

Quarterly Report

September 30, 2022

(un-audited)



Funds Managed by:
AKD Investment Management Ltd

Partner with AKD
Profit from the Experience

CORPORATE INFORMATION

MANAGEMENT COMPANY

AKD Investment Management Limited
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(s)

Ms. Anum Dhedhi
Ms. Aysha Ahmed
Mr. Ali Wahab Siddiqi
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

Mr. Muhammad Munir Abdullah

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY

Ms. Tayyaba Masoom Ali

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqi (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 (Chairperson)
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

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

- » Keep primary focus on investing clients' interest
- » Achieve highest standards of regulatory compliance and good governance
- » Prioritize risk management while endeavouring 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 leading 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), Golden Arrow Stock Fund (GASF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF) and AKD Islamic Stock Fund (AKDISSF) is pleased to present its first quarter report along with the Funds' unaudited Financial Statements for the quarter ended September 30, 2022.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

For the 1QFY23, the return of AKD Opportunity Fund stood at 2.67% compared to the benchmark KSE-100 Index return of -0.99%.

Golden Arrow Stock Fund (GASF)

For the 1QFY23, the return of Golden Arrow Stock Fund stood at 2.46% compared to the benchmark KSE-100 Index return of -0.99%.

AKD Islamic Stock Fund (AKDISSF)

For the 1QFY23, the return of AKD Islamic Stock Fund stood at -3.87% compared to the benchmark KMI-30 Index return of -1.90%.

AKD Index Tracker Fund (AKDITF)

For the 1QFY23, the return of AKD Index Tracker Fund stood at -1.25% compared to the benchmark KSE-100 Index return of -0.99%.

AKD Cash Fund (AKDCF)

For the 1QFY23, the annualized return of AKD Cash Fund stood at 14.29% compared to the benchmark return of 14.62%.

AKD Islamic Income Fund (AKDISIF)

For the 1QFY23, the annualized return of AKD Islamic Income Fund stood at 14.26% compared to the benchmark return of 4.66%.

AKD Aggressive Income Fund (AKDAIF)

For the 1QFY23, the annualized return of AKD Aggressive Income Fund stood at 5.70% as compared to the benchmark return of 16.25%.

MACRO PERSPECTIVE

The global economy is facing indeed difficult times with growing international tensions between powerful nations after the invasion of Russia in Ukraine leading to a substantial surge in fuel related commodity prices and unprecedented inflationary pressures. According to the World Bank, one risk of such inflationary pressures is a decrease in growth rates which is reminiscent of stagflation in the 1970s which compelled them to make a downward revision in their global growth estimates to 3% in FY23. Pakistan is no exception and not immune to the economic and geo-political turmoil the world is experiencing.

The Monetary Policy Committee (MPC) opting for monetary tightening measures since last year have gained traction given the deceleration in economic activity coupled with containing the Current Account Deficit (CAD) and Consumer Price Index (CPI) in recent times. Factoring the supply shock impact on food prices due to recent floods and its spillover impact into broader prices in the economy, the MPC kept the policy rate unchanged at 15% in its last meeting held on October 10, 2022. That said, an additional impetus to further slowdown the economy given the aftermath of the floods cannot be ruled out, and hence this may dictate the MPC stance going forward. Consequently, we expect, flood-induced damages to bring down the GDP growth to 1.5-2.0% in FY23.

During 1QFY23, the CAD narrowed to USD 2.21 billion as compared to USD 3.53 billion during the same period last year, down 37.41% YoY. This was primarily driven by the 5.31% YoY surge in exports which propelled to USD 9.29 billion against USD 8.82 billion during 1QFY22, while imports were contained at USD 18.36 billion as compared to USD 19.89 billion in SPLY, shrinking -7.70% YoY. The overseas workers' remittances recorded a decline of -6.27% YoY to clock in at USD 7.69 billion during the 1QFY23. The potential threat of recession and its subsequent impact on commodity prices is likely to provide respite to the additional import pressure resulting from the floods. Hence, we expect the CAD to reach USD 11.5 billion (3% of GDP) this fiscal year. The Government's continued efforts to attract investments from Non-Resident Pakistanis also paid off, with an impressive inflow of USD 5.15 billion through Roshan Digital Accounts (RDA) from more than 470,000 accounts till September 2022.

Moreover, the FBR collected revenues worth PKR 1.64 trillion during 1QFY23 exceeding the target of PKR 1.61 trillion, PKR 27 billion higher than the target because of a 41% increase in direct tax during the quarter. The FBR has managed to accomplish its targets despite the import compression and no imposition of sales tax on petroleum products is commendable.

During the quarter under review, Pakistan's liquid foreign exchange reserves decreased by USD 1.95 billion despite the Country receiving USD 1.10 billion from the IMF EEF facility. As of September 30, 2022, the Country's liquid foreign exchange reserves stood at USD 13.59 billion.

As per the Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) during 1QFY23 was recorded at 25.11% YoY as compared to 8.58% YoY recorded during 1QFY22 primarily due

to higher food prices given the flood-induced supply chain disruptions coupled with higher electricity and fuel prices. Moreover, the CPI reading for September 2022 eased to 23.2% YoY as compared to 27.3% in August 2022 on the back of a 17.66% MoM decline in the Housing Index which accounts for 23.63% weight in the overall CPI basket. Given the global recessionary fears, it is likely any easing in global commodity prices will be offset by the increasing food prices due to the floods.

The Large Scale Manufacturing Index for the month of August 2022 posted a decline of -0.4% YoY as compared to August 2021 owing primarily to demand contraction in a high inflation and interest rate environment. During the period under review, major contributions towards the decline came from food, Pharmaceuticals, petroleum products, non-metallic minerals, and tobacco. Contrary to that, sectors that contributed to growth included Wearing Apparel, Furniture, iron & steel, chemical products, and other manufacturing sectors.

As per the Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) in FY22 was recorded at 12.15% YoY as compared to 8.90% YoY recorded during FY21 primarily due to the removal of fuel subsidies, steadfast food inflation, high transport and electricity costs. Average Core Inflation (measured by excluding food and energy prices) clocked in at 8.12% YoY and 8.98% YoY for Urban and Rural areas respectively, as compared to 5.98% YoY and 7.61% YoY during the SPLY.

The Large Scale Manufacturing (LSM) sector witnessed an increase of 11.7% YoY for FY22 as compared to 11.2% YoY reported during SPLY. During the period under review, major contribution towards the growth came from Textile, Food, Coke and Petroleum products, chemicals and Wearing Apparel. Likewise, sectors that contributed negative growth included transport equipment, fabricated materials, and Rubber products.

