

AKD OPPORTUNITY FUND



For the month ending October 2010

Fund activity during the month

In the month of October 2010, AKD Opportunity Fund (AKDOF) posted a return of 4.24% versus KSE-100 return of 5.84%, while in the Financial YTD AKDOF posted a return of 9.27% versus KSE-100 return of 9.02%. AKDOF fund size declined marginally by PKR 7.4mn over the month to close at PKR 450 million on Oct 29, 2010.

The composition of the fund remained relatively unchanged during the month. However, the Investment Committee continued to exit from trading positions to improve the risk-return profile of the fund. Trading positions in the Cement, Textile, Oil and Gas and Financial Sectors were exited to create space for better opportunities.

We continue to maintain focus on picking value stocks for our portfolio. There has been no significant deviation from our strategy, despite the fact it results in periods of short-term underperformance. This is particularly effective when major components of the market have touched their peak in terms of valuations and hence further upside remains limited. We presently utilize our research capabilities to filter sectors that have underperformed during the recent bull run to add value to our portfolio.

Investment Objective

AKDOF filters through the opportunity presented in the capital markets, searching for the optimal combination of investment strategies, mainly in equities, followed by fixed income and money market as contingent defensive strategy

Fund Information

Fund Type	Open-end
Category	Equity
Date of Fund launch	March, 2006
Assets under Management	450.200mn
NAV (29th Oct 2010)	PkR 28.30
Benchmark	KSE100 Index
Dealing Days	Mon to Fri
Cut-off Timings	9:00 am to 5:00 pm
Pricing Mechanism	Forward Pricing
Management Fee	3%
Sales Load	3%
Risk Profile	Moderate / High
Trustee	CDC
Auditor	M. Yousaf Adil Saleem & Co.
Asset Manager Rating	AM3

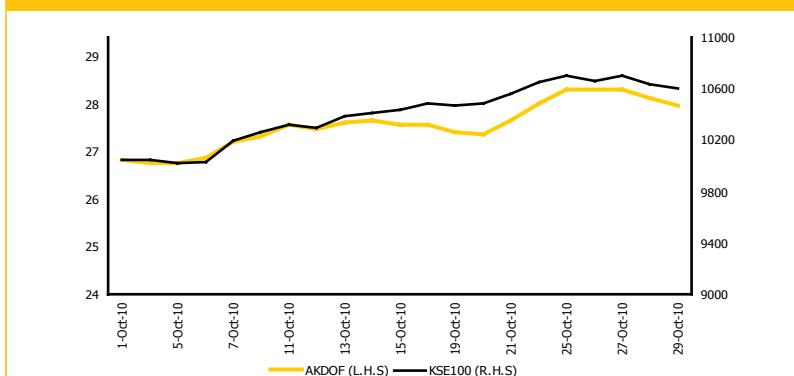
Portfolio Characteristics

Statistics	FY10
Price to Earning Ratio	11.87x
EPS Growth	10.77%
Dividend Yield	3.12%
No. of Long Term Positions	32
Beta	0.76

Investment Committee Members

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

Fund Performance



	FYTD	1 Month	3 Month	6 Month	1 Year
KSE 100	9.02%	5.84%	0.75%	1.63%	15.71%
AKDOF	9.15%	4.24%	3.47%	-6.84%	0.35%

Debt Securities (% of NAV)

Ratings

Oct 29, 2010

Worldcall Telecom Limited

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1.73%

Top Ten Equity Holdings

Sui Southern Gas Company	10.59%	TRG Pakistan	6.15%
Dawood Hercules	10.49%	Habib Metropolitan Bank Limited	5.12%
National Refinery Limited	8.33%	Kohinoor Energy Limited	5.10%
Clariant Pakistan Limited	7.34%	Pak Datacom Limited	5.07%
Thal Limited	6.51%	Sitara Chemical	4.53%

Asset Allocation (% of Total Assets)

Sep 30, 2010

Oct 29, 2010

Equities	97.01%	93.93%
TFCs	2.05%	1.73%
Cash	0.12%	0.22%
Other Assets	0.82%	4.12%
Leverage	NIL	NIL

Sector Allocation (% of NAV)

Sep 30, 2010

Oct 29, 2010

Chemicals	22.17%	22.35%
Banks	11.76%	11.06%
Oil and Gas	11.21%	11.06%
Gas Water and Multiutilities	10.45%	10.59%
General Industrials	6.20%	6.51%

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