

Funds Managed by:
AKD Investment Management Ltd.

Half Yearly Report
December 31, 2020
(Un-Audited)



half yearly report

**GOLDEN ARROW
STOCK FUND**

Partner with AKD
Profit from the Experience



**AKD Investment
Management Ltd.**

MANAGEMENT COMPANY

216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

**BOARD OF DIRECTORS
OF THE MANAGEMENT COMPANY**

Chairman
Mr. Abdul Karim

Director & Chief Executive Officer
Mr. Imran Motiwala

Director
Ms. Anum Dhedhi
Ms. Aysha Ahmed
Mr. Ali Wahab Siddiqui
Mr. Hasan Ahmed
Mr. Saim Mustafa Zuberi

**CHIEF OPERATING OFFICER AND COMPANY SECRETARY
OF THE MANAGEMENT COMPANY**

Mr. Muhammad Yaqoob Sultan, CFA

**CHIEF FINANCIAL OFFICER
OF THE MANAGEMENT COMPANY**

Muhammad Munir Abdullah

**HEAD OF INTERNAL AUDIT
OF THE MANAGEMENT COMPANY**

Ms. Tayyaba Masoom Ali

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)
Mr. Hasan Ahmed (Member)
Mr. Saim Mustafa Zuberi (Member)
Ms. Tayyaba Masoom Ali (Secretary)

**HUMAN RESOURCE AND
REMUNERATION (HR & R) COMMITTEE**

Ms. Aysha Ahmed (Chairman)
Mr. Abdul Karim (Member)
Mr. Imran Motiwala (Member)
Ms. Anum Dhedhi (Member)
Mr. Saim Mustafa Zuberi (Member)
Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING

AKD Investment Management Limited
AM3++ (AM Three Plus Plus) issued by PACRA

**CORPORATION
INFORMATION**

Vision

*To serve investors in Pakistan's
capital markets with diligence,
integrity and professionalism,
thereby delivering consistent
superior returns and
unparalleled
customer service.*

Mission Statement

AKD Fund shall continuously strive to:

- *Keep primary focus on investing clients' interest*
- *Achieve highest standards of regulatory compliance and good governance*
- *Prioritize risk management while endeavoring to provide inflation adjusted returns on original investment*
- *Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy*
- *Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent superior performance*
- *Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth*

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF), AKD Islamic Stock Fund (AKDISSF), and Golden Arrow Stock Fund (GASF) – (*Formerly: Golden Arrow Selected Stocks Fund Limited*) is pleased to present its Half Yearly report along with the Funds' reviewed financial statements for the first half ended December 31, 2020.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

For the 1HFY21, the return of AKD Opportunity Fund stood at 60.75% compared to the benchmark KSE-100 Index return of 27.11%. During 2QFY21, the return of AKDOF stood at 11.48% compared to the benchmark KSE-100 index return of 7.85%. For the 1QFY21, the return of AKD Opportunity Fund stood at 44.19% compared to the benchmark KSE-100 Index return of 17.87%.

Golden Arrow Stock Fund (*Formerly: Golden Arrow Selected Stocks Fund Limited*)

For the 1HFY21, the return of Golden Arrow Stock Fund (*Formerly: Golden Arrow Selected Stocks Fund Limited*) stood at 59.89% compared to the benchmark KSE-100 Index return of 27.11%. During 2QFY21, the return of GASF stood at 15.30% compared to the benchmark KSE-100 index return of 7.85%. For the 1QFY21, the return of Golden Arrow Stock Fund stood at 38.67% compared to the benchmark KSE-100 Index return of 17.87%.

AKD Index Tracker Fund (AKDITF)

For the 1HFY21, the return of AKD Index Tracker Fund stood at 25.34% compared to the benchmark KSE-100 Index return of 27.11%. During 2QFY21, the return of AKDITF stood at 7.31% compared to the benchmark KSE-100 index return of 7.85%. For the 1QFY21, the return of AKD Index Tracker Fund stood at 16.80% compared to the benchmark KSE-100 Index return of 17.87%.

AKD Cash Fund (AKDCF)

For the 1HFY21, the annualized return of AKD Cash Fund stood at 6.27% compared to the benchmark return of 6.67%. During 2QFY21, the annualized return of AKDCF stood at 6.01% compared to the benchmark return of 6.63%. For the 1QFY21, the annualized return of AKD Cash Fund stood at 6.43% compared to benchmark return of 6.72%.

AKD Aggressive Income Fund (AKDAIF)

For the 1HFY21, the annualized return of AKD Aggressive Income Fund stood at 5.70% compared to the benchmark return of 7.51%. During 2QFY21, the annualized return of AKDAIF stood at 6.51% compared to the benchmark return of 6.67%. For the 1QFY21, the annualized return of AKD Aggressive Income Fund stood at 4.81% compared to benchmark return of 7.34%.

AKD Islamic Income Fund (AKDISIF)

For the 1HFY21, the annualized return of AKD Islamic Income Fund stood at 6.62% compared to the benchmark return of 3.93%. During 2QFY21, the annualized return of AKDISIF stood at 5.09% compared to the benchmark return of 3.44%. For the 1QFY21, the annualized return of AKD Islamic Income Fund stood at 8.04% compared to benchmark return of 4.42%.

AKD Islamic Stock Fund (AKDISSF)

For the 1HFY21, the return of AKD Islamic Stock Fund stood at 39.62% compared to the benchmark KMI-30 Index return of 29.41%. During 2QFY21, the return of AKDISSF stood at 6.10% compared to the benchmark KMI-30 index return of 9.93%. For the 1QFY21, the return of AKD Islamic Stock Fund stood at 31.60% compared to the benchmark KMI-30 Index return of 17.72%.

MACRO PERSPECTIVE:

Following a decade's low GDP growth of negative 0.38% during FY20, owing to disruption in economic activities due to COVID-19 outbreak, Pakistan has witnessed a strong rebound during 1HFY21 as business activities resumed and macroeconomic indicators have begun to turn the corner. To this end, Large Scale Manufacturing (LSM) has registered a growth of 7.41%YoY in 5MFY21 vs. 5.37% decline in the same period last year, pointing towards an economy on track to achieve real GDP growth target of over 2%.

