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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
8	AKD Islamic Daily Dividend Fund	Shariah Compliant Money Market	Low	Principal at Low risk

DISPUTE RESOLUTION/ COMPLAINTS HANDLING:

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Message from CIO's Desk

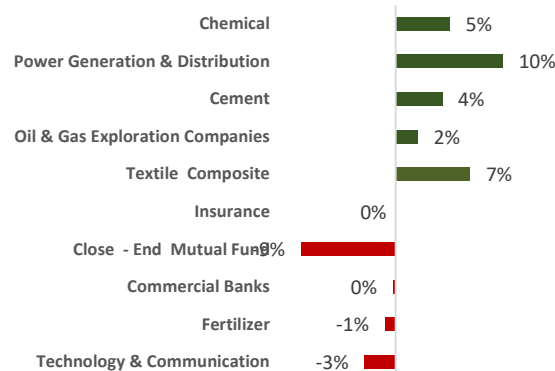
The Equity market remained lackluster, trading in a narrow range of 1,400 points during the month of September 2023 closing at 46,232.59, gaining 1,230 points (+2.73% MoM/11.53%FYTD). While the market jumped following reports of prospective investments of up to USD 100 billion from Saudi Arabia, UAE, and Qatar with reassurances by the Chief of Army Staff (COAS) that all out efforts were underway to revive the economy. Another major initiative by the caretaker government was a crackdown on foreign currency hoarders and smugglers after which the PKR witnessed a much needed come back against the US Dollar. Understandably these key administrative measures undertaken by the caretaker government has brought stability to the financial markets easing broader concerns in contrast to imminent sovereign default. Investors were further comforted as the Central Bank in its recent monetary policy committee meeting held interest rates at current levels, signaling a probable end to the monetary tightening cycle.

During the month, investors' participation in the market remained subdued with volumes declining by 46% to 160 million shares, compared to 297 million in the last month. Moreover, Foreigners also turned net sellers with outflows of USD 9.07 million. Major selling was witnessed in Cements (USD 4.79 million), and Fertilizers (USD 1.94 million). On the local front, Individuals and Other Organizations remained buyers with buying of USD 9.80 million and USD 6.81 million respectively whereas Banks/DFIs and Brokers remained bearish with selling of USD 15.52 million and USD 1.12 million respectively.

Other significant developments that lead the Equity market were:

1. According to the data released by SBP, the total debt of the central government has surged by 22.11% YoY to PKR 61.75 trillion in July 2023, compared to PKR 50.57 trillion in July 2022.
2. Remittances sent home by overseas Pakistanis plunged by 22% to USD 4.12 billion in the first two months of the current fiscal year 2024 likely on the back of unprecedented disparity between the interbank and open markets.
3. The government increased the prices of re-gasified liquefied natural gas (RLNG) for both the Sui companies by up to USD 0.3987 per MMBtu (3.08 percent) for the month of September.
4. The Current Account Deficit for the month of August 2023 clocked in at USD 160 million, from a Current Account Deficit of USD 775 million (revised) in July 2023 taking the 2MFY24 CAD to USD 0.94 billion against USD 2.04 billion, down -54% YoY during the same period last year primarily due to decline in imports.
5. The Foreign Direct Investment (FDI) increased by 16% to USD 233.8 million during the first two months of the current fiscal year 2024.
6. The federal government revised the rate of return on the conventional "Naya Pakistan Certificates" (NPCs) upward to encourage investments.
7. The caretaker Prime Minister Anwaar-ul-Haq Kakar represented Pakistan at the 78th session of the United Nations General Assembly (UNGA), which was held on September 22. He is the first interim prime minister to represent Pakistan at the UN General Assembly.
8. Justice Qazi Faez Isa took oath as the 29th Chief Justice of Pakistan (CJP) at a ceremony held at the President's House in Islamabad.
9. The Large Scale Manufacturing Index (LSMI) output declined by -1.09% YoY in July 2023 compared to the same period last year which was the 13th consecutive decline.
10. Pakistan's power sector circular debt for the fiscal year 2022-23 reached PKR 2.31 trillion marking an increase of PKR 57 billion compared to the previous fiscal year while the circular debt of the gas sector had reached PKR 2.9 trillion.
11. After a massive crackdown by the Government against currency hoarders and smugglers which was indeed fruitful as after successive record highs above PKR300/- the PKR appreciated by 6% against the USD closing at PKR 287.74/USD.
12. During the month the Foreign Exchange Reserves held by SBP declined by USD 174 million to USD 7.64 billion which reflects an import cover of 8 weeks.