EQUITY MARKET REVIEW

The Equity Market witnessed a volatile first quarter during FY23 on the back of a series of economic and political developments that kept the participants' confidence levels troubled. The Government's success to secure the IMF program fueled investors' sentiment on one side, whereas on the other hand, elevated political uncertainty and steadfast currency devaluation in the wake of depleting FX reserves offset prospects of a rally. Furthermore, the devastating floods that hit most areas of Pakistan are reportedly estimated to cost the economy around USD 30 billion making an already difficult economic situation much worse. However, the expectations of healthy inflows in the form of aid and grants from global lending Institutions such as the World Bank, Asian Development Bank, Asian Infrastructure Investment Bank with some Pak friendly Countries provided some respite to the market participants closing the quarter at 41,128.67 points (-0.99%QoQ / -8.40%YoY). In USD terms, the market declined by a whopping 11.22% as local currency depreciated by 10.33%.

The average daily turnover shrank by -47.24% YoY to 217.47 million shares during 1QFY23 as compared to 412.17 million in the corresponding period last year. However, comparing the volumes with 4QFY22, the average daily turnover displayed a decline of -12.82%.

Interestingly, it was encouraging to note foreigners were net buyers amounting to USD 16.70 million. Individuals, Other Organizations, and Banks / DFIs reported buying of USD 22.97 million, USD 10.32 million, and USD 9.23 million, respectively. Whereas, Insurance Companies and Mutual Funds were net sellers with net outflows of USD 41.44 million and USD 35.22 million, respectively.

The sectors that took a toll on the KSE-100 index included Oil & Gas Exploration (-7.89%), Fertilizer (-7.89%), Commercial Banks (-3.40%), Automobile Assembler (-10.55%) and Tobacco (-10.36%). However, some breather was provided by Technology & Communication (14.31%), Cement (6.02%), Investment Banks (9.70%), Transport (10.54%) and Synthetic & Rayon (7.02%).

During the quarter, we have seen a very strong correlation between the Equity market and the appreciation of the local currency. Being an import dependent economy with significant debt levels, any devaluation in the local currency not only increases the import bill or debt servicing expenses, but also damages the country's outlook in the eyes of prospective lenders and investors which in turn leads to potential risks of default.

We believe that the worst has already been priced in the Equity Market. In terms of valuation, the KSE-100 Index is attractively priced at a Price to Earnings multiple of 4.32x, which is trading at a 51.39% discount as compared to MSCI Frontier Markets P/E of 8.89x and offering a healthy dividend yield of 9.42% still illustrating a compelling case to invest.

MONEY MARKET REVIEW

During 1QFY23, six (6) Market Treasury Bill (MTB) auctions were carried out by the State Bank of Pakistan, where the government managed to raise PKR 4.79 trillion against the auction target of PKR 4.95 trillion. The weighted average yield of 3, 6 and 12 months MTB were 15.64%, 15.65% and 15.77% respectively, up by 8.37%, 8.12% and 8.11% as compared to 7.27%, 7.53% and 7.65% same period last year.

To further address the need for liquidity, SBP also conducted three (3) auctions of fixed rate Pakistan Investment Bond (PIB) and was successful in raising PKR 687.04 billion. The weighted average yield for 3, 5 and 10 year PIBs increased by 5.14%, 4.12% and 3.18% to 13.92%, 13.30% and 13.01% respectively, as compared to 8.78%, 9.18% and 9.84% same period last year.

The Monetary Policy Committee (MPC) announced two (2) Monetary Policy Statements during 1QFY23, increasing the policy rate by 125 basis points to 15.00% to address inflationary pressure and contain risk to external stability. Furthermore, SBP conducted 30 Open Market Operations (OMO) of different

maturities and injected an average amount of PKR 417.35 billion at an average cut off yield of 15.10% and mopped-up the average amount of PKR 432.87 billion at an average cut off yield of 14.93%.

As per the auction target calendar for October – December 2022, the SBP targets to raise PKR 5.85 trillion by issuing 3 to 12 months tenor MTB against the maturing amount of PKR 5.56 trillion. In addition, SBP also targets to raise PKR 525 billion through 3 to 30 years tenor fixed rate PIB and PKR 840 billion through 2 to 10 years floating rate PIB.

FUTURE OUTLOOK

The last two years have reshaped the direction of the world following the Covid-19 pandemic as countries scrambled to cope with human mortalities versus economic activity, which resulted in unprecedented trade disruptions and triggered a super commodity price cycle. Then, Russia's invasion of Ukraine and geopolitical tensions rise with US imposing sanctions on Russia on the back of which power related commodity prices further skyrocketed as G2G trade disruptions were inevitable. The current global economic scenario is analogous to that of the 1970s post-recession. Central banks around the world have shifted from a growth oriented stance to monetary tightening and inflation control objectives.

While international rating agencies continue to downgrade Pakistan's credit ratings and outlook one after another, the positive news on the FATF front is expected to bode well for the country's image. Prior to the announcement of the FATF decision, the equity market incorporated the positive effect. However, going forward, the more dominant economic and political themes will play a significant role in determining market sentiment.

Pakistan's ninth review under IMF's Extended Fund Facility (EFF) program is expected to start in November 2022. As of now, Pakistan has fulfilled all the prior conditions of IMF of reducing fiscal expenditures and generating higher revenues through the imposition of additional taxes and removal of subsidies. In its review, it is expected that IMF will adopt a rather lenient approach keeping the flood situation in consideration.

We presume that SBP will move from a monetary tightening to an easing stance given the fact that the recent floods hitting the country was an outlier event and coupled with an improvement in external account in the last four months. The primary objective of SBP and other countries to raise their interest rates was to slowdown economies and address record inflationary pressures on the back of deteriorating fiscal positions. However, from Pakistan's standpoint, with the floods destroying major crops with higher than expected unemployment, it is likely the country may experience lower growth while inflation levels might remain elevated due to a shortage of food staples as the rebuilding process will take its time. We expect the SBP to reduce the policy rate by a meager 25-50bps to provide clarity to the markets on the SBP outlook since their fiscal goals for tightening have by and large been achieved. Also, the SBP expects in line with most analysts that the current account deficit will average around 3%

of the GDP. Moreover, the international assistance and external financing received in the wake of floods will also support the Country's foreign exchange reserves and provide fiscal respite to the currency. Nevertheless, a key milestone to keep an eye on will be the repayment of sovereign bonds of USD 1 billion due in December, as well as the gross external financing requirement of USD 34 billion during FY23.

We believe that many of the factors are already priced in the market as represented by the P/E multiple of 4.32x in comparison to long term historical average of 8.2x. The equity market is poised to deliver a healthy recovery in light of the improving external position, decrease in inflation in FY24 coupled with financial support from bilateral partners and Pak friendly countries.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Abdul Karim
Chairman

Karachi: October 28, 2022

FUND INFORMATION

AKD Index Tracker Fund



Management Company

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

Legal Advisor

Sattar & Sattar
Attorneys-at-Law
3rd Floor, UBL Building
I.I Chundrigar Road, Karachi.