Major contribution towards LSM growth came from Food, Beverages & Tobacco (weight 12.37%), Non Metallic Mineral Products (weight 5.36%), and Pharmaceuticals (weight 3.62%) which increased by 21.28%, 20.60%, and 12.95% respectively. However, some of the increase was eroded by negative contribution from Iron & Steel Products (weight 5.39%), Electronics (weight 1.96%), and Leather Products (weight 0.86%), which decreased by 3.69%, 18.00%, and 43.04%, respectively during July-November FY21.

During the period under review, external account turned positive after witnessing consecutive current account deficit since 4QFY15, resulting in strengthening of local currency by 5.14% since year ended FY20. External account of the country clocked in at a surplus of USD 1.13 billion (0.81% of GDP) as compared to a deficit of USD 2.03 billion (1.53% of GDP) recorded during the same period last year. Improvement in external account can be attributed to a 24.91%YoY surge in workers' remittances owing to constraints in informal channels after closure of international flights. The Exports of Goods & Services declined by 3.82%YoY to USD 14.65 billion owing to shutdown of export destinations. Imports of Goods & Services increased by 1.35%YoY to US\$27.02 billion due to rise in international commodity prices and volumetric increase in line with pickup in economic activity.

During the 1HFY21, Pakistan was able to attract USD0.95 billion in gross FDI as compared to USD 1.36 billion in SPLY, exhibiting a decrease of 29.77% YoY. Portfolio Investment has witnessed net outflow of USD 244.40 million as compared to inflow of USD 18.80 million during SPLY. Moreover, investment in debt securities also turned negative to USD 193.80 million from positive USD 452.20 million owing to a

decrease in interest rates. Net open position by foreign investors stood at USD 3.07 billion, USD 0.34 billion, and USD 0.19 billion in Equity, T-Bills and PIBs respectively.

Total liquid foreign exchange reserves of Pakistan stood at USD 20.55 billion by December 2020 (USD 13.41 billion net reserves with State Bank of Pakistan and USD 7.13 billion net reserves with banks) as compared to USD 17.93 in SPLY.

On the fiscal front, the Federal Board of Revenue (FBR) has made net revenue collection of PKR 2,204 billion during first six months of FY21, up by 4.90%YoY as compared to PKR 2,101 billion recorded during SPLY owing to faster recovery in the economy. During the period under review, refunds of PKR 102 billion have been issued compared to PKR 53 billion for the SPLY. Government is expected to achieve its collection target of PKR 4.96 trillion for FY21, up by 24.17% as compared to FY20 collection of PKR ~4.00 trillion.

As per the Pakistan Bureau of Statistics (PBS), National Consumer Price Index (NCPI) for the month of December 2020 stood at 7.97%YoY which pulled down the average inflation for 6MFY21 to 8.63% as compared to 11.11% SPLY. This significant increase in monthly inflation was primarily due to increase in prices of Food and Non-alcoholic Beverages (weight 34.58%) by 13.30%YoY. Average core inflation (non-food non-energy) for Urban and Rural in Dec'20 clocked in at 5.53% and 7.65%, respectively.

EQUITY REVIEW:

Local bourse continued its positive trajectory where benchmark KSE-100 Index surged by 9,333pts, an increase of 27.11% and 7.84% during 1HFY21 and 2QFY21 respectively. The Index closed at 43,755pts as compared to 34,422pts at FY20-close. To recap, during 4QFY20, KSE-100 Index surged by 5,190pts after witnessing a decline of 11,503pts during 3QFY20. Local stock market witnessed healthy participation during the period under review as average daily traded turnover surged to 447.54 million shares as compared to 196.53 million shares recorded during FY20. Moreover investor interest diverted to second tier and third tier stocks as KSE-100 contribution to total volumes decreased to 59.38% from 68.92% recorded during FY20

Despite political noise, local market remained buoyant due to improvement in macroeconomic conditions of the country. Some of the positive triggers that kept the market sentiment bullish included 1) Current Account Surplus of USD 1.13 billion during 1HFY21 resulting in appreciation of local currency by 5.14%, 2) 1% Negative real interest rate despite stable interest rates, 3) FBR collection increasing by 4.90% YoY to PKR 2,204 billion during first six months of FY21, 4) LSM growing by 7.41% YoY during July-November FY21, 5) Exuberant response in Roshan digital account with deposit of USD 200 million, 6) Progress in resolution of Circular debt, 7) Prime Minister unveiling Karachi 'Transformation' Plan, 8) Asian Development Bank (ADB) approving USD 300 million loan for strengthening capital markets, 9) Pfizer and BioNTech unveiling the Covid-19 vaccine with 90% efficacy in Phase 3 trials in early November followed by Moderna (94% efficacy) and AstraZeneca (60-70% efficacy), and 10) FATF retaining Pakistan on the grey list until February 2021.

Foreign investors remained net sellers for fifth consecutive quarter with net outflow of USD 183.93 million. During 1HFY21 Individuals, Companies and Insurance companies were the major net buyers with net inflows of USD 159.11 million, USD 90.55 million and USD 82.60 million respectively. However, Banks/DFI and Broker Proprietary Trading were the net sellers with net outflow of USD 68.77 million and USD 9.35 million respectively.

There was a major outperformance witnessed in different sectors during 1HFY21 which helped the KSE-100 Index maintain its momentum. Market capitalization of sectors i.e. Commercial Banks, Cement, Automobile Assembler, Food & Personal Care Products, and Chemicals increased by 28.05%, 50.74%, 40.82%, 15.14% and 29.22%, respectively. In terms of valuation, KSE-100 Index closed at FY21 Price to Earnings Multiple of 6.81x, 54.95% discount compared to MSCI Emerging Market P/E of 15.11x, offering a healthy dividend yield of 5.22%.