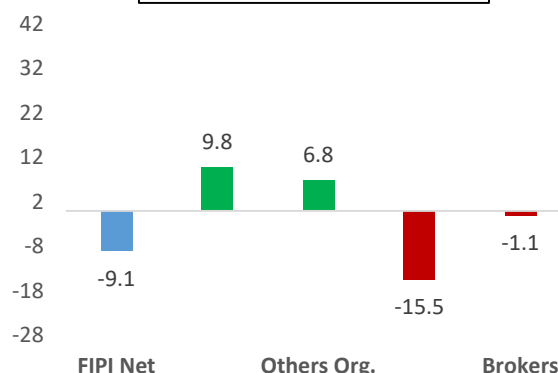
MARKET MOVERS



*Change in market capitalization during month

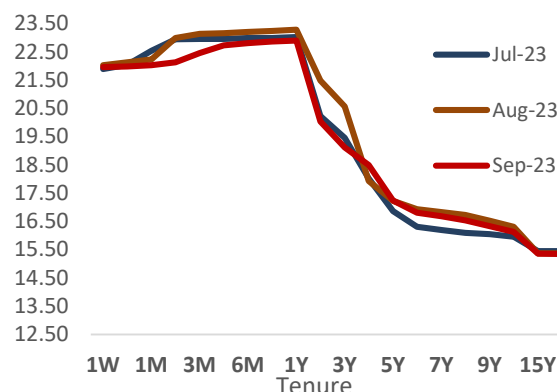
Millions \$

PORTFOLIO INVESTMENT



%

YIELD CURVE



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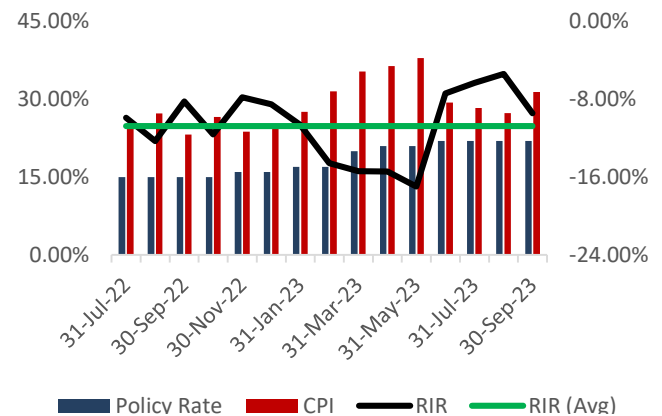
Message from CIO's Desk

Breaking a three-month declining trend, the NCPI during the month of September 2023 came off at a sharp 31.44% YoY as compared to 27.38% YoY in August 2023 and 23.18% in September 2022. This took the 3MFY24 average NCPI to 29.04% compared to 25.11% during the SPY. On a regional basis, the Urban CPI clocked in at 29.70% YoY, whereas, the Rural CPI clocked in at 33.90%. This sudden uptick in inflation was anticipated given the recent hike in energy and fuel prices. However, inflation is expected to subsequently decline in October and maintain its downward trajectory from thereon.