Trustee

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

Registrar

AKD Investment Management Limited
216-217, Continental Trade Centre,
Block 8, Clifton, Karach - 74000
UAN: 111-253-465 (111-AKDIML)

Bankers

Askari Bank Limited
Bank Al Falah Limited
Bankislami Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
United Bank Limited

Distributor

Financial Investments Mart (Pvt) Ltd.
Investlink Advisor (Private) Limited.
Investomate (Private) Limited
ITMinds Limited.
YPay Financial Services (Pvt.) Ltd.

Auditors

M/s Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU Shahrah-e-Faisal,
Karachi-75350

Rating: Asset Management Company

PACRA: AM3++

FUND MANAGER'S REPORT

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

Open - end Scheme investing in Equity Securities of KSE-100 Index.

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

The objective of the AKD Index Tracker Fund (AKDITF) is to trail the return of KSE-100 Index with up to 85% accuracy and provide investors with a high quality, in-depth diversification instrument.

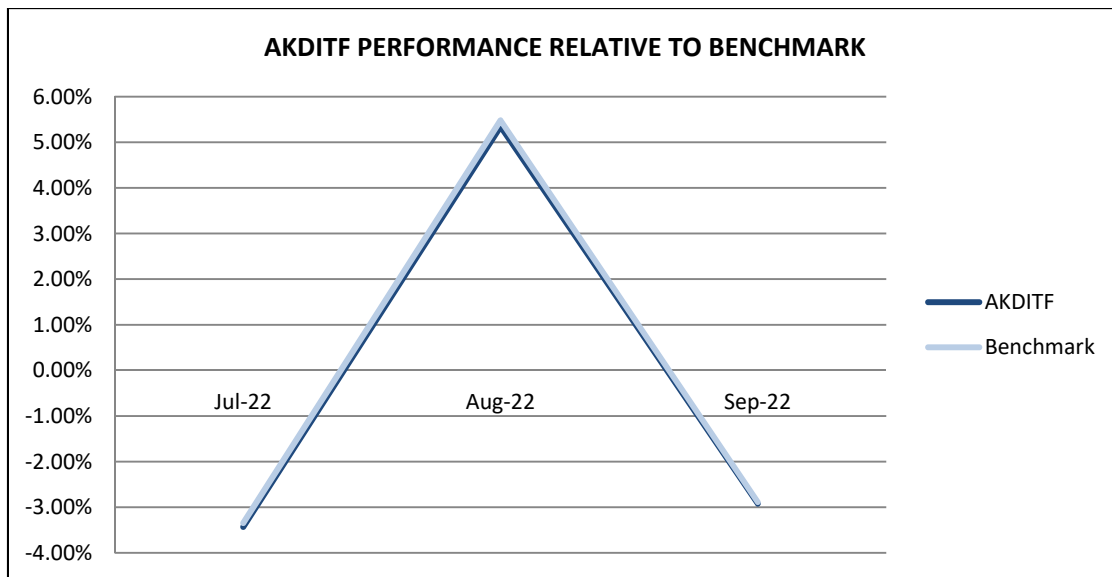
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 1QFY23, the return of AKD Index Tracker Fund stood at -1.25% compared to the benchmark KSE-100 Index return of -0.99%.

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

KSE-100 Index.

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



Monthly return	Jul-22	Aug-22	Sep-22
AKDITF	-3.43%	5.34%	-2.92%
Benchmark	-3.35%	5.48%	-2.89%

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

AKD Index Tracker Fund is a passively managed open - end equity portfolio; its performance is directly linked to the performance of KSE-100 Index with up to 85% accuracy. The Fund Manager attempts to trial the movement of the Index by using the weights of the respective stocks in the KSE-100 Index.

vii) **Disclosure of Collective Investment Scheme's asset allocation as the date of the report and particulars of significant changes in asset allocation:**

Asset Allocation (% of Total Asset)	30-Sep-22	30-Jun-22
Equities	96.48%	96.98%
Cash	2.21%	2.35%
Other Assets including Receivables	1.31%	0.67%

viii) **Analysis of the Collective Investment Scheme's performance:**

1QFY23 Return	-1.25%
Benchmark Return	-0.99%

ix) **Changes in total NAV and NAV per unit since the last reviewed period:**

Net Assets Value		Change in Net Assets	NAV Per Unit	
30-Sep-22	30-Jun-22		30-Sep-22	30-Jun-22
(Rupees In "000")			Rs.	Rs.
423,113	427,595	-1.05%	12.42	12.57

x) **Statement on the characteristics and general composition of the index:**

AKD Index Tracker Fund tracks the returns of the KSE-100 Index with up to 85% accuracy, providing investors with high quality, in depth diversification instrument.

xi) **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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such inflationary pressures is a decrease in growth rates which is reminiscent of stagflation in the 1970s which compelled them to make a downward revision in their global growth estimates to 3% in FY23. Pakistan is no exception and not immune to the economic and geo-political turmoil the world is experiencing.

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We believe that the worst has already been priced in the Equity Market. In terms of valuation, the KSE-100 Index is attractively priced at a Price to Earnings multiple of 4.32x, which is trading at a 51.39%

discount as compared to MSCI Frontier Markets P/E of 8.89x and offering a healthy dividend yield of 9.42% still illustrating a compelling case to invest.

FUTURE OUTLOOK

The last two years have reshaped the direction of the world following the Covid-19 pandemic as countries scrambled to cope with human mortalities versus economic activity, which resulted in unprecedented trade disruptions and triggered a super commodity price cycle. Then, Russia's invasion of Ukraine and geopolitical tensions rise with US imposing sanctions on Russia on the back of which power related commodity prices further skyrocketed as G2G trade disruptions were inevitable. The current global economic scenario is analogous to that of the 1970s post-recession. Central banks around the world have shifted from a growth oriented stance to monetary tightening and inflation control objectives.

While international rating agencies continue to downgrade Pakistan's credit ratings and outlook one after another, the positive news on the FATF front is expected to bode well for the country's image. Prior to the announcement of the FATF decision, the equity market incorporated the positive effect. However, going forward, the more dominant economic and political themes will play a significant role in determining market sentiment.

Pakistan's ninth review under IMF's Extended Fund Facility (EFF) program is expected to start in November 2022. As of now, Pakistan has fulfilled all the prior conditions of IMF of reducing fiscal expenditures and generating higher revenues through the imposition of additional taxes and removal of subsidies. In its review, it is expected that IMF will adopt a rather lenient approach keeping the flood situation in consideration.

We presume that SBP will move from a monetary tightening to an easing stance given the fact that the recent floods hitting the country was an outlier event and coupled with an improvement in external account in the last four months. The primary objective of SBP and other countries to raise their interest rates was to slowdown economies and address record inflationary pressures on the back of deteriorating fiscal positions. However, from Pakistan's standpoint, with the floods destroying major crops with higher than expected unemployment, it is likely the country may experience lower growth while inflation levels might remain elevated due to a shortage of food staples as the rebuilding process will take its time. We expect the SBP to reduce the policy rate by a meager 25-50bps to provide clarity to the markets on the SBP outlook since their fiscal goals for tightening have by and large been achieved. Also, the SBP expects in line with most analysts that the current account deficit will average around 3% of the GDP. Moreover, the international assistance and external financing received in the wake of floods will also support the Country's foreign exchange reserves and provide fiscal respite to the currency. Nevertheless, a key milestone to keep an eye on will be the repayment of sovereign bonds of USD 1 billion due in December, as well as the gross external financing requirement of USD 34 billion during FY23.

