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Profit from the Experience

## ***Risk Profile of Collective Investment Schemes/Plans***

| Sr. No | Name of Collective Investment Scheme                                          | Category                 | Risk Profile | Risk Of Principal Erosion |
|--------|-------------------------------------------------------------------------------|--------------------------|--------------|---------------------------|
| 1      | AKD Aggressive Income Fund (Formerly: AKD Income Fund)                        | Aggressive Fixed Income  | Medium       | Principal at Medium risk  |
| 2      | AKD Cash Fund                                                                 | Money Market             | Low          | Principal at Low risk     |
| 3      | AKD Islamic Income Fund                                                       | Shariah Compliant Income | Medium       | Principal at Medium risk  |
| 4      | AKD Index Tracker Fund                                                        | Index Tracker            | High         | Principal at High risk    |
| 5      | AKD Islamic Stock Fund                                                        | Shariah Compliant Equity | High         | Principal at High risk    |
| 6      | AKD Opportunity Fund                                                          | Equity                   | High         | Principal at High risk    |
| 7      | Golden Arrow Stock Fund (Formerly: Golden Arrow Selected Stocks Fund Limited) | Equity                   | High         | Principal at High risk    |

### **DISPUTE RESOLUTION/ COMPLAINTS HANDLING:**

Investors may lodge their complaints to our Investor Services Department through any of the following options where our dedicated staff is available 24/7 to provide assistance: Call at (+92-21) 111-AKD-IML (253465), Toll-free # 0800-25346, Email at [info@akdinvestment.com](mailto:info@akdinvestment.com), [complaints@akdinvestment.com](mailto:complaints@akdinvestment.com), [Sales@akdinvestment.com](mailto:Sales@akdinvestment.com). In case your complaint has not been properly redressed by us, you may lodge your complaint with SECP at the link <https://sdms.secp.gov.pk/>. However, please note that SECP will entertain only those complaints which were at first directly requested to be redressed by the Company and the Company has failed to redress the same. Further, the complaints that are not relevant to SECP's regulatory domain/competence shall not be entertained by the SECP.



**DISCLAIMER:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

## Message from CIOs

The first month of CY22 ended on a positive note as the benchmark KSE-100 index surged by 778.61 points (up 1.75%MoM) to close at 45,374.68 points. Investor sentiments improved after the State Bank of Pakistan (SBP) maintained the policy rate at 9.75% with a view that current real interest rates are appropriate to guide inflation, support growth and maintain external stability. Moreover, Government successfully approved two bills from cabinet including Finance Supplementary Bill and SBP Amendment Bill paving the way for resumption of IMF program. The average daily traded volume also increased by 12.28% to 264.93 million as compared to 235.95 million recorded during the month of December 2021. Consecutively, KSE-100 index closed at a forward P/E and P/B of 5.20x and 0.8x respectively, with a healthy dividend yield of 8.6%.

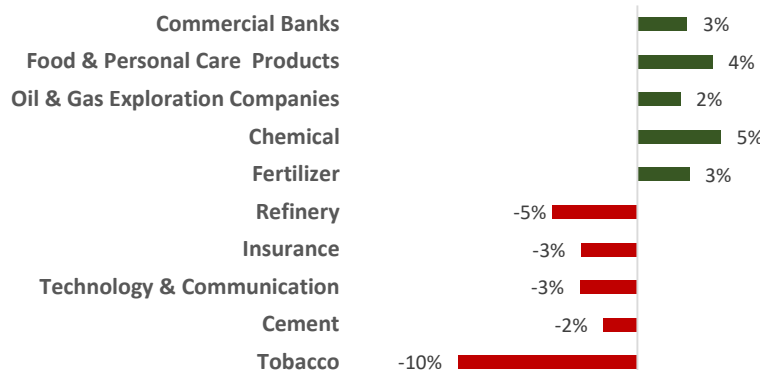
Foreign investors remained net buyers during the month, with a net inflow of USD 17.57 million as compared to inflows of USD 5.26 million recorded during the last month. This has taken cumulative outflows during FYTD22/CYTD22 to USD 232.78/17.57 million. On the other hand, Banks/DFIs and Companies remained net buyers with net inflows of USD 20.22 million and USD 5.14 million respectively whereas mutual funds and other organizations remained net sellers with net outflow of USD 22.35 million and 14.70 million respectively.

Major news that impacted the market during the month included: 1) the current account deficit expanded by \$1.93bn in December 2021 surpassing \$9bn mark in the first half of the ongoing fiscal year (5.7% of GDP), 2) The Senate approved the Finance Supplementary Bill, 2021 thus withdrawing tax exemptions worth PKR 343 billion, 3) The CPI clocked in at 21-month peak of 12.3% in December as prices of almost all commodities and utilities maintained a rising trend, 4) Pakistan foreign debt soared to USD 9.432 billion during 1HFY22 against the total budgeted external loans of USD 14.088 billion for FY22, 5) Global oil prices touched a high of USD 90 a barrel for the first time in seven years, 6) Inflows through Roshan Digital Account (RDA) reached USD 3.382 billion by end of January 2022 with 342,611 accounts.

