 30 June 2010	**-**	177,650	**-**	-
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed - net	**(6,903)**	113,325	**(1,912)**	31,091
Total comprehensive income / (loss) for the period after distribution	**100,118**	(205,093)	**142,460**	(36,066)
Net assets at end of the period	**522,127**	511,798	**522,127**	511,798
Net assets value per unit (face value per unit Rs.50/-)	**38.37**	31.26	**38.37**	31.26

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months period ended March 31,		Three months period ended March 31,	
	2012	2011	2012	2011
	--------------------(Rupees in '000)--------------------			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income / (loss) for the period	**100,118**	(27,443)	**142,460**	(36,066)
Adjustments for non-cash and other items:				
Unrealised (appreciation) / diminution on remeasurement of investment at fair value through profit or loss' - held for trading	**(40,286)**	(36,761)	**(94,071)**	29,751
Element of loss / (income) and included in prices of units sold less those in units redeemed	**(6,903)**	113,325	**(1,912)**	31,091
	52,929	49,121	**46,477**	24,776
Decrease / (Increase) in assets				
Investments	**16,272**	12,233	**(12,467)**	(64,539)
Dividend and profit receivables	**(13,760)**	(8,538)	**(13,268)**	(8,767)
Security deposits	**49,091**	(11)	**(2,177)**	9
	51,603	3,684	**(27,912)**	(73,297)
(Decrease) / Increase in liabilities				
Payable to the AKD Investment Management Limited - Management company of the Fund	**220**	58	**279**	138
Payable to the Central Depository of Company Pakistan Limited - Trustee of the Fund	**8**	6	**23**	9
Annual fee payable to the Securities and Exchange Commission of Pakistan	**(158)**	(298)	**100**	110
Accrued expenses and other liabilities	**(22,224)**	4,769	**3,260**	4,904
Workers' Welfare Fund	**2,043**	-	**2,043**	(176)
	(20,111)	4,535	**5,705**	4,985
Net cash generated from operating activities	**84,421**	57,340	**24,270**	(43,536)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid during the period	**-**	(4)	**-**	-
Amount received on issue of units	**61,799**	140,040	**45,870**	113,154
Amount paid on redemption of units	**(91,871)**	(192,825)	**(12,212)**	(65,639)
Net cash used in financing activities	**(30,072)**	(52,789)	**33,658**	47,515
Net increase in cash and cash equivalents during the period	**54,349**	4,551	**57,928**	3,979
Cash and cash equivalents at beginning of the period	**4,784**	2,707	**1,205**	3,279
Cash and cash equivalents at end of the period	**59,133**	7,258	**59,133**	7,258

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 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 invest 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. 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 2011.

These condensed interim financial information comprise of condensed interim statement of assets and liabilities as at 31 March 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 nine months period ended 31 March 2012.

These condensed interim financial information are being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

2.2 Functional and presentation currency

These condensed interim financial information are presented in Pak Rupees which is the functional and presentation currency of the Fund. Figures have been rounded off to the nearest rupee in thousand.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of this interim financial information are the same as those applied in the preparing of financial statements for the year ended 30 June 2011.

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 2011, except for the following:

4.1 Element of income / (loss) included in prices of units sold less those in units redeemed

An equalisation account called the "element of income / (loss) included in prices of units sold less those in units redeemed" is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

During the period the Fund revised the calculation of element of income and capital gains included in the prices of units issued less those in the units redeemed (“element”) in the financial statements.As per the revised calculation element is recognised in the income statement to the extent that it is represented by income earned during the year. Previously, the element represented by income carried forward from previous periods was also recognised in the income statement.

The revised calculation, in the opinion of the management, would ensure that continuing unit holders' share of undistributed income remains unchanged on issue and redemption of units. Had the calculation not been changed, the net income for the period ended 31 March 2012 would have been higher by Rs. 58.358 million.

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 2011.