MONEY MARKET REVIEW:

During 1HFY21, thirteen (13) MTB auctions were conducted, where the State Bank of Pakistan managed to raise PKR 5.12 trillion cumulatively. Weighted average yield of 3 months, 6 months, and 12 months MTB were 7.02%, 7.07%, and 7.16%, respectively as compared to 13.49%, 13.52%, and 13.49% for same period last year. It is pertinent to note that the yield curve has been on an increasing trend since touching its low of 6.43%, 6.47% and 6.55% for 3 months, 6 months, and 12 months MTB ,respectively in July 2020 auction, depicting an upward slope in the yield curve within short tenure paper as well. Additionally, upward sloping yield curve for recent MTB auctions further suggests future increase in the interest rates.

To further address demand for liquidity, the SBP conducted six (6) auctions of fixed rate Pakistan Investment Bonds (PIBs) and was successful in raising PKR 291.54 billion cumulatively during 1HFY21. The weighted average yield of 3 years, 5 years, and 10 years fixed rate PIBs were 8.02%, 8.40%, and 8.95% respectively, as compared to 12.96%, 12.59%, and 12.36%, during same period last year. The Monetary Policy Committee (MPC) announced two (2) Monetary Policy Statements in 1HFY21, where the Committee maintained the policy rate at 7% amid the Covid-19 pandemic with an aim to cushion the slowdown in growth rate while maintaining its inflation outlook and financial stability. The SBP conducted 44 Open Market Operations (OMO) in 1HFY21 of different maturities, in which it injected an average amount of PKR 631.59 billion per OMO at an average cut-off yield of 7.03%, and mopped up an average amount of PKR 41.63 billion per OMO at an average cut-off yield of 6.92%.

As per the auction target calendar for January-March 2021, the SBP targets to raise PKR 2.90 trillion by issuing 3 months, 6 months, and 12 months MTB against maturity amount of PKR 3.29 trillion. Moreover, SBP targets to raise PKR 300 billion by issuing 3 - 30 years fixed rate PIBs and PKR 270 billion by issuing 3 – 10 years floating rate PIBs.

FUTURE OUTLOOK:

Going into 2HFY21, the market is expected to follow FATF related news and any compliance requirement under IMF program. Moreover, any change in liquidity owing to interest rates may decide further directions of the capital market. With the slippage in external account during December 2021, the increase in international oil prices coupled with demand side pressures due to low interest rates will keep the interest rates and exchange rate in limelight.

With the upcoming result season, near term market performance will largely be guided by earning reads. Investor's response towards Initial Public Offerings and Right issues by companies depict positive opportunity for existing investors and helping investors get attracted to the market. Equity benchmarks are likely to remain in the bull-run trajectory with future expected growth in corporate earnings due to recently announced packages and low interest rates justifying upward re-rating in PE of Benchmark KSE-100 Index.

The Government's initiatives of attracting investments from Non-Resident Pakistanis (NRP) are also expected to bode well for the country. Reportedly, Roshan Digital Account has attracted deposit of more than USD 400 million in +80 thousands accounts as of February 3rd 2021. Government is expecting an inflow of USD 1 billion during FY21 from Digital Accounts. The new initiative allows Pakistani diaspora to invest in equity market and will bring fresh liquidity to the capital market.

On the Fixed Income front, negative real interest rates remain contentious considering the country is under an IMF Program. Future expected increase in National Consumer Price Index due to increase in international oil prices coupled with increasing demand may put upward pressure on interest rates. We expect the SBP to opt for contractionary monetary policy during 2HFY21.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Abdul Karim Memon
Chairman

Karachi: February 25, 2021

GOLDEN ARROW STOCK FUND

MANAGEMENT COMPANY

AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

TRUSTEE

Central Depository Company of
Pakistan Limited
CDC House 99-B, Block-B S.M.C.H.S.,
Main Shakra-e-Faisal, Karachi.

BANKERS

Habib Metropolitan Bank Limited

AUDITORS

Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Shakra-e-Faisal
Karachi-75350, Pakistan.

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13,
Bukhari Commercial Area,
Phase-VI, DHA, Karachi,
Pakistan

REGISTRAR

216 - 217, Continental Trade Centre,
Block-8, Clifton Karachi-74000
JWAFFS Registrar Services (Pvt) Limited
407-408, Al-Ameera Centre,
Shakra-e-Iraq, Saddar, Karachi.
Tel: 021-35662023-24

DISTRIBUTOR

AKD Investment Management Limited

RATING - GASF

BY PACRA
Performance Ranking

Long Term / Short Term :MFR-5 Star

Fund Manager's Report

i) Description of the Collective Investment Scheme Category and type:

Open End – Equity Scheme

ii) Statement of Collective Investment Scheme's investment objective:

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

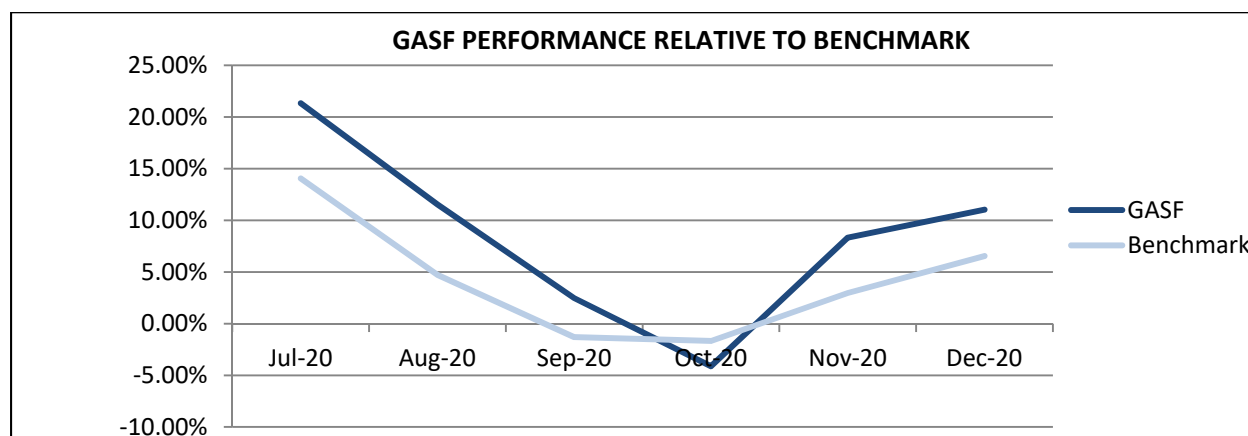
iii) Explanation as to whether Collective Investment Scheme achieved its stated Objective:

For 1HFY21, the return of the Golden Arrow Stock Fund (GASF) - (Formerly: Golden Arrow Selected Stocks Fund Limited) was 59.89% compared to the KSE-100 Index return of 27.11%.