We believe that many of the factors are already priced in the market as represented by the P/E multiple of 4.32x in comparison to long term historical average of 8.2x. The equity market is poised to deliver a

healthy recovery in light of the improving external position, decrease in inflation in FY24 coupled with financial support from bilateral partners and Pak friendly countries.

- xii) 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 Fund manager's report, not otherwise disclosed in the financial statements.**

There were no significant changes in the state of affairs during the period under review.

- xiii) Disclosure on unit split (if any), comprising:**

There were no unit splits during the period.

- xiv) Break down of unit holdings by size:**

Range(Units)	No of Investors
0.0001 to 9,999	619
10,000 to 49,999	22
50,000 - 99,999	6
100,000 - 499,999	1
500,000 and above	2
Total	650

- xv) Disclosure of circumstances that materially affect any interests of unit holders:**

Investments are subject to credit and market risk.

- xvi) 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:**

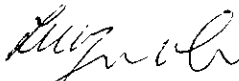
No soft commission has been received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**AKD INDEX TRACKER FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2022**

		September 30 2022 (Un-audited)	June 30 2022 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	5	9,582	10,272
Investments	6	418,394	423,649
Dividend and profit receivable on bank deposits		2,472	266
Receivable against conversion		505	-
Deposits and other receivables		2,700	2,666
Total assets		433,653	436,853
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	7	1,699	1,691
Payable to Central Depository Company of Pakistan Limited - Trustee	8	80	80
Payable to Securities and Exchange Commission of Pakistan	9	22	92
Payable against conversion/redemption		1,315	-
Accrued expenses and other liabilities	10	3,696	3,667
Unclaimed dividend		3,728	3,728
Total liabilities		10,540	9,258
NET ASSETS		423,113	427,595
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		423,113	427,595
CONTINGENCIES AND COMMITMENTS			
11			
----- (Number of Units) -----			
NUMBER OF UNITS IN ISSUE		34,077,233	34,009,203
----- (Rupees) -----			
NET ASSETS VALUE PER UNIT		12.42	12.57

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

**AKD INDEX TRACKER FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

for the quarter ended
September 30,
Unaudited Unaudited
2022 2021
----- (Rupees in '000) -----

INCOME

Capital gain/(loss) on sale of investments classified as 'at fair value through profit or loss'	460	(728)
Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'at fair value through profit or loss'	(12,734)	(31,620)
Dividend income	8,278	7,864
Profit on bank deposits	228	100
Reversal of provision against Sindh Workers' Welfare Fund	-	4,814
Total income/(loss)	(3,768)	(19,570)

EXPENSES

Remuneration of AKD Investment Management Limited - Management Company	813	904
Sindh Sales tax on remuneration of Management Company	106	117
Remuneration of Central Depository Company of Pakistan Limited - Trustee	217	241
Sindh Sales tax on remuneration of Trustee	28	32
Annual fee to the Securities and Exchange Commission of Pakistan	22	24
Expenses allocated by Management Company	108	120
Auditors' remuneration	88	81
Brokerage	23	33
Printing and stationery	-	38
Legal and professional charges	185	279
Settlement and bank charges	4	5
Fee and subscription	19	84
Total expenses	1,613	1,958

Net income/(loss) for the period before taxation	(5,381)	(21,528)
Taxation	13	-
Net income/(loss) for the period after taxation	(5,381)	(21,528)

Allocation of income for the period

Net income for the period after taxation	-	-
Income already paid on units redeemed	-	-
	-	-

Accounting income available for distribution

Relating to capital gain	-	-
Excluding capital gains	-	-
	-	-

Earnings per unit 14

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director



Chief Financial Officer

**AKD INDEX TRACKER FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

	for the quarter ended September 30,	
	Unaudited 2022	Unaudited 2021
	----- (Rupees in '000) -----	
Net income/(loss) for the period after taxation	(5,381)	(21,528)
Other comprehensive income for the period	-	-
Total comprehensive income for the period	(5,381)	(21,528)

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

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


Chief Executive Officer


Director



Chief Financial Officer

**AKD INDEX TRACKER FUND
CONDENSED INTERIM CASH FLOW STATEMENT(UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

	for the quarter ended September 30,	
	Unaudited 2022	Unaudited 2021
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income/(loss) for the period after taxation	(5,381)	(21,528)
Adjustments for non cash items and other items:		
Unrealised (appreciation) / diminution on remeasurement of investments classified as 'at fair value through profit or loss'	12,734	31,620
Capital gain/(loss) on sale of investment	(460)	728
	<u>6,893</u>	<u>10,820</u>
Decrease / (increase) in assets		
Dividend and profit receivable on bank deposits	(2,206)	(2,049)
Receivable against conversion	(505)	-
Deposits and other receivables	(34)	(26)
	<u>(2,745)</u>	<u>(2,075)</u>
Increase / (decrease) in liabilities		
Payable to AKD Investment Management Limited - Management Company	8	(91)
Payable to Central Depository Company of Pakistan Limited - Trustee	-	(3)
Payable against conversion/redemption	1,315	-
Payable to Securities and Exchange Commission of Pakistan	(70)	(67)
Accrued expenses and other liabilities	29	(2,956)
	<u>1,282</u>	<u>(3,117)</u>
Investment - net	(7,019)	(154)
	<u>(1,589)</u>	<u>5,474</u>
Net cash generated from / (used in) operating activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	13,139	9,536
Payment against redemption of units	(12,240)	(9,081)
Net cash flows (used in) / generated from financing activities	<u>899</u>	<u>455</u>
Net increase/(decrease) in cash and cash equivalents during the period	<u>(690)</u>	<u>5,929</u>
Cash and cash equivalents at beginning of the period	10,272	7,500
Cash and cash equivalents at end of the period	<u>9,582</u>	<u>13,429</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD INDEX TRACKER FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND(UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	2022			2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the period	372,497	55,098	427,595	365,165	113,810	478,975
Issue of 1,023,812 (2021: 665,338) units						
- Capital value (at Ex-Net asset value per unit at the beginning of year)	12,872	-	12,872	9,525	-	9,525
- Element of income	267	-	267	11	-	11
Total proceeds on issuance of units	13,139	-	13,139	9,536	-	9,536
Redemption of 955,782 (2021: 631,454) units						
- Capital value (at Ex-Net asset value per unit at the beginning of year)	(12,017)	-	(12,017)	(9,040)	-	(9,040)
- Element of income	(223)	-	(223)	(41)	-	(41)
Total payments on redemption of units	(12,240)	-	(12,240)	(9,081)	-	(9,081)
Total comprehensive income/(loss) for the period	-	(5,381)	(5,381)	-	(21,528)	(21,528)
Refund of capital	-	-	-	-	-	-
Net income/(loss) for the period less distribution	-	(5,381)	(5,381)	-	(21,528)	(21,528)
Net assets at end of the period	373,396	49,717	423,113	365,620	92,282	457,902
Undistributed income brought forward						
- Realised income		143,474			11,208	
- Unrealised income		(88,376)			102,602	
		55,098			113,810	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
Net loss for the period after taxation		(5,381)			(21,528)	
Undistributed income carried forward		49,717			92,282	
Undistributed income carried forward						
- Realised income		62,451			123,902	
- Unrealised income / (loss)		(12,734)			(31,620)	
		49,717			92,282	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		12.57			14.32	
Net assets value per unit at end of the period		12.42			13.67	

