AKD Investment Management Ltd. AKD

INCOME FUND

Fund Manager
Muhammad Yaqoob

Base Currency of Fund
PkR

Total Units
65,529,959 mn Units

Face Value
PkR 50

Assets under Management
PkR 3.33bn

Type of Fund
Open-end

Date of Fund launch
22 March, 2007

Fund Benchmark
6-Month Kibor

Net Asset Value (31st July 08)
PkR 50.8451

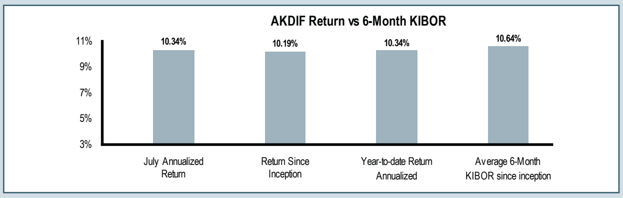
KSE symbol
AKDIF

Management Fee
1.25%

Sales Load (Front-end)
1.00%

Financial Year
July 1st - June 30th

Auditor
A. F. Ferguson



Fund Performance

AKD Income Fund has posted an annualized return of 10.34% for the month of July. While the annualized return since inception stood at 10.19%. Following is the change in the portfolio composition of AKD Income Fund:

- Investments in TDR / COM / COI slightly increased to 47.27% from 47.08% of the net assets.
- Investments in Term Finance Certificates increased to 44.19% from 39.02% of the net assets.
- Investment in Government securities decreased to 1.15% from 4.47% of the net assets.
- Due to depressed activity in stock market and lack of opportunity, investment in CFS went down to 0% from 0.22% of net asset.

Money Market Activity during the month

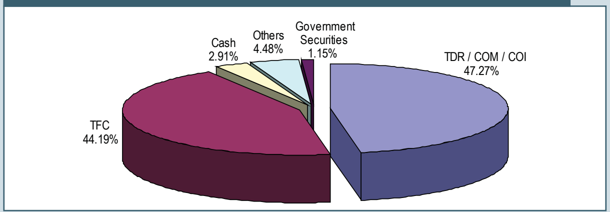
During the month SBP conducted three T-bill auctions and announced its monetary policy for July – December 2008.

- In first T-bill auction, SBP sold T-bill worth PkR 76.8bn against a target of PkR 80bn. Yield on 12-month T-bill rose to 11.78% from 11.73% and yield on 3-month T-bill also rose to 11.55% from 11.41%.
- In second T-bill auction, SBP sold T-bill worth PkR 52.6bn against the target of PkR 60bn. Yield on 12-month T-bill rose to 11.83% and yield on 3-month T-bill also rose to 11.78%
- SBP announced its monetary policy for first half of FY09 in which it raised discount rate by 100 bps to 13%, while SLR and CRR remained unchanged.
- In third T-bill auction, first T-bill auction after monetary policy was announced, SBP sold T-bill worth PkR 41bn against the target of PkR 50bn. Yield on 3-month T-bill rose to 12.19%

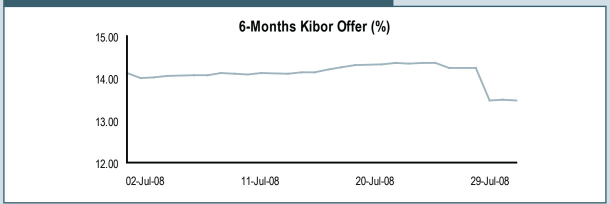
Investment Objective:

AKD Income Fund (AKDIF) is a dedicated fund that focuses primarily on fixed income securities and instruments. The objective of AKDIF is to offer investors an ideal vehicle to invest in a diversified portfolio of fixed income securities/instruments that provide consistent optimum returns with concern for preservation of capital.

Portfolio Composition (% of total)



Market Overview



July 2008