Statement of benchmark (s) relevant to the Collective Income Scheme:

KSE – 100 Index

iv) Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmark:



Monthly return	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
GASF	21.33%	11.53%	2.47%	-4.13%	8.32%	11.03%
Benchmark	14.05%	4.72%	-1.31%	-1.68%	2.96%	6.54%

v) Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance:

Golden Arrow Stock Fund (Formerly: Golden Arrow Selected Stocks Fund Limited) is an open end equity scheme. The returns of Fund are generated through investment in value stocks which have strong growth potential.

- vi) Disclosure of Collective Investment Scheme's asset allocation as at the date of report and particulars of significant change in asset allocation since the last report (if applicable):

Asset Allocation (% of Total Assets)	31-Dec-20	30-Sep-20
Equities	95.41%	95.67%
Cash	4.25%	4.05%
Other Assets	0.34%	0.28%

- vii) Non-Compliant Investment

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
-----Rupees in '000-----						
TRG Pakistan Limited	Equity	228,792	Nil	228,792	14.95%	13.89%

- viii) Analysis of the Collective Investment scheme's Performance:

1HFY21 Return	59.89%
Benchmark Return	27.11%

- ix) Changes in the total NAV and NAV per share since last reviewed period:

Net Asset Value			NAV Per Unit	
31-Dec-20	30-Sep-20	Change	31-Dec-20	30-Sep-20
(Rupees in "000")	(Rupees in "000")		Rs.	Rs.
1,530,170	1,229,053	24.50%	12.43	10.78

- x) Disclosure on the markets that the Collective Investment Scheme has invested in including review of the market (s) invested in and returns during the period:

MACRO PERSPECTIVE:

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the same period last year, pointing towards an economy on track to achieve real GDP growth target of over 2%.

Major contribution towards LSM growth came from Food, Beverages & Tobacco (weight 12.37%), Non Metallic Mineral Products (weight 5.36%), and Pharmaceuticals (weight 3.62%) which increased by 21.28%, 20.60%, and 12.95% respectively. However, some of the increase was eroded by negative contribution from Iron & Steel Products (weight 5.39%), Electronics (weight 1.96%), and Leather Products (weight 0.86%), which decreased by 3.69%, 18.00%, and 43.04%, respectively during July-November FY21.

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xi) Description and explanation of any significant changes in the state of the affairs of the Collective Investment Scheme during the period and up till the date of the manager’s report, not otherwise disclosed in the financial statements:

There was no significant change in the state of affair during the period and up till the date of the Fund Manager’s report.

xii) Disclosure on share split (if any), comprising:

There was no share split during the period.

xii) Break down of unit holding size:

Range (Units)	No. of Investors
0.1 - 9,999	3958
10,000 - 49,999	688
50,000 - 99,999	106
100,000 - 499,999	136
500,000 and above	34
	4922

xiii) Disclosure of circumstances that materially affect any interest of shareholders:

Investments are subject to credit and market risk.

xiv) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker (s) or dealers by virtue of transaction conducted by the Collective Investment Scheme:

No soft commission has been received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

Head Office:

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S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

GOLDEN ARROW STOCK FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Golden Arrow Stock Fund (the Fund) are of the opinion that AKD Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the during the six months period ended December 31, 2020 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 26, 2021

Golden Arrow Stock Fund

Financial Statements
For the half year ended December 31,
2020

INDEPENDENT AUDITORS' REVIEW REPORT TO THE UNITHOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **GOLDEN ARROW STOCK FUND** (here-in-after referred to as the "Fund") as at December 31, 2020, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' funds, condensed interim statement of cash flows and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year ended December 31, 2020. The Management Company (**AKD Investment Management Limited**) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2020 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.


Chartered Accountants

Place: Karachi
Date: February 26, 2021

**GOLDEN ARROW STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2020**

		(Unaudited) December 31, 2020	(Audited) June 30, 2020
	Note	———— (Rupees in '000) ————	
ASSETS			
Bank balances	5	69,970	55,008
Investments	6	1,571,138	1,031,273
Profit receivable on bank deposits		345	290
Income tax refundable		518	518
Deposits and other receivable	7	2,714	2,700
Receivable against sale of securities		822	2,780
Receivable against conversion of units		1,275	-
Total assets		1,646,781	1,092,569
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	8	20,656	19,174
Payable to Central Depository Company of Pakistan Limited - Trustee	9	238	182
Payable to Securities and Exchange Commission of Pakistan	10	129	211
Accrued and other liabilities	11	44,316	30,376
Unclaimed dividend		50,250	50,440
Payable against purchase of securities		-	2,800
Payable against conversion of units		1,022	-
Total liabilities		116,611	103,183
Net assets		1,530,170	989,386
Unit holders' fund (as per statement attached)		1,530,170	989,386
Contingencies and commitments	12	Number of units	
Number of units in issue		123,066,144	127,225,688
Net asset value per unit		12.4337	7.7766