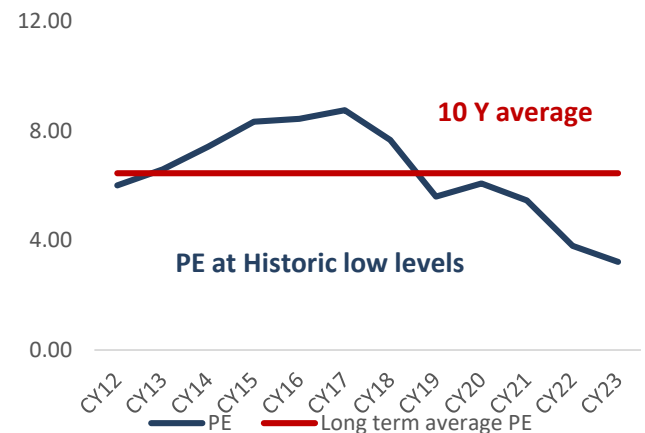
During the month of September 2023, the SBP conducted two MTB auctions with a realized amount of PKR 3.51 trillion. The Weighted average yields for 3 months and 12 months decreased by 12bps and 9bps to 22.7564% and 22.8521%, respectively while the yield for 6 months increased by 7bps to 22.8000%. The SBP in its Monetary Policy Committee (MPC) held on September 14, 2023, decided to keep the policy rate unchanged at 22% surprising the market against a lob-sided consensus of a 100-150 bps hike. The Central Bank opined that inflation will remain on the downward trajectory on the back of improved agriculture outlook and stern administrative measures against speculative activity in the FX and commodity markets. After the MPC's decision, the yields on T-Bills, bonds, and interbank rates also reset themselves coming off significantly.

Pakistan's first IMF review under the new Standby Arrangement reached with the Fund in June 2023 scheduled in October is likely to be one of the key drivers of the market direction ahead. Notably, key challenges that the Government will have to face is to bring down its expenditures to record a primary balance surplus for the fiscal year 2024 for which the Government is contemplating a cut in the Public Sector Development Programme (PSDP) or imposing additional taxes. Lastly, we believe that the market will stabilize once the Country successfully passes through the IMF program as it would bring the much-needed policy and structural reforms that will ensure economic stability. The KSE-100 index continues to trade at exceedingly attractive multiples with PE and PB of 4.41x and 0.63x with a healthy dividend yield of 11.28%. Pakistan is witnessing perhaps one of the highest interest rate environments since independence with yields on government securities crossing 22%. We believe that a risk averse investor should invest with AKDIML managed Fixed Income Funds which are optimally positioned towards benefiting from a high interest rate environment. However, investors probing to preserve long term value of their investments while appreciating that the market could foreseeably re-rate as economic stability returns should consider Equities as the market is expected to perform aggressively in the coming years. Our pro-equity stance stems from the fact that the government in lieu with the newly appointed COAS have dedicated their tireless efforts towards combating corruption, hoarding of gold/dollars, banning of items under Afghan Transit Trade and have managed to control exchange devaluation and default risk till now. In the future, we may see inflation tipping off due to high base effect in 2HFY24 and expect monetary easing eventually. Moreover, we have also started to witness demand uplift as represented by the high frequency indicators; Autos sales increased by 49% MoM, 1QFY24 Cement dispatches improving 23% YoY, and 3MFY24 POL products shying of with a decline of 15% YoY due to high international commodity price pass-on. Looking ahead the caretaker's performance in stabilizing the currency and economy broadly while staying in line with the IMF Program is indeed encouraging and positioned the market for a likely recovery.