			31 March 2012 (Unaudited)	30 June 2011 (Audited)
			(Rupees in '000)	
6.	**BANK BALANCES**			
	-In profit and loss saving accounts		**59,108**	4,758
	-In current accounts		**25**	26
			59,133	4,784
7.	**INVESTMENTS**			
	Investments in securities at fair value through profit or loss - held for trading			
	Equity securities	*7.1*	**449,798**	424,578
	Term finance certificates	*7.2*	**5,322**	6,528
			455,120	431,106

7.1 Quoted equity securities

Sectors / Companies (Ordinary Share have a face value of Rs. 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2011	Purchased during the period	Bonus / right shares received during the period	Disposed during the period	Holding at end of the period 31 March 2012	Cost	Carrying value (before revaluation as of the period ended 31 March 2012)	Market value as of the period ended 31 March 2012	Unrealised appreciation / (diminution)	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of Investment
	----- (Number of Share) -----					----- (Rupees in '000) -----					
Banks											
Bank AlFalah Limited	1,000,000	1,040,000	-	-	2,040,000	23,362	21,010	33,048	12,038	6.33	7.26
Bank AlHabib Limited	954,258	-	-	954,258	-	-	-	-	-	-	-
Habib Metropolitan Bank Limited	635,730	-	-	-	635,730	13,853	13,840	10,451	(3,389)	2.00	2.30
NIB Bank Limited	823,471	-	-	-	823,471	3,739	1,243	2,454	1,211	0.47	0.54
NIB Bank Limited Right	1,274,650	-	-	1,274,650	-	-	-	-	-	-	-
Soneri Bank Limited	3,048,188	850,000	381,023	1,000,000	3,279,211	16,592	16,239	25,906	9,667	4.96	5.69
Summit Bank Limited (Formerly Arif Habib Rupali Bank)	231,669	-	-	-	231,669	1,490	871	968	97	0.19	0.21
Habib Bank Limited	169,000	-	-	169,000	-	-	-	-	-	-	-
						59,036	**53,203**	**72,827**		**13.95**	**16.00**
Non Life Insurance											
Century Insurance Comany Limited.	50,000	-	-	-	50,000	525	405	456	51	0.09	0.10
TPL Direct Insurance	-	500,000	-	500,000	-	-	-	-	-	-	-
						525	**405**	**456**		**0.09**	**0.10**
Personal Goods											
Artistic Denim Limited	1,804,461	1,537	-	-	1,805,998	58,007	45,150	46,739	1,589	8.95	10.27
Din Textile Limited	51,808	25,541	-	-	77,349	2,126	2,295	1,255	(1,040)	0.24	0.28
Ellcot Spinning Mills Limited	-	20,138	-	-	20,138	496	496	474	(22)	0.09	0.10
Island Textile Mills Limited	-	30,800	-	-	30,800	4,871	4,871	6,605	1,734	1.27	1.45
Service Industries Limited	-	20,000	-	-	20,000	4,200	4,200	3,811	(389)	0.73	0.84
						69,700	**57,012**	**58,884**		**11.28**	**12.94**
Construction and Materials											
D.G. Khan Cement Company Limited	300,000	242,330	-	372,330	170,000	5,615	5,615	6,183	568	1.18	1.36
						5,615	**5,615**	**6,183**		**1.18**	**1.36**
Gas Water and Multiutilities											
Sui Northern Gas Pipelines Limited	225,000	400,000	-	527,807	97,193	1,963	1,963	2,048	85	0.39	0.45
Sui Southern Gas Company Limited	2,009,845	140,000	100,492	263,174	1,987,163	26,367	40,712	41,929	1,217	8.03	9.21
						28,330	**42,675**	**43,977**		**8.42**	**9.66**
Electricity											
Kohinoor Energy Limited	1,048,500	-	-	-	1,048,500	35,228	17,258	23,298	6,040	4.46	5.12
Sitara Energy Limited	17,651	-	-	-	17,651	408	349	297	(52)	0.06	0.07
						35,636	**17,607**	**23,595**		**4.52**	**5.18**
Industrial Metals and Mining											
Huffaz Seamless Pipe limited	241,676	-	-	-	241,676	7,976	2,992	4,128	1,136	0.79	0.91
						7,976	**2,992**	**4,128**		**0.79**	**0.91**
Industrial Engineering											
AL-Ghazi Tractors Limited *	62,100	-	-	-	62,100	13,702	14,228	11,133	(3,095)	2.13	2.45
						13,702	**14,228**	**11,133**		**2.13**	**2.45**
Industrial Transportation											
Pakistan International Container Terminal Ltd.	70,000	1,230	-	-	71,230	5,255	5,774	9,616	3,842	1.84	2.11
Pakistan International Bulk Terminal Limited**	-	35,000	-	-	35,000	-	-	350	350	0.07	0.08
Pakistan National Shipping Corporation Limited	240,470	-	-	-	240,470	18,271	5,771	4,449	(1,322)	0.85	0.98
						23,526	**11,545**	**14,415**		**2.76**	**3.17**
Electronic and Electrical Equipment											
Pakistan Cables Limited	8,926	-	-	-	8,926	432	414	368	(46)	0.07	0.08
						432	**414**	**368**		**0.07**	**0.08**