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD INDEX TRACKER FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Index Tracker Fund ("The Fund") was established under a Trust Deed, dated May 2, 2007 executed between AKD Investment Management Limited (AKDIML) as Asset Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 02, 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on April 12, 2007 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. The Fund commenced its operations from October 11, 2005.

The Management Company of the Fund has been registered as a Non - Banking Finance Company (NBFC) under the NBFC Rules and has obtained a requisite license from 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 be redeemed by surrendering the same to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited

The Fund is categorised as Index Tracker Scheme as per circular 7 of 2009 by SECP. As per the circular, the Fund shall strive to remain fully invested in accordance with the stated index (i.e. KSE-100 index), however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index or its subsets during the year based on monthly average investment calculated on daily basis. The units invested amount shall be kept in cash and / or near cash instrument where near cash instrument include deposits with bank (excluding TDRs), and treasury bills not exceeding 90 days maturity.

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.

The Management Company has been assigned a quality rating of "AM3++" by the Pakistan Credit Rating Agency Limited (PACRA) on June 30, 2022. Due to specialised nature of the Fund, performance rating has not been taken, as the comparable benchmark is not available.

The Fund has registered on August 23, 2021 with assistant director of industries and commerce (Trust Wing) Government of Sindh under Section 12 of the Sindh Trusts Act, 2020.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- 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 IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 This condensed interim financial information does not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2022.

2.3 This condensed interim financial information is being submitted to the unitholders as required under Regulation 38 2(f)V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited.

3. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and methods of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparing the financial statements as at and for the year ended 30 June 2022.

In preparing this condensed interim financial information, Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by Management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 30 June 2022.

4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2022.

		Un-Audited September 30 2022	Audited June 30 2022
	Note	----- (Rupees in '000) -----	
5. BANK BALANCES			
Saving accounts		9,577	9,883
Current accounts		<u>5</u>	<u>389</u>
		<u>9,582</u>	<u>10,272</u>
5.1	Mark-up rate on these saving accounts is 14.00% (June 30, 2022: 13.00%) per annum.		
		Un-Audited September 30 2022	Audited June 30 2022
		----- (Rupees in '000) -----	
6. INVESTMENTS			
At fair value through profit or loss			
Listed equity securities	6	<u>418,394</u>	<u>423,649</u>

6.1 Listed equity securities

Name of investee company	Face value per share (Rupees)	As at July 1, 2022	Number of shares / certificates			Sales during the year	As at September 30, 2022	Balance as at September 30, 2022			Market Value as a percentage of net assets of investments (%)	Market Value as a percentage of capital paid up of the investee company held
			Purchases during the year	Bonus / right issue	As at September 30, 2022			Carrying cost	Market Value	Appreciation / (diminution)		
Fully paid ordinary shares / certificates												
Automobile Assembler												
Atlas Honda Limited	10	2,920	200	-	-	3,120	1,171	1,073	(98)	0.26	0.25	0.00
Honda Atlas Cars (Pakistan) Limited	10	6,770	500	-	-	7,270	1,406	1,346	(60)	0.32	0.32	0.01
Indus Motor Company Limited	10	3,549	-	-	-	3,549	4,062	3,347	(715)	0.80	0.79	0.00
Miliat Tractors Limited (note 6.3)	10	12,623	200	-	1,226	11,597	10,124	9,556	(568)	2.28	2.26	0.01
Pak Suzuki Motor Company Limited	10	5,132	500	-	-	5,632	1,172	1,055	(117)	0.25	0.25	0.01
							17,935	16,377	(1,558)			
Automobile Parts & Accessories												
Thal Limited	5	10,371	400	-	-	10,771	2,904	2,952	48	0.71	0.70	0.01
							2,904	2,952	48			
Cable & Electrical Goods												
Pak Elektron Limited	10	108,393	-	-	-	108,393	1,722	1,738	16	0.42	0.41	0.01
							1,722	1,738	16			
Cement												
Cherat Cement Company Limited	10	30,405	-	-	220	30,185	2,808	3,488	680	0.83	0.82	0.02
D.G. Khan Cement Company Limited	10	57,087	-	-	360	56,727	3,545	3,439	(106)	0.82	0.81	0.01
Fauji Cement Company Limited	10	188,300	9,500	-	-	197,800	2,789	2,965	176	0.71	0.70	0.01
Kohat Cement Company Limited	10	15,300	500	-	-	15,800	2,071	2,528	457	0.60	0.60	0.01
Lucky Cement Limited	10	29,264	700	-	-	29,964	13,774	14,879	1,105	3.56	3.52	0.01
Maple Leaf Cement Factory Limited	10	129,247	-	-	1,260	127,987	3,500	3,566	66	0.85	0.84	0.01
Pioneer Cement Limited	10	29,400	-	-	-	29,400	1,774	1,992	218	0.48	0.47	0.01
							30,261	32,857	2,596			
Chemical												
Archroma Pakistan Limited	10	2,000	150	-	-	2,150	1,176	1,170	(6)	0.28	0.28	0.01
Colgate Palmolive (Pakistan) Limited	10	1,877	50	281	-	2,208	4,327	4,703	376	1.12	1.11	0.00
Engro Polymer & Chemicals Limited	10	82,197	2,000	-	-	84,197	6,655	4,617	(2,038)	1.10	1.09	0.01
ICI Pakistan Limited	10	3,438	100	-	-	3,538	2,568	2,356	(212)	0.56	0.56	0.00
Lotte Chemical Pakistan Limited	10	97,500	-	-	-	97,500	2,303	2,784	481	0.67	0.66	0.01
							17,029	15,630	(1,399)			
Close - End Mutual Fund												
HBL Growth Fund - Class A	10	62,512	-	-	-	62,512	322	331	9	0.08	0.08	0.02