CPI during the month of January 2022 surged by 13.0%YoY as compared to 12.3%YoY recorded during December 2021 taking 7MFY22 to 10.26%. Higher CPI was witnessed due to 13.77% YoY and 15.53% YoY increase in Non-Perishable Food Items along with Housing, Water and Energy prices respectively. Moreover, PKR appreciated by 1.0% during January 2021 to close at PKR 176.72 against USD.

On the Fixed Income front, yields of Government Securities flattened during the month as the SBP had given forward guidance in the last monetary policy statement of January 24, 2022 that further policy rate increases were not required. During the month, the SBP conducted two (2) MTB auctions with a cumulative realized amount of PKR 1.5 trillion. Weighted average yields for 3 months, 6 Months and 12 Months MTB decreased by ~18bps, 67bps and 57bps to 10.2030%, 10.6527% and 10.9068% respectively in the last auction.

### MARKET MOVERS



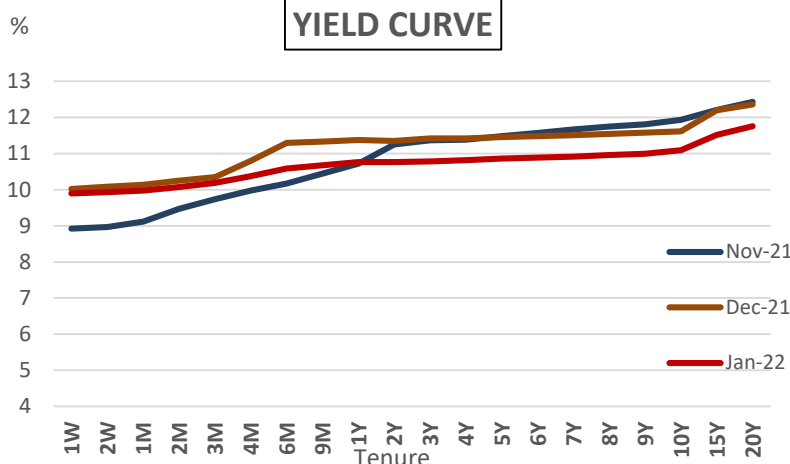
\*Change in market capitalization during month

Millions \$

### PORTFOLIO INVESTMENT



### YIELD CURVE



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## Golden Arrow Stock Fund

### Fund Manager's Comments

During January-2022, the NAV of the Golden Arrow Stock Fund (GASF) decreased by 1.66% versus the KSE-100 which increased by 1.75%. Fiscal year to date return for the fund clocked in at -13.98% as compared -4.18% return provided by Benchmark KSE-100 Index.

### Fund Information

**Investment Objective:** : Disciplined and balanced fund management strategy focusing on fundamentally strong companies offering deep-value, coupled with few cherry-picked growth companies.

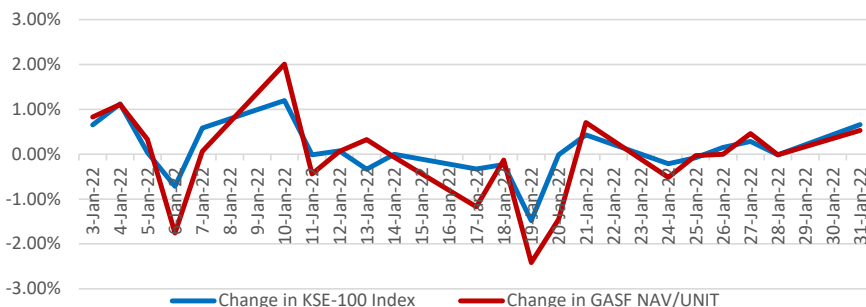
|                                            |                                                              |
|--------------------------------------------|--------------------------------------------------------------|
| Fund Type                                  | Open-End                                                     |
| Category                                   | Equity                                                       |
| Net Assets (PKR)                           | 1,755,818,744                                                |
| NAV (PKR)                                  | 14.3015                                                      |
| Risk Profile                               | High                                                         |
| Risk of Principal Erosion                  | Principal at high risk                                       |
| Benchmark                                  | KSE-100 Index                                                |
| Dealing Days                               | Monday to Friday                                             |
| Cut-off Timings                            | 9:00 am to 5:00 pm                                           |
| Pricing Mechanism                          | Forward Pricing                                              |
| Management Fee                             | 2%                                                           |
| Sales Load (Front End)                     | 3%                                                           |
| Sales Load (Back End)                      | Nil                                                          |
| Total Expense Ratio ( <i>Absolute</i> )*** | 1.90%                                                        |
| Date of Fund Launch                        | May, 1983                                                    |
| Date of Management Takeover                | September, 2004                                              |
| Trustee                                    | Central Depository Company (CDC)                             |
| Auditor                                    | Riaz Ahmad & Company                                         |
| Asset Manager Rating                       | AM3++ by PACRA (08-Feb-2021)                                 |
| Fund Rating                                | 5Star(1Yr), 5 Star (3 Yr), 5 Star (5 Yr) PACRA (15-Feb-2021) |
| Leverage                                   | Nil                                                          |
| <b>Fund Manager</b>                        |                                                              |
| Ms. Anum Dhedhi                            |                                                              |
| <b>Investment Committee Members</b>        |                                                              |
| Mr. Imran Motiwala                         | Ms. Anum Dhedhi                                              |
| Mr. Muhammad Yaqoob, CFA                   | Mr. M. Usman Mughal                                          |
| Mr. Sheikh Usman Haroon                    | Mr. Danish Aslam                                             |
| Mr. Ajay Kumar, CFA                        |                                                              |