Sectors / Companies (Ordinary Share have a face value of Rs. 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2011	Purchased during the period	Bonus / right shares received during the period	Disposed during the period	Holding at end of the period 31 March 2012	Cost	Carrying value (before revaluation as of the period ended 31 March 2012)	Market value as of the period ended 31 March 2012	Unrealised appreciation / (diminution)	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of Investment
	(Number of Share)					(Rupees in '000)					
Fixed Line Telecommunication											
Pak Datacom Limited	245,882	-	-	-	245,882	23,203	7,372	10,332	2,960	1.98	2.27
Worldcall Telecom Limited	90,000	-	-	-	90,000	216	190	282	92	0.05	0.06
						23,419	**7,562**	**10,614**		**2.03**	**2.33**
Chemicals											
Dawood Hercules Chemicals Limited	75,800	-	-	75,800	-	-	-	-	-	-	-
Ghani Gases Limited	28,517	-	-	-	28,517	371	368	280	(88)	0.05	0.06
Engro Corporation Limited	-	250,000	15,000	-	265,000	27,550	27,550	26,309	(1,241)	5.04	5.78
Sitara Chemical Industries Limited	186,060	27,562	-	-	213,622	55,706	21,013	22,877	1,864	4.38	5.03
Clariant Pakistan Limited	262,562	-	-	35,562	227,000	33,548	36,397	32,874	(3,523)	6.30	7.22
						117,175	**85,328**	**82,340**		**15.77**	**18.09**
General Industrials											
Thal Limited *	320,544	152,100	64,108	-	536,752	48,001	44,641	46,520	1,879	8.91	10.22
						48,001	**44,641**	**46,520**		**8.91**	**10.22**
Pharma and Bio Tech											
Searle Pakistan Ltd.	-	211,500	-	-	211,500	9,095	9,095	9,361	266	1.79	2.06
Otsuka Pakistan Limited	170,500	-	-	-	170,500	12,788	5,500	5,887	387	1.13	1.29
						21,883	**14,595**	**15,248**	653	**2.92**	**3.35**
Support Services											
TRG Pakistan Limited	6,964,520	-	-	-	6,964,520	31,711	17,829	32,315	14,486	6.19	7.10
						31,711	**17,829**	**32,315**		**6.19**	**7.10**
Textile Composite											
Gul Ahmed Textile Mills Limited	-	3,820	-	-	3,820	84	84	79	(5)	0.02	0.02
						84	**84**	**79**		**0.02**	**0.02**
Beverages											
Murree Brewery Company Limited	165,000	-	16,500	-	181,500	12,625	18,332	12,710	(5,622)	2.43	2.79
Shezan International Limited	-	100,000	-	-	100,000	14,000	14,000	12,098	(1,902)	2.32	2.66
						26,625	**32,332**	**24,808**		**4.75**	**5.45**
Food Producers											
Engro Foods Limited	1,509,400	300,000	-	1,809,400	-	-	-	-	-	**-**	**-**
National Foods Limited.	23,663	14,333	-	25,359	12,637	1,143	1,143	1,318	175	**0.25**	**0.29**
JDW Sugar Mills Limited	-	6,578	-	-	6,578	523	523	590	67	**0.11**	**0.13**
JDW Sugar Mills Limited - Right	-	6,578	-	6,578	-	-	-	-	-	**-**	**-**
						1,666	**1,666**	**1,908**		**0.37**	**0.42**
Total as at 31 March 2012						**515,042**	**409,733**	**449,798**	**40,065**		
Total as at 30 June 2011						523,211	422,596	424,578	1,982		