Name of investee company	Face value per share (Rupees)	As at July 1, 2022	Purchases during the year	Bonus / right issue	Sales during the year	As at September 30, 2022	Balance as at September 30, 2022			Market Value as a percentage of investments	Market value as percentage of net assets	Market Value as a Percentage of paid up capital of the investee company held
							Carrying cost	Market Value	Appreciation / (diminution)			
Fully paid ordinary shares / certificates												
Number of shares / certificates												
(Rupees in '000)												
%												
Commercial Banks												
Allied Bank Limited	10	28,839	-	-	-	28,839	1,990	1,872	(118)	0.45	0.44	0.00
Askari Bank Limited	10	98,813	-	-	600	98,213	1,712	1,775	63	0.42	0.42	0.01
Bank AL Habib Limited (note 6.3)	10	186,932	5,000	-	-	191,932	11,142	10,364	(778)	2.48	2.45	0.02
Bank Alfalah Limited	10	160,534	3,500	-	-	164,034	5,252	5,108	(144)	1.22	1.21	0.01
Faysal Bank Limited	10	97,680	-	-	-	97,680	2,253	2,572	319	0.61	0.61	0.01
Habib Bank Limited	10	189,733	4,500	-	-	194,233	17,742	13,540	(4,202)	3.24	3.20	0.01
Habib Metropolitan Bank Limited	10	121,748	3,000	-	660	124,748	4,859	4,250	(609)	1.02	1.00	0.01
MCB Bank Limited	10	108,068	2,500	-	680	118,352	12,201	12,869	788	3.10	3.10	0.01
Meezan Bank Limited	10	106,000	2,500	10,532	-	131,438	3,674	3,427	(247)	0.82	0.81	0.01
National Bank of Pakistan	10	131,438	-	-	-	131,438	985	1,077	92	0.26	0.25	0.00
Standard Chartered Bank (Pakistan) Limited	10	45,848	5,500	-	-	51,348	1,749	1,740	(9)	0.42	0.41	0.01
The Bank of Punjab	10	322,741	-	-	-	322,741	14,884	14,899	215	3.56	3.52	0.01
United Bank Limited	10	126,679	3,000	-	-	129,679	91,763	86,748	(5,015)			
Engineering												
Aisha Steel Mills Limited	10	82,700	-	-	-	82,700	914	855	(59)	0.20	0.20	0.01
International Industries Limited	10	18,750	-	-	-	18,750	1,945	1,887	(58)	0.45	0.45	0.01
International Steels Limited	10	39,100	-	-	-	39,100	2,321	2,156	(165)	0.52	0.51	0.01
Mughal Iron & Steel Industries Limited	10	20,705	1,500	-	-	22,205	1,294	1,447	153	0.35	0.34	0.01
Fertilizer												
Engro Corporation Limited	10	81,981	2,000	-	-	83,981	21,568	19,443	(2,125)	4.65	4.60	0.01
Engro Fertilizer Limited	10	155,425	3,500	-	-	158,925	14,052	12,399	(1,653)	2.96	2.93	0.01
Falima Fertilizer Company Limited	10	78,634	4,000	-	-	82,634	3,118	3,167	49	0.76	0.75	0.00
Fauji Fertilizer Bin Qasim Limited	10	114,802	-	-	-	114,802	2,324	2,229	(95)	0.53	0.53	0.01
Fauji Fertilizer Company Limited	10	181,000	4,500	-	-	185,500	20,409	18,793	(1,616)	4.49	4.44	0.01
							61,471	56,031	(5,440)			
Food & Personal Care Products												
Frieslandcampina Engro Pakistan Limited	10	18,224	1,500	-	-	19,724	1,351	1,298	(53)	0.31	0.31	0.00
Murree Brewery Company Limited	10	2,930	300	-	-	3,230	1,311	1,324	13	0.32	0.31	0.01
National Foods Limited	5	17,602	500	-	-	18,102	2,619	2,468	(151)	0.59	0.58	0.01
Nestle Pakistan Limited	10	574	20	-	-	594	3,444	3,386	(58)	0.81	0.80	0.00
Unity Foods Limited	10	119,471	6,000	-	-	125,471	2,539	2,831	292	0.68	0.67	0.01
							11,264	11,307	43			
Glass & Ceramics												
Ghani Glass Limited	10	63,793	2,500	-	-	66,293	2,704	2,666	(38)	0.64	0.63	0.01
Tariq Glass Industries Limited	10	13,000	1,000	-	-	14,000	1,450	1,608	158	0.38	0.38	0.01
							4,154	4,274	120			

Name of investee company	Face value per share (Rupees)	As at July 1, 2022	Number of shares / certificates				Balance as at September 30, 2022			Market Value as a percentage of net assets of investments (%)	Market Value as a Percentage of paid up capital of the investee company held	
			Purchases during the year	Bonus / right issue	Sales during the year	As at September 30, 2022	Carrying cost	Market Value	Appreciation / (diminution)			Market Value as a percentage of investments
Fully paid ordinary shares / certificates												
Insurance												
Adamjee Insurance Company Limited	10	62,240	-	-	3,000	58,240	1,870	1,790	(80)	0.43	0.42	0.02
EFU General Insurance Limited	10	15,637	-	-	100	15,537	1,733	1,507	(226)	0.36	0.36	0.01
IGI Holdings Limited	10	8,416	-	-	1,000	7,416	821	765	(56)	0.18	0.18	0.01
						4,424	4,062	(362)				
Inv. Banks / Inv. Cos. / Securities Cos.												
Dawood Hercules Corporation Limited	10	87,846	1,000	-	250	88,596	8,200	8,026	(174)	1.92	1.90	0.02
Pakistan Stock Exchange Limited	10	114,000	12,000	-	-	126,000	1,286	1,241	(45)	0.30	0.29	0.02
						9,486	9,267	(219)				
Jute												
Crescent Jute Products Ltd	10	500	-	-	-	500	-	-	-	0.00	0.00	0.00
Leasing Companies												
Service Industries Limited	10	4,830	-	-	-	4,830	1,704	1,597	(107)	0.38	0.38	0.01
						1,704	1,597	(107)				
Miscellaneous												
Pakistan Services Limited	10	5,440	100	-	-	5,540	8,513	5,670	(2,843)	1.36	1.34	0.02
Shifa International Hospitals Limited	10	6,866	-	-	-	6,866	1,230	1,053	(177)	0.25	0.25	0.01
						9,743	6,723	(3,020)				
Modarabas												
First Habib Modaraba	5	40,500	-	-	-	40,500	379	360	(19)	0.09	0.09	0.02
						379	360	(19)				
Oil & Gas Exploration Companies												
Mari Petroleum Company Limited	10	6,898	150	-	-	7,048	12,251	11,029	(1,222)	2.64	2.61	0.01
Oil & Gas Development Company Limited (note 6.2)	10	166,937	4,000	-	-	170,937	13,449	12,943	(506)	3.09	3.06	0.00
Pakistan Oilfields Limited	10	33,584	800	-	-	34,384	13,944	12,004	(1,940)	2.87	2.84	0.01
Pakistan Petroleum Limited (note 6.3)	10	172,530	5,000	-	-	177,530	11,978	10,909	(1,069)	2.61	2.58	0.01
						51,622	46,885	(4,737)				