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

PA

**For AKD Investment Management Limited
(Management Company)**


Chief Executive Officer


Director


Chief Financial Officer

**GOLDEN ARROW STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2020**

		For the half year ended December 31, 2020	For the Quarter ended December 31, 2020	From November 25, 2019 to December 31, 2019
	Note	(Rupees in '000)		
Income				
Capital gain on sale of investment - net		191,319	100,701	6,981
Dividend income		5,921	5,549	3,714
Contingent load income		-	-	1,223
Net unrealised appreciation on re-measurement of investments classified as 'at fair value through profit or loss'	6.2	416,789	107,009	28,283
Profit on bank deposits		1,824	984	1,274
Total income		615,853	214,243	41,475
Expenses				
Remuneration of the Management Company	8.1	12,908	6,625	2,375
Sales tax on the remuneration of the Management Company	8.2	1,678	861	309
Remuneration of the Trustee	9.1	1,150	584	220
Sales tax on the remuneration of Trustee	9.2	150	76	29
Annual fee to Securities and Exchange Commission of Pakistan		129	66	24
Expenses allocated by the Management Company	8.3	2,259	1,159	119
Auditors' remuneration		209	105	212
Fees and subscription		301	158	83
Settlement charges		70	47	119
Security transaction cost		3,028	2,088	381
Legal and professional charges		108	-	-
Printing and postage		76	38	25
Conversion cost		-	-	7,000
Provision for Sindh Workers' Welfare Fund		11,876	4,049	612
Total expenses		33,942	15,856	11,508
Net income for the year before taxation		581,911	198,387	29,967
Taxation	14	-	-	-
Net income for the period after taxation		581,911	198,387	29,967
Allocation of net income for the period				
Net income for the period after taxation		581,911	198,387	29,967
Income already paid on units redeemed		(64,580)	(27,462)	(2,516)
		517,331	170,925	27,451
Accounting income available for distribution:				
Relating to capital gain		608,108	207,710	35,284
Excluding capital gains		(90,777)	(36,785)	(7,813)
		517,331	170,925	27,451

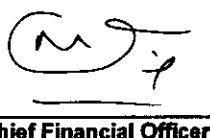
The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

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For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

**GOLDEN ARROW STOCK FUND
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2020**

	For the half year ended December 31, 2020	For the Quarter ended December 31, 2020	From November 25, 2019 to December 31, 2019
	(Rupees in '000)		
Net income for the period after taxation	581,911	198,387	29,967
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	581,911	198,387	29,967

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

YA

**For AKD Investment Management Limited
 (Management Company)**



 Chief Executive Officer



 Director



 Chief Financial Officer

**GOLDEN ARROW STOCK FUND
CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)
FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2020**

	Note	For the half year ended December 31, 2020	For the Quarter ended December 31, 2020	From November 25, 2019 to December 31, 2019
(Rupees in '000)				
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the year before tax		581,911	198,387	29,967
Adjustments for non cash and other items:				
Dividend income		(5,921)	(5,549)	(3,714)
Net unrealised appreciation on re-measurement of investment classified as at 'fair value through profit or loss'		(416,789)	(107,009)	(28,283)
Provision for Sindh Worker's Welfare Fund		11,876	4,049	-
		<u>171,077</u>	<u>89,878</u>	<u>(2,030)</u>
(increase) / decrease in assets				
Profit receivable on bank deposits		(55)	162	(3,848)
Income tax refundable		-	(2,780)	(39)
Deposits and other receivable		(14)	207	-
Receivable against sale of securities		1,958	1,958	15,316
		<u>1,889</u>	<u>(463)</u>	<u>11,429</u>
Increase / (decrease) in liabilities				
Payable to AKD Investment Management Limited - Management Company		1,482	(322)	17,272
Payable to Central Depository Company of Pakistan Limited - Trustee		57	20	208
Payable to the Securities and Exchange Commission of Pakistan		(82)	66	-
Accrued and other liabilities		2,064	(2,962)	(11,111)
Unclaimed dividend		(190)	(190)	(265)
Payable against purchase of securities		(2,800)	-	-
		<u>531</u>	<u>(3,388)</u>	<u>6,104</u>
Dividend received		5,921	5,549	3,714
Investments - net		(123,076)	(111,357)	(25,820)
Net cash generated from / (used in) operating activities		<u>56,342</u>	<u>(19,781)</u>	<u>(6,603)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Amount received on issuance of units - net		246,932	174,500	1,223
Payment against redemption of units		(288,312)	(142,023)	(122,343)
Net cash used in financing activities		<u>(41,380)</u>	<u>32,477</u>	<u>(121,120)</u>
Net increase / (decrease) in cash and cash equivalents		<u>14,962</u>	<u>12,696</u>	<u>(127,723)</u>
Cash and cash equivalents at the beginning of the period		55,008	57,274	191,960
Cash and cash equivalents at the end of the period	5	<u>69,970</u>	<u>69,970</u>	<u>64,238</u>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

**GOLDEN ARROW STOCK FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2020**

	For the half year ended December 31, 2020			From November 25, 2019 to December 31, 20		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	Rupees in '000					
Net assets at beginning of the period	1,021,916	(32,530)	989,386	-	-	-
Net assets transferred due to conversion of scheme	-	-	-	1,221,368	-	1,221,368
Issuance of 22,788,733 (2019:142,835) units						
- Capital value (at Ex - Net asset value per unit at the beginning of the period / conversion rate as per scheme of arrangement)	177,219	-	177,219	1,145	-	1,145
- Element of income	70,988	-	70,988	78	-	78
Total proceeds on issuance of units	248,207	-	248,207	1,223	-	1,223
Redemption of 26,948,277 (2019: 14,915,785) units						
- Capital value (at Ex - Net asset value per unit at the beginning of the period / conversion rate as per scheme of arrangement)	209,566	-	209,566	119,776	-	119,776
- Amount paid out of element of income relating to net income for the period after taxation	-	64,580	64,580	-	2,516	2,516
- Element of income	15,188	-	15,188	5,083	-	5,083
Total payments on redemption of units	224,754	64,580	289,334	124,859	2,516	127,375
Total comprehensive income for the period	-	581,911	581,911	-	29,967	29,967
Net assets at end of the period	1,045,369	484,801	1,530,170	1,097,733	27,451	1,125,184
Undistributed income brought forward						
- Realised income		1,067			-	
- Unrealised loss		(33,597)			-	
		(32,530)			-	
Accounting income available for distribution						
Relating to capital gains		608,108			35,264	
Excluding capital gains		(90,777)			(7,813)	
		517,331			27,451	
Undistributed income carried forward		484,801			27,451	
Undistributed income carried forward						
- Realised income / (loss)		68,012			(832)	
- Unrealised income		416,789			28,283	
		484,801			27,451	
Net assets value per unit at beginning of the period / conversion rate		7.7766			8.0301	
Net assets value per unit at end of the period		12.4337			8.2302	

