Funds Managed by:

AKD Investment Management Ltd.

Quarterly Report
September 30, 2020
(Un-Audited)

quarterly report

AKD
INDEX TRACKER FUND

AKD Investment Management Ltd.

Partner with AKD
Profit from the Experience

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CORPORATE INFORMATION

MANAGMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGMENT 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

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*

AKD Index Tracker 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 Shahra-e-Faisal,
Karachi.

BANKERS
Askari Bank Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
United Bank Limited

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

LEGAL ADVISER
Sattar & Sattar
Attomeys - at - law
3rd Floor, UBL Building,
I.I Chundrigar Road,
Karachi.

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

DISTRIBUTORS
AKD Investment Management Limited
Investomate (Pvt.) Limited
Investlink Advisor (Private) Limited

RATING
Asset Management Company
PACRA: AM3++(AM-Three Plus Plus)

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), Golden Arrow stock Fund (GASF) and AKD Islamic Stock Fund (AKDISSF) is pleased to present its first quarter report along with the Funds' un-audited Financial Statements for the Quarter ended September 30, 2020.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

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 (GASF)

For the 1QFY21, the return of Golden Arrow Stock Fund - (Formerly: Golden Arrow Selected Stocks Fund Limited) stood at 38.67% compared to the benchmark KSE-100 Index return of 17.87%.

AKD Index Tracker Fund (AKDITF)

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 1QFY21, the annualized return of AKD Cash Fund stood at 6.43% compared to the benchmark return of 6.72%.

AKD Aggressive Income Fund (AKDAIF)

For the 1QFY21, the annualized return of AKD Aggressive Income Fund stood at 4.81% compared to the benchmark return of 7.34%.

AKD Islamic Income Fund (AKDISIF)

For the 1QFY21, the annualized return of AKD Islamic Income Fund stood at 8.04% compared to the benchmark return of 4.42%.

AKD Islamic Stock Fund (AKDISSF)

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

After witnessing negative GDP growth of 0.38% during FY20, owing to halted economic activities due to COVID-19 outbreak, Pakistan witnessed a revival during 1QFY21 as business activities resumed after the country successfully flattened the curve of COVID-19. According to the State Bank of Pakistan (SBP), Pakistan's GDP has increased by 3.24% to USD 68.21 billion during 1QFY21 as compared to USD 66.07 billion reported during same period last year (SPLY). After witnessing Current Account Deficit (CAD) since 4QFY15, the external account turned into surplus during 1QFY21, resulting in strengthening of local currency against US dollar. Tax collection also exceeded its target by ~PKR 34 billion following recovery in Large Scale Manufacturing (LSMI) sectors.

The external account for 1QFY21 turned into surplus of USD 792 million (1.16% of GDP) as compared to a deficit of USD 1,492 million (2.26% of GDP) recorded during the same period last year. This can be attributed to improvement in Balance on trade in Goods and Services by 5.78%YoY to USD -5.79 billion as compared to USD -6.15 billion recorded during SPLY. The Exports of Goods and Services declined by 9.57%YoY to USD 6.58 billion owing to shutdown of export destinations. However, Imports of Goods and Services decreased by 7.84%YoY to USD 12.37 billion on the back of declining international oil prices coupled with decrease in import of vehicles. Workers' Remittances surged by ~31%YoY to USD 7.15 billion as compared to USD 5.45 billion recorded during SPLY. Abnormal increase in workers' remittances can be attributed to constraints in informal channels owing to closure of international flights. Foreign Direct Investment (FDI) decreased by 23.99%YoY to USD 415 million from USD 546 million in SPLY. A positive external account helped the SBP in building country's foreign exchange reserves up by USD 499 million to USD 19.39 billion, taking the country's total imports cover to more than 5 months. Improvement in current account and forex reserves has helped the local currency to marginally appreciate by ~1.4% during 1QFY21. Moreover, current Real Effective Exchange Rate (REER) of "91.69" illustrates that on the basis of purchasing power of the local currency versus a basket of global currencies, local currency is undervalued by approximately 8%.

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 so far attracted more than 21,000 new bank accounts with a total deposit of approximately USD 24 million. Islamic Naya Pakistan Certificate is Shariah complaint investment option that is based on Mudarabah offered to NRP as well, suggesting the Govt is opening up Pakistan for business. Both resources provide innovative banking solution for Overseas Pakistanis to undertake, fund transfers, bill payments and investment activities in Pakistan. Lucrative returns bases on USD and PKR to Roshan Digital account and Islamic Naya Pakistan certificate may help Pakistan to further improve its reserves and investment activity.