* 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 at 27 July 2011. The shares of PIBTL are valued at Rs. 10 which is approximately equal to its fair value. While under NBFC Regulations, the fund in not allowed to invest in unlisted securities, PIBTL had applied for listing on Karachi Stock Exchange on 06 October 2011.

7.2 Term finance certificates unquoted - held for trading

Name of the Investee	Coupon rate	Maturity	Holding at beginning of the period 01 July 2011	Purchased during the period	Disposed / matured during the period	Holding at end of the period 31 March 2012	Cost	Carrying value (before revaluation as of the period ended 31 March 2012)	Market value as of the period ended 31 March 2012(revised carrying value)	Unrealised appreciation / (diminution)	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of investments
			(Number of Share)				(Rupees in '000)					
WorldCall Telecom Limited (face value Rs 5,000 each)	6M Kibor plus 1.6% p.a.	7 October 2013	2,000	-	-	2,000	5,135	5,100	5,322	222	1.02%	1.17%
Total as at 31 March 2012							**5,135**	**5,100**	**5,322**	**222**		
Total as at 30 June 2011							6,562	6,640	6,528	(112)		

7.3 Status with the investment criteria as specified by the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan vide circular no. 7 of 2009 dated 06 March 2009 required all asset management companies to classify the Funds under their management on the basis of categorization criteria laid down in the circular. AKD Investment Management Limited (Management Company) has classified AKD Opportunity Fund (the Fund) under 'Equity scheme' in accordance with the said circular.

In accordance with clause (i) of the investment criteria laid down for 'Equity scheme', the Fund is required to have at least 70% of its net assets invested in listed equity securities during the year based on quarterly average

investment calculated on a daily basis. Moreover, clause (ii) of the said investment criteria requires that the remaining net assets shall be invested in cash and / or near cash instruments which include cash in bank accounts (excluding TDRs), and treasury bills not exceeding 90 days maturity, Furthermore as per circular no 16 of 2010, issued on 07 July 2010, all asset management companies needs to ensure that the all requirements of the circular 7 of 2009 shall be complied by 31 December 2010.

At 31 March 2012, the Fund was compliant with the above-mentioned requirements, except as follows:

Name of non-compliant investment	Type of investment	Value of investment before provision	Provision held if any	Value of investment after provision	% of Net assets	% of Gross assets
			(Rupees in '000)			
WorldCall Telecom Limited	Term Finance Certificate	5,322	-	5,322	1.02%	1.17%

Arrangements are being made by the management company to address the above requirements. However the SECP during this period vide its letter reference SCD / AMCW / AKDOF / 23 / 2012 dated 20 January 2012 has granted an extension in maintaining the investment in the above TFC upto 30 June 2012.

8. ACCRUED EXPENSES AND OTHER PAYABLES

	31 March 2012 (Unaudited)	30 June 2011 (Audited)
	(Rupees in '000)	
Payable against purchase of investments	**2,415**	24,596
Payable on redemption of units	**781**	793
Auditor's remuneration payable	**127**	195
Other payable	**381**	344
	3,704	25,928

9. 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 may be construed 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 toWWF 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 Honorable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In July 2010, a clarification was issued by the ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income.However, in December 2010 the ministry filed its responses against the Constitutional Petition requesting SHC to dismiss the same, where after, show cause notices were issued by the Federal Board of Revenue (FBR) to several mutual funds for the collection of WWF. In respect of such show cause notices, certain mutual funds have been granted stay order by SHC on the basis of the pending Constitutional Petition as referred above.