\* Cumulative Returns \*\* Geometric Mean

\*\*\*Total Expense Ratio (TER) includes 0.19% representing government levy and SECP fee.

\*\*\*Converted into an Open End Fund since November 25, 2019. The Fund's Returns are computed in NAV to NAV with Dividends reinvested

### Fund Performance: January-2022



|                                             | FYTD     | MTD     | 365 Days | 3 Years*                       | 5 Years*  | Since Inception** |
|---------------------------------------------|----------|---------|----------|--------------------------------|-----------|-------------------|
| KSE-100                                     | (4.18%)  | 1.75%   | (2.18%)  | 11.21%                         | (6.94%)   | 14.33%            |
| GASF                                        | (13.98%) | (1.66%) | 0.89%    | 50.54%                         | 21.84%    | 28.25%            |
|                                             |          | FY21    | FY20     | FY19                           | FY18      | FY17              |
| KSE-100                                     |          | 37.58%  | 1.53%    | (19.11%)                       | (9.99%)   | 23.24%            |
| GASF                                        |          | 113.80% | (4.59%)  | (18.06%)                       | (11.14%)  | 49.86%            |
| Asset Allocation (% of Total Assets)        |          |         |          |                                | 31-Jan-22 | 31-Dec-21         |
| Equities                                    |          |         |          |                                | 95.96%    | 96.84%            |
| T-Bills                                     |          |         |          |                                | 0.00%     | 0.00%             |
| Cash                                        |          |         |          |                                | 3.08%     | 2.82%             |
| Other Assets                                |          |         |          |                                | 0.96%     | 0.34%             |
| Top Ten Equity Holdings (% of Total Assets) |          |         |          |                                |           |                   |
| Hub Power Company Ltd                       |          |         | 7.42%    | TRG Pakistan Ltd               |           | 5.82%             |
| Cnergyico PK Ltd                            |          |         | 6.76%    | Pakistan Synthetics Ltd        |           | 5.72%             |
| Pakistan Stock Exchange Ltd                 |          |         | 6.45%    | Tata Textile Mills Ltd         |           | 5.42%             |
| Lalpir Power Ltd                            |          |         | 6.30%    | Nimir Industrial Chemicals Ltd |           | 3.43%             |
| Ellcot Spinning Mills Ltd                   |          |         | 6.06%    | Hum Network Ltd                |           | 3.05%             |
| Sector Allocation (% of Total Assets)       |          |         |          |                                | 31-Jan-22 | 31-Dec-21         |
| Power Generation & Distribution             |          |         |          |                                | 17.82%    | 15.96%            |
| Textile Spinning                            |          |         |          |                                | 13.50%    | 12.83%            |
| INVESTMENT BANK/INV.COS/                    |          |         |          |                                | 11.26%    | 11.39%            |
| Technology & Communication                  |          |         |          |                                | 8.96%     | 11.52%            |
| Chemicals                                   |          |         |          |                                | 7.30%     | 7.94%             |
| Others                                      |          |         |          |                                | 41.16%    | 40.35%            |

| Name of non-compliant investment | Type of Investment | Value of investment before provision | Provision held (if any) | Value of investment after provision | Percentage(%) of Net Assets | Percentage (%) of Gross Assets |
|----------------------------------|--------------------|--------------------------------------|-------------------------|-------------------------------------|-----------------------------|--------------------------------|
| -                                | -                  | -                                    | -                       | -                                   | -                           | -                              |

### Disclosure of Sindh Workers' Welfare Fund (SWWF)

During the month of August 2021, provisioning against Sindh Workers Welfare Fund by GASF amounting to PKR 50.815 million has been reversed on the basis of clarification received from Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan, received on August 13, 2021. This reversal of provision has contributed towards an unusual increase in NAV of the GASF (0.35/unit) 2.05%. This is one-off event and is not likely to be repeated in the future.

DISCLAIMER: This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.