According to press reports, the Federal Board of Revenue (FBR) has made net revenue collection of PKR 1,004 billion during 1QFY21, up by 4.11%YoY as compared to ~PKR 964 billion recorded during same period last year (SPLY). FBR has exceeded its given target of PKR 970 billion by a margin of PKR 34 billion owing to faster recovery in the economy where government managed to flatten the curve of COVID-19 in the country. During 1QFY21, FBR`s gross revenue clocked in at PKR 1,052 billion, and made total refunds of ~PKR 48 billion as compared to ~PKR 26.5 billion recorded during SPLY. Major contribution to the increase in FBR collection was witnessed from Sales tax where collections increased by 5.70% YoY to ~PKR 426 million as compared to ~PKR 403 million recorded during SPLY. Income tax collection during 1QFY21 remained flat at ~PKR 358 billion as compared to ~PKR 355 billion recorded during SPLY. FBR has initiated its drive towards automation, e-audit and simplification of procedures, e-payment to increase Ease of Doing Business. Furthermore, Pakistan Custom has launched a country wide operation against transportation, storage and sale of smuggled goods in coordination with Law Enforcement Agencies (LEAs), resulting in historic seizures of smuggled goods. As economic activity has eventually picked up, FBR would manage to collect higher taxes and achieve its initial target of PKR 4,963 billion for FY21.

As per Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) in 1QFY21 was recorded at 8.84%YoY as compared to 10.08%YoY, SPLY. Core Inflation, calculated by excluding food and energy, clocked in at 5.47%YoY and 7.73% YoY for Urban and Rural areas respectively, as compared to 8.37%YoY and 8.47%YoY, SPLY. The SBP expects NCPI to fall within the range of 7-9 percent during FY21. After monetary easing of 625 basis points to 7% in order to revive halted economic activities, the SBP kept the policy rate unchanged in its last meeting held in September 2020.

The Large Scale Manufacturing (LSM) sector, which constitutes 77.05% of the total manufacturing and 8.9% of overall GDP, witnessed an increase of 3.66% for July-August FY21. During the period, major contribution towards the growth came from Non Metallic Mineral products (Weight: 5.36%), Food and Beverages (Weight: 12.37 %) and Pharmaceuticals (Weight: 3.62%) which increased by 23.05%, 15.50%, and 10.03% respectively. However, there was a decline witnessed in some of the sectors like Automobile (Weight: 4.61%), Electronics (Weight: 1.963%) and Leather

Products (Weight: 0.859%) which decreased by 18.81%, 24.63% and 37.50% respectively during July-August FY21.

EQUITY MARKET REVIEW

During 1QFY21, local bourse continued its positive trajectory where benchmark KSE-100 Index surged by 6,150pts, an increase of 17.87%QoQ. The Index closed at 40,571pts as compared to 34,422pts recorded by year end FY20. To recap, during 4QFY20, KSE-100 Index surged by 5,190pts after witnessing a decline of 11,503pts during 3QFY20. Local bourse witnessed healthy participation during the period under review as average daily traded turnover surged by 144.94%QoQ/403.04%YoY to 500.23 million shares as compared to 204.23/99.44 million shares during 4QFY20/1QFY20 respectively.

With significant reduction in interest rates, and the overall slowdown in the economy, Pakistan`s equity market managed to attract liquidity where all the other asset classes were selectively unable to excite fresh liquidity during the current pandemic. Moreover, investor interest diverted to second tier and third tier stocks as depicted by a decrease in ratio of KSE-100 volumes over total turnover. During 1QFY21, the ratio clocked in at 59.83% as compared to 67.28% and 78.29% reported during 4QFY20 and 1QFY20 respectively.

Some of the positive triggers that kept the market sentiment bullish were 1) Asian Development Bank (ADB) approved USD 300m loan for strengthening capital markets, 2) PKR 651 billion payments deferred by banks for a year by IMF, 3) Current account surplus during 1QFY21, 4) Policy rate unchanged at 7%, 5) Pakistan winning a stay over USD 6 billion penalty in Reko Diq case, 6) Sale of Naya Pakistan Certificates beginning through agent banks, 7) Prime Minister unveiling Karachi 'transformation' plan, 8) K-Electric planning PKR 250 billion investment, 8) MoU signed with IPPs to cut energy cost and to resolve circular debt issue, and 9) FBR exceeded its 1QFY21 tax collection target by 34 billion. Moreover, investors` sentiments were depressed by various events including : 1) Government asking fertilizer industry to pay GIDC within 24 months, 2) Government allowing hiring of financial advisors for PPL's divestment, and 3) 1QFY21 NCPI up by 8.84%YoY.