Name of investee company	Face value per share (Rupees)	As at July 1, 2022	Purchases during the year	Bonus / right issue	Sales during the year	As at September 30, 2022	Balance as at September 30, 2022			Market Value as a percentage of investments	Market value as percentage of net assets	Market Value as a Percentage of paid up capital of the investee company held
							Carrying cost	Market Value	Appreciation / (diminution)			
Fully paid ordinary shares / certificates												
Number of shares / certificates												
(Rupees in '000)												
Oil & Gas Marketing Companies												
Attock Petroleum Limited	10	6,390	-	1,597	-	7,987	2,053	2,227	174	0.53	0.53	0.01
Pakistan State Oil Company Limited	10	54,395	1,300	-	-	55,695	9,584	9,047	(537)	2.16	2.14	0.01
Shell Pakistan Limited	10	12,702	1,000	-	-	13,702	1,621	1,724	103	0.41	0.41	0.01
Sul Northern Gas Pipelines Limited	10	73,570	-	-	-	73,570	2,517	2,473	(44)	0.59	0.58	0.01
							<u>15,775</u>	<u>15,471</u>	<u>(304)</u>			
Paper & Board												
Century Paper And Board Mills Limited	10	16,790	1,500	1,829	-	20,119	1,149	1,342	193	0.32	0.32	0.01
Packages Limited	10	8,089	-	-	-	8,089	3,226	3,301	75	0.79	0.78	0.01
							<u>4,375</u>	<u>4,643</u>	<u>268</u>			
Pharmaceuticals												
Abbot Laboratories (Pakistan) Limited	10	5,464	-	-	-	5,464	3,577	3,185	(392)	0.76	0.75	0.01
AGP Limited	10	21,376	-	-	-	21,376	1,873	1,728	(145)	0.41	0.41	0.01
GlaxoSmithKline Pakistan Limited	10	13,273	-	-	-	13,273	1,658	1,496	(162)	0.36	0.35	0.00
Highnoon Laboratories Limited	10	4,640	200	-	-	4,840	2,561	2,561	(7)	0.61	0.61	0.01
The Searte Company Limited	10	35,508	1,000	-	-	36,508	3,979	3,711	(268)	0.89	0.88	0.01
							<u>13,655</u>	<u>12,681</u>	<u>(974)</u>			
Power Generation & Distribution												
The Hub Power Company Limited	10	251,595	6,500	-	-	258,095	17,590	18,043	453	4.31	4.28	0.02
K-Electric Limited	3.5	712,848	-	-	-	712,848	2,166	2,124	(42)	0.51	0.50	0.00
Kot Addu Power Company Limited	10	118,779	-	-	675	118,104	3,251	3,489	238	0.83	0.82	0.01
Nishat Chumian Power Limited	10	-	20,023	-	20,023	-	-	-	-	0.00	0.00	-
							<u>23,007</u>	<u>23,656</u>	<u>649</u>			
Property												
Javedan Corporation Limited	10	29,500	-	-	-	29,500	1,239	1,505	266	0.36	0.36	0.01
							<u>1,239</u>	<u>1,505</u>	<u>266</u>			
Real Estate Investment Trust												
Dolmen City REIT	10	143,000	-	-	-	143,000	1,933	1,983	50	0.47	0.47	0.01
							<u>1,933</u>	<u>1,983</u>	<u>50</u>			
Refinery												
Attock Refinery Limited	10	11,123	-	-	80	11,043	1,941	1,626	(315)	0.39	0.38	0.01
Energycio PK Limited	10	413,300	-	-	-	413,300	2,207	2,025	(182)	0.48	0.48	0.01
National Refinery Limited	10	6,700	-	-	-	6,700	1,692	1,631	(61)	0.39	0.39	0.01
							<u>5,840</u>	<u>5,282</u>	<u>(558)</u>			
Sugar & Allied Industries												
Shakarganj Limited	10	12,500	2,000	-	-	14,500	590	653	63	0.16	0.15	0.01
							<u>590</u>	<u>653</u>	<u>63</u>			
Synthetics And Rayon												
Ibrahim Fibres Limited	10	3,690	-	-	-	3,690	627	738	111	0.18	0.17	0.00

Name of investee company	Face value per share (Rupees)	As at July 1, 2022	Purchases during the year	Bonus / right issue	Sales during the year	As at September 30, 2022	Balance as at September 30, 2022			Market Value as a percentage of net assets of the investee company held		
							Carrying cost	Market Value	Appreciation / (diminution)			
Fully paid ordinary shares / certificates												
Number of shares / certificates												
(Rupees in '000)												
%												
Technology & Communication												
Avanceon Limited	10	24,250	1,500	-	-	25,750	2,002	1,917	(85)	0.46	0.45	0.01
Pakistan Telecommunication Company Limited	10	140,517	16,500	-	-	157,017	1,092	1,066	(26)	0.25	0.25	0.00
Systems Limited	10	42,780	1,500	-	-	44,280	14,642	16,707	2,065	3.99	3.95	0.02
TRG Pakistan Limited	10	120,955	2,500	-	7,710	115,745	9,018	14,915	5,897	3.56	3.53	0.02
							<u>26,754</u>	<u>34,605</u>	<u>7,851</u>			
Textile Composite												
Azgard Nine Limited	10	86,300	-	-	-	86,300	887	795	(92)	0.19	0.19	0.02
Gul Ahmed Textile Mills Limited	10	36,620	3,500	-	-	40,120	1,351	1,208	(143)	0.29	0.29	0.01
Interloop Limited	10	33,930	1,500	-	-	35,430	2,165	2,230	65	0.53	0.53	0.00
Kohinoor Textile Mills Limited	10	20,895	2,000	-	-	22,895	1,156	1,230	74	0.29	0.29	0.01
Nishat (Chunian) Limited	10	25,630	-	-	-	25,630	1,148	917	(231)	0.22	0.22	0.01
Nishat Mills Limited	10	41,047	-	-	4,575	36,472	2,696	2,484	(212)	0.59	0.59	0.01
							<u>9,403</u>	<u>8,864</u>	<u>(539)</u>			
Textile Spinning												
Gadoon Textile Mills Limited	10	2,000	-	-	-	2,000	540	461	(79)	0.11	0.11	0.01
							<u>540</u>	<u>461</u>	<u>(79)</u>			
Textile Weaving												
Yousaf Weaving Mills Limited	10	9,500	-	-	-	9,500	47	45	(2)	0.01	0.01	0.01
							<u>47</u>	<u>45</u>	<u>(2)</u>			
Tobacco												
Pakistan Tobacco Company Limited	10	3,120	100	-	-	3,220	3,159	2,863	(296)	0.68	0.68	0.00
							<u>3,159</u>	<u>2,863</u>	<u>(296)</u>			
Transport												
Pakistan International Bulk Terminal Limited	10	212,435	23,000	-	-	235,435	1,408	1,351	(57)	0.32	0.32	0.01
							<u>1,408</u>	<u>1,351</u>	<u>(57)</u>			
Vanaspatti & Allied Industries												
Punjab Oil Mills Limited	10	500	-	-	-	500	89	78	(11)	0.02	0.02	0.01
							<u>89</u>	<u>78</u>	<u>(11)</u>			
Woollen												
Bannu Woollen Mills Limited	10	1,000	-	-	-	1,000	30	31	1	0.01	0.01	0.01
							<u>30</u>	<u>31</u>	<u>1</u>			
Total as at September 30, 2022							431,128	418,394	(12,734)			
Total as at June 30, 2022							512,025	423,649	(88,376)			

6.2 These include 100,000 shares of Oil and Gas Development Company Limited as pledged with National Clearing Company of Pakistan Limited as on September 30, 2022.