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

YA

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

**GOLDEN ARROW STOCK FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2020**

1. LEGAL STATUS AND NATURE OF BUSINESS

Golden Arrow Stock Fund (the Fund) was constituted by virtue of a scheme of arrangement for conversion of Golden Arrow Selected Stocks Fund Limited, a Closed End Fund (GASSF) into an Open End Scheme under a Trust Deed executed between AKD Investment Management Limited (AKDIML), as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 26, 2019 after being approved by the Securities and Exchange of Pakistan (SECP) on April 03, 2019 in accordance with the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

As per the scheme of arrangement for conversion of closed end fund into an open end scheme, a swap ratio of 1:1 (i.e. for each fully paid-up share of the par value of Rs. 5 of GASSF, each share holder whose name was entered in the Register of Members of GASSF on the effective date was issued one unit of the Open End Scheme of the par value of Rs 5 with no Front-end Load and upon issuance of the Units of the Open End Scheme, the shares of GASSF were deemed to be cancelled and of no effect was approved by the share holders of GASSF vide their Special Resolution dated January 9, 2018. Golden Arrow Selected Stocks Fund Limited had applied to SECP for extension in the conversion and the SECP vide its letter No. SCD/AMC/GASSFL/87/2019 dated September 30, 2019 had granted extension till December 01, 2019. Consequently, the Fund had converted from closed end to open end with effective from November 25, 2019 and all assets and liabilities were transferred from Golden Arrow Selected Stocks Fund Limited to Golden Arrow Stock Fund. The effective date of conversion is November 25, 2019.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh.

The Fund is an open-ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited as on March 17, 2020.

The Fund is categorized as Equity Scheme as per circular 7 of 2009 by SECP. The principal activity of the Fund is to make investments in listed securities, cash in bank account, and term deposit receipts.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained Asset Manager Rating of 'AM3++' to the Management Company dated February 15, 2021. PACRA has also assigned performance ranking of "5-Star" to the Fund on February 15, 2021.

The title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IAS 34, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulation and requirements of the Trust Deed have been followed.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS-34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.

2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2020.

2.2 Basis of measurement

This condensed financial information has been prepared under the historical cost convention, except that investments have been measured at fair value.

2.3 Functional and presentation currency

This condensed financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

The accounting policies and methods of computation adopted in preparation of this condensed interim financial information are same as those applied in preparation of audited financial statements of the Fund as at and for the year ended June 30, 2020.

The preparation of this condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited financial statements as at and for the year ended June 30, 2020.

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.

4. FINANCIAL RISK MANAGEMENT

The Fund's risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the year ended June 30, 2020.

	Note	(Unaudited) December 31, 2020	(Audited) June 30, 2020
		(Rupees in '000)	
5. BANK BALANCES			
Saving accounts	5.1	<u>69,970</u>	<u>55,008</u>
5.1	Mark-up rates on these accounts ranging between 5% to 5.5% (June 30, 2020: 6.5%) per annum.		
6. INVESTMENTS			
At fair value through profit or loss			
Listed equity securities	6.1	<u>1,571,138</u>	<u>1,031,273</u>

Name of the Investee Company	Face value per share (Rupees)	Number of shares			Balance as at December 31, 2020		Percentage in relation to				
		As at July 01, 2020	Purchased during the period	Right issue received during the period	Bold / disposed during the period	As at December 31, 2020	Carrying cost	Market value	Market value as percentage of total investments	Market value as percentage of net assets	Paid up value of shares as a percentage of total paid up capital of the investee company
Hum Network Limited	1	-	17,050,000	-	12,257,000	4,793,000	28,758	26,074	1.68	1.70	0.51
Pakistan Telecommunication Company Limited	10	276,500	-	-	78,500	200,000	1,776	1,820	0.12	0.12	0.01
Systems Limited	10	-	50,000	-	60,000	-	-	-	0.00	0.00	0.00
TRG Pakistan Limited (Note 6.1.1 & 6.1.2)	10	5,959,417	-	-	3,466,500	2,502,917	70,662	228,792	14.56	14.96	0.48
						<u>101,216</u>	<u>256,988</u>				
Textile Composite											
Dawood Lenacorp Limited	10	50,000	-	-	-	50,000	7,944	11,739	0.75	0.77	0.08
Gul Ahmed Textile Mills Limited	10	324,000	50,000	-	-	374,000	11,198	13,745	0.87	0.90	0.09
AN Textile Mills Limited	10	6,500	-	-	74	6,500	64	64	0.00	0.00	0.04
Nihari Mills Limited	10	125,000	-	-	-	125,000	12,211	12,721	0.81	0.83	0.07
Nihari (Chunani) Limited	10	25,000	-	-	-	25,000	1,652	1,652	0.07	0.07	0.01
Kohinoor Mills Limited	10	80,500	-	-	-	80,500	3,059	3,220	0.20	0.21	0.16
Interloop Limited	10	-	68,500	-	-	68,500	4,357	4,683	0.30	0.30	0.01
Sapphire Fibres Limited	10	49	-	-	-	49	59	46	0.00	0.00	0.00
						<u>39,693</u>	<u>47,280</u>				
Textile Spinning											
Crescent Fibres Limited	10	42,000	-	-	-	42,000	1,566	2,058	0.13	0.13	0.34
Din Textile Mills Limited	10	128,064	-	-	15,000	113,064	4,746	5,291	0.34	0.35	0.22
Elicot Spinning Mills Limited	10	883,564	-	-	-	883,564	79,502	84,733	5.39	5.54	8.07
Fazal Cloth Mills Limited	10	12,408	-	-	-	12,408	1,734	1,876	0.11	0.11	0.04
Saffi Textile Mills Limited	10	28,743	-	-	-	28,743	4,015	7,436	0.47	0.49	0.88
Inland Textile Mills Limited	10	40,600	-	-	-	40,600	50,680	64,818	4.13	4.24	6.12
Saff Textile Mills Limited	10	217,000	-	-	-	217,000	3,140	3,364	0.21	0.22	0.62
Premium Textile Mills Limited	10	23,400	-	-	-	23,400	4,865	6,201	0.39	0.41	0.58
Tala Textile Mills Limited	10	36,308	-	-	-	36,308	1,894	1,894	0.12	0.12	0.30
						<u>185,142</u>	<u>177,400</u>				
Textile Weaving											
Prosperity Weaving Mills Limited	10	84,591	-	-	-	84,591	3,384	3,637	0.23	0.24	0.48
						<u>84,591</u>	<u>3,384</u>				
Transport											
Pakistan International Bulk Terminal Limited	10	-	1,831,500	-	-	1,831,500	23,117	23,653	1.50	1.54	0.10
						<u>1,831,500</u>	<u>23,117</u>				
Veneer & Allied Industries											
Punjab Oil Mills Limited	10	229,500	-	-	-	229,500	38,504	43,720	2.78	2.86	4.28
S.S. Oil Mills Limited	10	180,100	-	-	-	180,100	7,609	14,842	0.84	0.87	3.18
						<u>44,113</u>	<u>61,982</u>				
						<u>1,184,348</u>	<u>1,871,138</u>				
						<u>1,084,870</u>	<u>1,031,273</u>				
Total as at December 31, 2020											
Total as at June 30, 2020											