Foreign Investors remained net sellers for the fourth consecutive quarter with net outflow of USD 94.72 million, taking the cumulative outflow to USD 402.93 million. Individuals and Mutual Funds were the major net buyers with net buying amounting to USD 108.30 million and USD 26.33 million respectively. Whereas, Banks/DFI and Broker were the net sellers with net selling of USD 53.46 million and USD 18.11 million respectively.

There was a major outperformance witnessed in different sectors during 1QFY21 which helped the KSE-100 Index maintain its momentum. The market capitalization of sectors like Commercial Banks, Cement, Chemical, Food & Personal Care Products and Automobile Assembler increased by 18.54%, 35.41%, 25.59%, 12.45%, and 25.34% respectively. In terms of valuation, KSE-100 Index closed at forward Price to Earnings Multiple of 6.90x, 48.37% discount as compared to MSCI Emerging Market P/E of 13.37x and offering a healthy dividend yield of 6.08%.

MONEY MARKET REVIEW

During 1QFY21, six T-Bills auctions were conducted, where the State Bank of Pakistan managed to raise PKR 1.93 trillion cumulatively. Weighted average yield of the 3 months, 6 months, and 12 months T-Bills were 6.91%, 6.95%, and 7.05% respectively, as compared to 13.55%, 13.69%, and 13.90% 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 T-Bills 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 T-bills auctions further suggests future increase in the interest rates.

To further address demand for liquidity, the SBP conducted three auctions of fixed rate Pakistan Investment Bonds (PIBs) and was successful in raising PKR 249.17 billion cumulatively during 1QFY21. The weighted average yield of 3 years, 5 years, and 10 years fixed rate PIBs were

7.81%, 8.35%, and 8.91% respectively, as compared to 13.82%, 13.50%, and 13.24%, during same period last year. In addition, government also accepted bids for 20 years and 15 years fixed rate PIBs during the period with the weighted average yield of 10.44% and 9.84% respectively. The Monetary Policy Committee (MPC) announced one (1) Monetary Policy Statement in 1QFY21, 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 22 Open Market Operations (OMO) in 1QFY21 of different maturities, in which it injected an average amount of PKR 726.49 billion per OMO at an average cut-off yield of 7.03%, and mopped up an average amount of PKR 45.17 billion per OMO at an average cut-off yield of 6.91%.

As per the auction target calendar for October - December 2020, the SBP targets to raise PKR 2.75 trillion by issuing 3 months, 6 months, and 12 months T-Bills against maturity amount of PKR 3.49 trillion. Moreover, SBP targets to raise PKR 390 billion by issuing 3 - 20 years fixed rate PIBs and PKR 830 billion by issuing 3 - 10 years floating rate PIBs.

FUTURE OUTLOOK

Going forward, we remain optimistic about the economic outlook for FY21, where the State Bank of Pakistan expects real GDP growth to reach 2.0% as compared to -0.38% reported during FY20. As per the SBP, NCPI is expected to range between 7 to 9 percent during FY21 where the government is confident about controlling the recent hike in inflation caused by supply disruptions. As depicted by REER of "91.69", local currency is currently undervalued as compared to the basket of international currencies where PKR has strengthened by 2.68% during FYTD21. Surplus on External Account has decreased pressure on foreign exchange reserves. However, a potential increase in international oil price may deteriorate the surplus, but it is unlikely due to a decrease in the global demand. However, any further delay in the disbursement of tranche from the International Monetary Fund may put some pressure on Foreign Exchange Reserves. FBR exceeding its collection target during 1QFY21 may further limit the fiscal deficit target of 7.1% during FY21. Moreover, current negative Real Interest Rate may put some pressure on local currency due to flight of capital.

On the Fixed Income front, current Negative Real Interest Rates remains a contentious considering the country is under an International Monetary Fund Program. We expect the SBP to opt for contractionary monetary policy during 2HFY21.

As far as equity valuations are concerned, future expected growth in corporate earnings is yet to be witnessed due to the recently announced packages, and this coupled with low interest rates will justify upward a re-rating of Price to Earnings multiple of KSE-100 index which is currently trading at a forward Price to Earnings Multiple of 7.18x (October 27, 2020).

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Abdul Karim
Chairman

Karachi: October 29, 2020

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.