6.3 These investments held by the fund exceeded the maximum limit prescribed by the regulation 55(6) of the NBFC regulations. The said regulation states that the weight of the security invested into shall not exceed the weight of the security in the index or its subset. Arrangements have been made to adjust these investments with the weight prescribed in the NBFC regulations.

		Un-Audited September 30 2022	Audited June 30 2022
6.1	Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'at fair value through profit or loss'		
	Market value of investments	418,394	423,649
	Carrying value of investments	<u>(431,128)</u>	<u>(512,025)</u>
		<u>(12,734)</u>	<u>(88,376)</u>

		Un-Audited September 30 2022	Audited June 30 2022
7.	PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Management fee	265	265
	Sindh sales tax on management fee	34	34
	Expenses allocated by the Management Company	35	35
	Sales Load payable	8	-
	Federal excise duty on management fee	1,357	1,357
		<u>1,699</u>	<u>1,691</u>

7.1 The Management Company has charged remuneration at the rate of 0.75% per annum (June 30, 2022: 0.75%) of the average daily net assets. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 Sindh sales tax on services at the rate of 13% (June 30, 2022: 13%) on gross value of management fee under the provisions of Sindh Sales Tax on Services Act, 2011.

7.3 The Management Company has charged expenses at the rate of 0.1% (June 30, 2022: 0.1%) per annum of the average annual net assets of the Fund.

7.4 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company was applied with effect from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.

On June 30, 2016, the Sindh High Court had passed a judgment that after 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 1.357 million (June 30, 2022: Rs: 1.357 million) until the matter is resolved. Had the provision not been retained, the net asset value per unit of the Fund as at June 30, 2021 would have been higher by Re. 0.039 per unit (June 30, 2022: Re. 0.040 per unit).

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn.

Therefore, provision for FED has not been recorded in these financial statements from July 01, 2016 onwards.

Un-Audited September 30 2022	Audited June 30 2022
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----- (Rupees in '000) -----

8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

Trustee fees	71	71
Sindh sales tax on trustee fee	9	9
	<u>80</u>	<u>80</u>

- 8.1** 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 tariff structure applicable to the Fund is as follows:

**Amount of Funds Under Management Tariff per annum
[Average Net Assets Value (NAV)]**

Upto Rs 1 billion	0.20% per annum of net asset value of the Fund, whichever is higher.
Exceeding Rs 1 billion	Rs. 2.0 million plus 0.10% per annum of net assets value on amount exceeding Rs 1 billion.

- 8.2** Sindh sales tax on services at the rate of 13% (June 30, 2022: 13%) on gross value of trustee fee under the provisions of Sindh Sales Tax on Services Act, 2011.

Un-Audited September 30 2022	Audited June 30 2022
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----- (Rupees in '000) -----

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Annual fee payable to SECP	9.1	<u>22</u>	<u>92</u>
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- 9.1 Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 all Collective Investment Scheme are required to pay an annual fee, to the Securities and Exchange Commission of Pakistan, an amount equal to 0.02 % (June 30, 2022: 0.02%) of the average annual net assets of the scheme.

	Un-Audited September 30 2022	Audited June 30 2022
Note	----- (Rupees in '000) -----	
10. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditor's remuneration	338	283
Brokerage payable	20	18
Withholding tax payable	9	21
Printing charges payable	150	150
Others	3,179	3,195
	<u>3,696</u>	<u>3,667</u>

11. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at September 30, 2022 and June 30, 2022.

12. TOTAL EXPENSE RATIO

The total expense ratio of the Fund is 0.38% (September 30, 2021: 0.41%) and this includes 0.04% (September 30, 2021: 0.04%) representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a Collective Scheme categorised as a "Index Scheme".

13. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders in cash.

Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2022 to the unit holders in the manner as explained above, therefore; no provision for taxation has been made in these financial statements during the period.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

14. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, the Trustee, AKD Securities Limited, directors, officers, key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

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 Fund.

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

Un-Audited
Quarter ended September 30
2022 2021
----- (Rupees in '000) -----

Details of transactions with connected persons / related parties during the period

AKD Investment Management Limited - Management Company of the Fund

Remuneration for the year	813	904
Sindh sales tax on Management Company's Remuneration	106	117
Allocated expenses by the management company	108	120
Sales load	4	1

Central Depository Company of Pakistan Limited - Trustee

Trustee Fee	217	241
Central Depository Service charges	4	3
Sindh sales tax on Trustee Fee	28	32

Un-Audited **Audited**
September 30, **June 30,**
2022 **2022**

Balances outstanding at period end

AKD Investment Management Limited - Management Company of the Fund

Remuneration payable	265	265
Allocated expenses by management company payable	35	35
Sindh sales tax payable on Management Company's remuneration	34	34
Federal Excise Duty payable on Management Company's remuneration	1,357	1,357
Sales load payable	8	3

Payable to Central Depository Company of Pakistan - Trustee

Remuneration payable	71	71
Security deposit	100	100
CDS charges payable	2	1
Sales tax on trustee Fee payable	9	9

Receivable/Payable against conversion of units-AKD Funds

Receivable against conversion of units-Golden Arrow Stock Fund	505	-
Payable against conversion of units-AKD Cash Fund	312	-
Payable against conversion of units-AKD Islamic Income Fund	1,002	-

Mr. Aqeel Karim Dhedhi - Chairman of the Group

Number of units outstanding : 390 (2021: 390)	5	5
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National Bank of Pakistan Employees Pension Fund (having invested more than 10% in the units of the Fund)

Number of units outstanding : 31,210,812 (2021 : 31,210,812)	387,523	392,410
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16. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognised at fair value based on:

- 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).

As At September 30, 2022			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
Assets			
Investment in securities - at fair value through profit or loss			
Listed equity securities	<u>418,394</u>	-	<u>418,394</u>
As At June 30, 2022			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
Assets			
Investment in securities - at fair value through profit or loss			
Listed equity securities	<u>423,649</u>	-	<u>423,649</u>

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

16. GENERAL

16.1 Figures have been rounded off to the nearest thousand Rupees.

16.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation.

17. DATE OF AUTHORISATION FOR ISSUE

28 OCT 2022

These condensed interim financial statements were authorised for issue on _____ by the Board of Directors of the Management Company.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer



**AKD Investment
Management Ltd.**

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