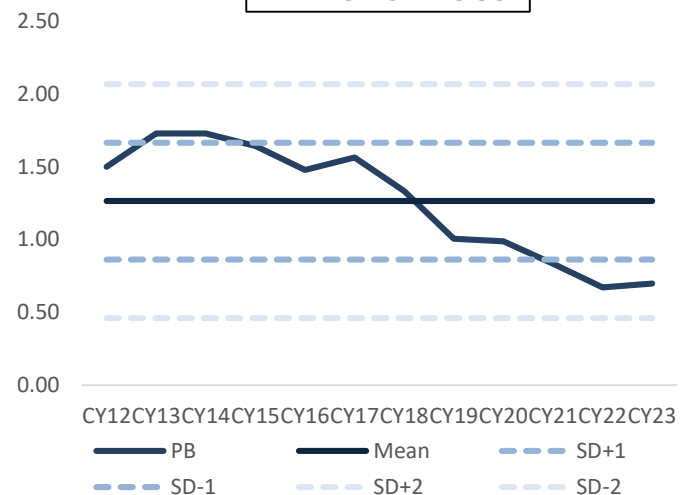
REAL INTEREST RATES



KSE - 100 PE AT ALL TIME LOW LEVELS



PB AT BOTTOMING OUT



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Golden Arrow Stock Fund

Fund Manager's Comments

During September-2023, the NAV of the Golden Arrow Stock Fund (GASF) increased by 4.04% versus the KSE-100 which increased by 2.73%. Fiscal year to date return for the fund clocked in at 9.11% as compared 11.53% 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)	1,342,730,712
NAV (PKR)	13.1278
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 (Annualized)	MTD (3.32%), YTD (3.36%)
Government Levies (Annualized)	MTD (0.38%), YTD (0.39%)
Date of Fund Launch	May, 1983
Date of Management Takeover	September , 2004
Trustee	Central Depository Company (CDC)
Auditor	Riaz Ahmad & Company, Chartered Accountants
Asset Manager Rating	AM3++ by PACRA (27-Jun-23)
Fund Rating	3 Star (1Year), 5 Star (3 Year), 5 Star (5 Year) PACRA (16-Aug-23)
Leverage	Nil

Fund Manager

Ms. Anum Dhedhi

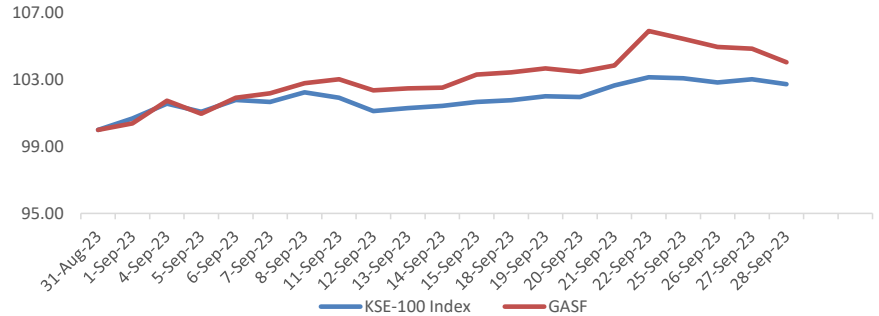
Investment Committee Members

Mr. Imran Motiwala	Ms. Anum Dhedhi
Mr. Muhammad Yaqoob, CFA	Mr. Danyal Dawoodani
Mr. Usman Haroon, CFA, ACCA	
Mr. Ali Abbas, CFA	

* Cumulative Returns ** Geometric Mean

***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: September-2023



	FYTD	MTD	365 Days	3 Years*	5 Years*	Since Inception**
KSE-100	11.53%	2.73%	12.41%	13.95%	12.77%	7.79%
GASF	9.11%	4.04%	(4.55%)	21.74%	35.06%	14.27%
	FY23	FY22	FY21	FY20	FY19	
KSE-100	(0.21%)	(12.28%)	37.58%	1.53%	(19.11%)	
GASF	(10.37%)	(19.27%)	113.80%	(4.59%)	(18.06%)	
Asset Allocation (% of Total Assets)				30-Sep-23	31-Aug-23	
Equities				95.72%	95.26%	
T-Bills				0.00%	0.00%	
Cash				3.73%	3.93%	
Other Assets				0.54%	0.81%	
Top Ten Equity Holdings (% of Total Assets)						
Pakistan Stock Exchange Ltd			9.43%	Jahangir Siddiqui & Co. Ltd		5.24%
Hum Network Ltd			7.24%	Pakistan Synthetics Ltd		4.93%
Tata Textile Mills Ltd			7.03%	Al Shaheer Corporation Ltd		4.56%
Ellicot Spinning Mills Ltd			5.69%	Cnergyico PK Ltd		4.27%
Hub Power Company Ltd			5.26%	Thal Limited		3.05%
Sector Allocation (% of Total Assets)				30-Sep-23	31-Aug-23	
Investment Bank/Inv.Cos/				17.08%	16.22%	
Textile Spinning				14.27%	15.19%	
Technology & Communication				7.33%	7.30%	
Power Generation & Distribution				7.07%	6.83%	
Refinery				6.64%	6.67%	
Others				47.62%	47.79%	

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.

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