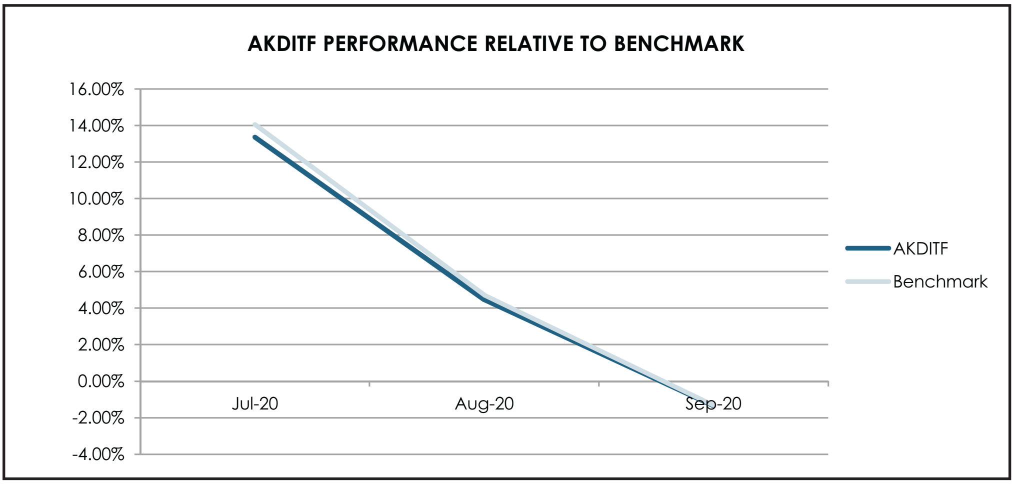
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 1QFY21, the return of AKD Index Tracker Fund stood at 16.80% compared to the benchmark KSE-100 Index return of 17.87%.

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-20	Aug-20	Sep-20
AKDITF	13.36%	4.45%	-1.35%
Benchmark	14.05%	4.72%	-1.31%

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-20	30-Jun-20
Equities	97.55%	96.65%
Cash	1.47%	2.46%
Other Assets including Receivables	0.98%	0.89%

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

1QFY21 Return	16.80%
Benchmark Return	17.87%

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

Net Assets Value		NAV Per Unit		
30-Sep-20	30-Jun-20	Change in Net Assets	30-Sep-20	30-Jun-20
(Rupees In "000")			Rs.	Rs.
441,806	387,307	14.07%	12.97	11.11

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

After witnessing negative GDP growth of 0.38% during FY20, owing to halted economic activities due to COVID-19 outbreak, Pakistan witnessed a revival during 1QFY21 as business activities resumed after the country successfully flattened the curve of COVID-19. According to the State Bank of Pakistan (SBP), Pakistan's GDP has increased by 3.24% to USD 68.21 billion during 1QFY21 as compared to USD 66.07 billion reported during same period last year (SPLY). After witnessing Current Account Deficit (CAD) since 4QFY15, the external account turned into surplus during 1QFY21, resulting in strengthening of local currency against US dollar. Tax collection also exceeded its target by ~PKR 34 billion following recovery in Large Scale Manufacturing (LSMI) sectors.

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With significant reduction in interest rates, and the overall slowdown in the economy, Pakistan`s equity market managed to attract liquidity where all the other asset classes were selectively unable to excite fresh liquidity during the current pandemic. Moreover, investor interest diverted to second tier and third tier stocks as depicted by a decrease in ratio of KSE-100 volumes over total turnover. During 1QFY21, the ratio clocked in at 59.83% as compared to 67.28% and 78.29% reported during 4QFY20 and 1QFY20 respectively.

Some of the positive triggers that kept the market sentiment bullish were 1) Asian Development Bank (ADB) approved USD 300m loan for strengthening capital markets, 2) PKR 651 billion payments deferred by banks for a year by IMF, 3) Current account surplus during 1QFY21, 4) Policy rate unchanged at 7%, 5) Pakistan winning a stay over USD 6 billion penalty in Reko Diq case, 6) Sale of Naya Pakistan Certificates beginning through agent banks, 7) Prime Minister unveiling Karachi 'transformation' plan, 8) K-Electric planning PKR 250 billion investment, 8) MoU signed with IPPs to cut energy cost and to resolve circular debt issue, and 9) FBR exceeded its 1QFY21 tax collection target by 34 billion. Moreover, investors` sentiments were depressed by various events including : 1) Government asking fertilizer industry to pay GIDC within 24 months, 2) Government allowing hiring of financial advisors for PPL's divestment, and 3) 1QFY21 NCPI up by 8.84%YoY.

Foreign Investors remained net sellers for the fourth consecutive quarter with net outflow of USD 94.72 million, taking the cumulative outflow to USD 402.93 million. Individuals and Mutual Funds were the major net buyers with net buying amounting to USD 108.30 million and USD 26.33 million respectively. Whereas, Banks/DFI and Broker were the net sellers with net selling of USD 53.46 million and USD 18.11 million respectively.