During the current period the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 has declared the said amendments as unlawful and unconstitutional. While, the Constitutional Petition filed in the SHC is still pending.

In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds due to show cause notices issued to a number of mutual funds, the management company as a matter of abundant caution has decided to continue to maintain the provision for WWF amounting to Rs. 5.980 million upto 31 March 2012 (June 2011: Rs. 3.937 million).

10. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part 1 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. The Fund is also exempt from the provision of section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

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, National Bank of Pakistan and Capital Development Authority being holding more than ten percent of the units of the Fund as at 31 March 2012 and key management personnel of the management company.

Remuneration payable 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.

Details of transactions and balances with connected persons are as follows:

	As at 31 March 2012 (Unaudited)	As at 30 June 2011 (Audited)
11.1 Balance as at period / year ended	**(Rupees in '000)**	
AKD Investment Management Limited - Management Company of the Fund		
Remuneration payable	**970**	750
Payable against redemption of units	**-**	793
Central Depository Company of Pakistan Ltd - Trustee		
Remuneration payable	**83**	75
AKD Securities Limited- Brokerage House		
Commission payable on purchase of marketable securit	**31**	57
Receivable against sale of marketable securities	**-**	12,811
AKD Investment Management Limited - Staff Provident Fund		
Units outstanding - nil (2011: 9,345)	**-**	290
Chief Executive Officer		
Units outstanding - 9,810 (2011: 9,810)	**376**	304
Chief Investment Officer		
Units outstanding - 3,234 (2011: 3,234)	**124**	100
Aqeel Karim Dhedhi Securities (Pvt.) Limited - Staff Provident Fund		
Units outstanding - 34,448 (2011: 31,802)	**1,321**	986
National Bank of Pakistan		
Units outstanding - 3,280,255 (2011: 3,280,255)	**125,797**	101,721
Capital Development Authority		
Units outstanding - 6,538,739 (2011: 6,538,739)	**250,957**	202,766

		Nine months period ended 31 March	
11.2	**Transactions during the period**	**2012**	2011
		(Rupees in '000)	
	AKD Investment Management Limited - Management Company		
	Remuneration	**6,032**	10,452
	Sales tax on remuneration to management company	**965**	-
	Sales load paid	**-**	19
	Units issued - 174,006 (2011: nil)	**4,992**	-
	Units redeemed - 174,006 (2011: nil)	**4,943**	-
	Issue of bonus - nil (2011: 9,578) units	**-**	248
	Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund		
	Issue of bonus - nil (2011: 11,802) units	**-**	306
	AKD Investment Management Limited - Staff Provident Fund		
	Issue of bonus - nil (2011: 3,468) units	**-**	90
	Units issued - 168,347 (2011: nil)	**4,851**	-
	Units redeemed - 143,243 (2010: nil)	**4,069**	-
	AKD Securities Limited - Brokerage House		
	Units issued - nil (2011: 463,129)	**-**	12,500
	Units redeemed - nil (2011: 463,129)	**-**	13,107
	Commission paid on purchase and sale of marketable securities	**88**	52
	Central Depository Company of Pakistan - Limited Trustee of the Fund		
	Remuneration	**603**	697
	Central depository service charges	**11**	20

12. General

12.1 These condensed interim Financial statements are unaudited.

12.2 Other expense includes Sindh Government sales tax of Rs. 0.965 million charged on the management remuneration, effective from 01 July 2011.

12.3 These condensed interim financial information were authorized for issue on April 30, 2012 by the board of directors of the Management Company.

For AKD Investment Management Limited
(Management Comapany)

Imran Motiwala	**Nadeem Saulat Siddiqui**
Chief Executive Officer	Director

AKD Investment
Management Ltd.

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