AKD Index Tracker Fund

AKD Investment Management Ltd **October '07**

AKD
Index Tracker Fund

Investment objective

To track the returns of the KSE-100 index up to 85% accuracy, providing investors with a high quality, in-depth diversification instrument.

Fund Manager
Ali Alvi

Base Currency of Fund: PkR

Total Units: 59,610,663 units

Assets Under Management
PkR 826mn

Dividend Yield for FY07
5.6% (on starting NAV of FY07)

Type of Fund: Open ended

Date of Fund launch
Oct, 2005

Fund Index
KSE100 Index

Net Asset Value (28th Sep 2007)
PkR.13.86

KSE symbol
AKDITF

Management Fee
0.75% (exceptionally low fees for passive management)

Sales load
1% Front-end
2% Back-end (only for seed investors)

Financial Year
July 1st ~ June 30th

Auditor
M. Yousaf Adil Saleem & Co.

Contact Us

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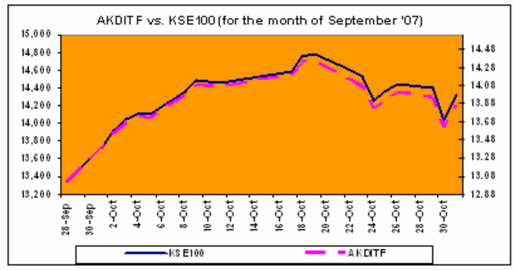
AKD Investment Management Ltd.

Fund Performance



Cumulative Performance (Dividends reinvested)

	YTD	1 Month	3 Months	6 Months	1 Year
KSE 100	3.97%	7.24%	4.24%	15.76%	26.40%
AKD Index Tracker Fund	2.74%	6.37%	3.59%	12.87%	24.08%

Market Performance:
The KSE100 index hit an all-time high level of 14,788 (on closing basis) during October 07, gaining 23.6% from its recent lows of 11,955 in August 07. A lackluster result season, rising political uncertainty and domestic law & order concerns triggered the market-wide correction. On the global front, fears of a US recession kept the markets volatile. However, China and India continued to make all time highs despite the concerns. A declining US Dollar sent crude oil and gold prices to their all time high levels, leading a rally across all commodities.

Fund Activity during the month:
AKD Index Tracker Fund, being a passively managed fund, does not require intensive fund management. However, the fund managers continued to fine tune the portfolio to minimize the tracking error and manage liquidity.
Furthermore, the KSE management announced its bi-annual changes to the KSE100 index at the end of September 2007. The fund managers made the necessary changes in the portfolio of the fund to bring it in line with the restructured index.

Portfolio Details

Portfolio Composition (% of Assets under Management)

Equity: 95.41%	Debt: 0%	Cash: 4.59%

Top 5 Holdings (31st October 2007)

Security Name	%
Oil & Gas Dev Co.	14.44
Muslim Commercial Bank	6.86
National Bank of Pakistan	5.91
Pakistan Telecom Co. Ltd	5.34
Pakistan Petroleum Ltd	5.24

Fund Characteristics

Statistic	FY08F
Price to Earning Ratio	11.03x
Price to Book Value Ratio	2.81x
EPS Growth	19.20%
Dividend Yield	4.67%

Sector Breakdown (31st October 2007)