6.1.1 The exposure limit of investment in a single entity as a percentage of net assets exceeded by 4.95% against prescribed limit of 10% of total net assets as required under NBFC Regulations 2008.

6.1.2 This includes 2,000,000 shares pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin.

		(Unaudited) December 31, 2020	(Audited) June 30, 2020
	Note	(Rupees in '000)	
6.2 Net unrealised appreciation / (diminution) on re-measurement of investments classified as at 'fair value through profit or loss'			
Market value of investments	6.1	1,571,138	1,031,273
Carrying amount of investments	6.1	(1,154,349)	(1,064,870)
		<u>416,789</u>	<u>(33,597)</u>

6.3 Preference shares of Security Leasing Corporation Limited

As a result of conversion 1,001, 489 preference shares of Security Leasing Corporation Limited has been transferred to the Fund. Since it is a default investment therefore is carried at zero value

7. DEPOSITS AND OTHER RECEIVABLE

Security deposits with			
- National Clearing Company of Pakistan Limited		2,500	2,500
- Central Depository Company of Pakistan Limited		200	200
Annual listing fee of PSX		14	
		<u>2,714</u>	<u>2,700</u>

8. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management fee	8.1	2,482	1,619
Sindh sales tax on management fee	8.2	323	210
Expenses allocated by the Management Company	8.3	621	621
Federal Excise Duty on management fee	8.4	16,592	16,592
Others		638	132
		<u>20,656</u>	<u>19,174</u>

8.1 During the period the Management Company has charged its remuneration at the rate 2% (June 30, 2020: 2%) per annum of the average net assets of the Fund. The remuneration is payable to Management Company monthly in arrears.

8.2 Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on gross value of management fee under the provisions of Sindh Sales Tax on Services Act, 2011.

8.3 The Management Company has charged the expenses allocated by the Management Company at the rate of 0.35% (June 30, 2020: 0.1%) of the average daily net assets.

8.4 Federal Excise Duty payable amounting to Rs. 16,592 million has been transferred from books of accounts of Golden Arrow Selected Stocks Fund Limited to Golden Arrow Stock Fund on the effective date of conversion i.e. November 25, 2019. There is no change in the status of case as disclosed in annual audited financial statements for the year ended June 30, 2020. Had the said provision for FED not been recorded in this condensed interim financial information of the Fund, the net asset value of the Fund as at December 31, 2020 would have been higher by Re. 0.135 per unit (June 30, 2020: Re. 0.130 per unit).

		(Unaudited) December 31, 2020	(Audited) June 30, 2020
	Note	(Rupees in '000)	
9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee fee	9.1	210	161
Sindh sales tax on trustee fee	9.2	28	21
		<u>238</u>	<u>182</u>

- 9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund. The fee is paid to the Trustee monthly in arrears.

The trustee remuneration consists of reimbursement of actual custodial expenses / charges plus the following tariffs;

Net assets	Tariff
Upto Rs. 1 billion	0.20% per annum of net assets
Over Rs. 1 billion	Rs. 2.0 million plus 0.10% per annum of net assets, on amount exceeding Rs. 1 billion

- 9.2 Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on gross value of trustee fee under the provisions of Sindh Sales Tax on Services Act, 2011.

		(Unaudited) December 31 2020	(Audited) June 30, 2020
	Note	———— (Rupees in '000) ————	
10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fee payable to SECP	10.1	<u>129</u>	<u>211</u>
10.1 As per S.R.O. 685(i) / 2019 dated June 28, 2019, effective from July 01, 2019, all categories of Collective Investment Schemes are required to pay annual fee at an amount equal to 0.02 percent of the average annual net assets of the scheme. The fee is payable annually in arrears.			

		(Unaudited) December 31 2020	(Audited) June 30, 2020
	Note	———— (Rupees in '000) ————	
11. ACCRUED AND OTHER LIABILITIES			
Brokerage payable		381	530
Auditors' remuneration		273	1,042
Accrued expenses		689	718
Provision for Sindh Workers' Welfare Fund	11.1	39,415	27,540
Withholding tax payable		1,468	34
Payable against conversion cost	11.2	412	412
Others		<u>1,678</u>	<u>100</u>
		<u>44,316</u>	<u>30,376</u>

- 11.1 There is no change in the status of the SWWF as reported in the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the provision for SWWF not been recorded in this condensed interim financial information of the Fund, the net asset value of the Fund as at December 31, 2020 would have been higher by Re.0.32 per unit (June 30, 2020 Re.0.22 per unit).

- 11.2 The conversion cost has been charged to the Fund immediately on the effective date in accordance with clause 15.3 (conversion cost and its treatment) of the trust deed of the Fund.

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2020 and as at June 30, 2020

13. EXPENSE RATIO

The total expense ratio of the Fund for the period ended December 31, 2020 is 2.65% (June 30, 2020: 1.79%) which includes 1.11% (June 30, 2020: 0.21%) representing government levies and SECP fee etc.

14. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of the accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause IIA of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. The management intends to distribute the income earned by the Fund during the period to the unit holders in cash in the manner as explained above, accordingly, no provision for current and deferred tax has been made in this condensed financial information.

15. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / Connected persons include AKD Investment Management Limited, being the Management, Company Central Depository Company of Pakistan Limited, being the custodian, Aqeel Karim Dhedhi Securities (Private) Limited, AKD Securities Limited, other collective schemes managed by the Management Company, directors, officers and other connected persons of the Management Company, and directors of the Company and their connected persons.

The transactions with connected persons / related parties are in the normal course of business and are carried out on agreed terms at contracted rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations 2008 and Constitutive documents of the Company.

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	(Unaudited)	
	For the half year ended December 31, 2020	For the period from November 25, 2019 to December 31, 2019
	———— (Rupees in '000) ————	
15.1 Transactions during the period		
AKD Investment Management Limited - Management Company		
Redemption of 660,273 (2019: 1,246,229) units	-	10,123
Management remuneration	12,908	2,375
Sindh sales tax on management remuneration	1,678	309
Allocated expenses	2,259	119
Sales Load	274	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	1,150	220
Sindh sales tax on trustee remuneration	150	29
CDS Charges	6	13
AKD Securities Limited		
Brokerage / Commission	155	-
Shares of Javedan Corporation Limited sold by Golden Arrow Stock Fund to AKD Securities Limited	13,800	-
AKD Islamic Stock Fund		
Shares of ASC Sold by Golden Arrow Stock Fund to AKD Islamic Stock Fund	9,605	-
Toqir Hussain- Head of Information Technology		
Issue of 893 Units (2019: Nil)	10	-
Key Management Personnel		
Muhammad Yaqoob (with Spouse & minor children)		
- Chief operating Officer and Company Secretary		
Issue of 95,377 units (2019:Nil)	900	-

	(Un-audited) December 31, 2020	(Audited) June 30, 2020
	Rupees in '000	
15.2 Balances outstanding at the period / year end		
AKD Investment Management Limited - Management Company		
Management remuneration payable	2,482	1,619
Federal excise duty payable on management remuneration	16,592	16,592
Sindh Sales tax payable on management remuneration	323	210
Others	434	81
Sales load payable	204	51
Payable against allocated expenses	621	621
Outstanding 19,576,917 (June 30, 2020: 20,237,190) units	243,414	157,377
Central Depository Company of Pakistan Limited - Trustee		
Security Deposit	200	200
Trustee remuneration payable	210	161
Sindh Sales Tax payable on trustee remuneration	28	21
CDS charges payable	5	1
Receivable / Payable against conversion of units - AKD Funds		
Payable against conversion of units - AKD Cash Fund	1,022	-
Receivable against conversion of units - AKD Cash Fund	1,000	-
Receivable against conversion of units - AKD Islamic Income Fund	175	-
Receivable against conversion of units - AKD Index Tracker Fund	100	-
AKD Investment Management Limited - Staff Provident Fund		
Outstanding 284,046 (June 30, 2020: 284,046) units	3,532	2,209
Aqeel Karim Dhedhi Securities (Pvt) Limited - Staff Provident Fund		
Outstanding 2,092,812 (June 30, 2020: 2,092,812) units	26,021	16,275
AKD Securities Limited		
Brokerage on purchase / sale securities	-	38
Outstanding 2,889 (June 30, 2020: 2,889) units	36	22
Imran Motiwala - CEO and Director of the Management Company		
Outstanding 2,222,000 (June 30, 2020: 2,222,000) units	27,628	17,280
M/s Aysha Ahmed - Director of the Management Company		
Outstanding 50,000 (June 30, 2020: 50,000) units	622	389
Murtaza Wahab - Spouse of Director of the Management Company (Aysha Ahmed)		
Outstanding 210,000 (June 30, 2020: 210,000) units	2,611	1,633
M/s Anum Dhedhi - Director of the Management Company		
Outstanding 1,000 (June 30, 2020: 1,000) units	12	8
Abdul Karim - Director of the Management Company		
Outstanding 1,000 (June 30, 2020: 1,000) units	12	8
Muhammad Yaqoob (with Spouse & minor children)- Chief Operating Officer and Company Secretary		
Outstanding 195,997 (June 30, 2020: 100,620) units	2,437	782
Toqir Hussain- Head of Information Technology		
Outstanding 893 (June 30, 2020: Nil) units	11	-
Ellcot Spinning Mills Limited - Common Directorship		
Shares held 883,554 (June 30 2020: 883,554)	84,733	79,502

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		(Unaudited)			
		As at 31 December 2020			
		Level 1	Level 2	Level 3	Total
		(Rupees in '000)			
	Note				
Investment in securities - at fair value through profit or loss					
Listed equity securities	6.1	1,571,138	-	-	1,571,138
		(Audited)			
		As at June 30, 2020			
		Level 1	Level 2	Level 3	Total
		(Rupees in '000)			
Investment in securities - at fair value through profit or loss					
Listed equity securities	6.1	1,031,273	-	-	1,031,273

16.1 There were no transfers between levels of fair value hierarchy during the period.

17. GENERAL

On March 11, 2020, the World Health Organisation made an assessment that the outbreak of a coronavirus (COVID-19) can be characterised as a pandemic. As a result, businesses have subsequently been affected amongst others with temporary suspension of travel, and closure of recreation and public facilities.

To alleviate the negative impact of the COVID-19 pandemic, the Government, Central Banks including financial institutions affiliated to those banks, and regulators have taken measures and issued directives to support businesses, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the market.

The Management Company has made an assessment in order to evaluate the impact of COVID-19 pandemic over the financial performance of the Fund as well as the going concern assessment. As a result of such assessment, the management has not identified any material adverse impact on its financial performance due to COVID-19 pandemic situation.

18. DATE OF AUTHORISATION FOR ISSUE

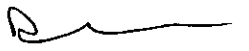
This condensed financial information were authorised for issue on 26 FEB 2021 by the Board of Directors of the Management Company.

YA

For AKD Investment Management Limited
(Management Company)



Chief Executive Officer



Director



Chief Financial Officer



**AKD Investment
Management Ltd.**

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