There was a major outperformance witnessed in different sectors during 1QFY21 which helped the KSE-100 Index maintain its momentum. The market capitalization of sectors like Commercial Banks, Cement, Chemical, Food & Personal Care Products and Automobile Assembler increased by 18.54%, 35.41%, 25.59%, 12.45%, and 25.34% respectively. In terms of valuation, KSE-100 Index closed at forward Price to Earnings Multiple of 6.90x, 48.37% discount as compared to MSCI Emerging Market P/E of 13.37x and offering a healthy dividend yield of 6.08%.

FUTURE OUTLOOK

Going forward, we remain optimistic about the economic outlook for FY21, where the State Bank of Pakistan expects real GDP growth to reach 2.0% as compared to -0.38% reported during FY20. As per the SBP, NCPI is expected to range between 7 to 9 percent during FY21 where the government is confident about controlling the recent hike in inflation caused by supply disruptions. As depicted by REER of "91.69", local currency is currently undervalued as compared to the basket of international currencies where PKR has strengthened by 2.68% during FYTD21. Surplus on External Account has decreased pressure on foreign exchange reserves. However, a potential increase in international oil price may deteriorate the surplus, but it is unlikely due to a decrease in the global demand. However, any further delay in the disbursement of tranche from the International Monetary Fund may put some pressure on Foreign Exchange Reserves. FBR exceeding its collection target during 1QFY21 may further limit the fiscal deficit target of 7.1% during FY21. Moreover, current negative Real Interest Rate may put some pressure on local currency due to flight of capital.

On the Fixed Income front, current Negative Real Interest Rates remains a contentious considering the country is under an International Monetary Fund Program. We expect the SBP to opt for contractionary monetary policy during 2HFY21.

As far as equity valuations are concerned, future expected growth in corporate earnings is yet to be witnessed due to the recently announced packages, and this coupled with low interest rates will justify upward a re-rating of Price to Earnings multiple of KSE-100 index which is currently trading at a forward Price to Earnings Multiple of 7.18x (October 27, 2020).

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
0.1 - 9,999	627
10,000 - 49,999	27
50,000 - 99,999	5
100,000 - 499,999	1
500,000 and above	2
	662

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.

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

	Note	Un-audited September 30 2020	Audited June 30 2020
		(Rupees in '000)	
ASSETS			
Bank balances	5	**6,663**	9,733
Investments	6	**440,711**	382,422
Dividend and profit receivable on bank deposits		**1,720**	866
Deposits and other receivable		**2,669**	2,624
Receivable against sale of securities		**-**	32
Total assets		**451,763**	395,677
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	7	**1,754**	1,658
Payable to Central Depository Company of Pakistan Limited - Trustee	8	**89**	74
Payable to Securities and Exchange Commission of Pakistan	9	**22**	77
Accrued expenses and other liabilities	10	**4,364**	2,833
Unclaimed dividend		**3,728**	3,728
Total liabilities		**9,957**	8,370
NET ASSETS		**441,806**	387,307
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**441,806**	387,307
CONTINGENCIES AND COMMITMENTS	11		
		(Number of Units)	
NUMBER OF UNITS IN ISSUE		**34,061,401**	34,876,145
		(Rupees)	
NET ASSETS VALUE PER UNIT		**12.97**	11.11

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Abdul Karim	**Imran Motiwala**	**Muhammad Munir Abdullah**
Chairman	Chief Executive Officer	Chief Financial Officer

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Note	Quarter ended September 30 2020	2019
		(Rupees in '000)	
INCOME			
Capital gain / (loss) on sale of investments classified as 'at fair value through profit or loss'		**601**	(604)
Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'at fair value through profit or loss'		**64,267**	(24,811)
Dividend income		**2,656**	5,131
Profit on bank deposits		**95**	337
Total income / (loss)		**67,619**	(19,947)
EXPENSES			
Remuneration of AKD Investment Management Limited - Management Company		**826**	652
Sindh Sales tax on remuneration of Management Company		**107**	85
Remuneration of Central Depository Company of Pakistan Limited - Trustee		**220**	178
Sindh Sales tax on remuneration of Trustee		**29**	23
Annual fee to the Securities and Exchange Commission of Pakistan		**22**	18
Expenses allocated by Management Company		**110**	87
Auditors' remuneration		**73**	67
Brokerage expense		**27**	12
Printing and stationary		**38**	38
Legal and professional charges		**108**	108
Settlement and bank charges		**5**	8
Fee and subscription		**83**	108
Provision for Sindh Workers' Welfare Fund	10.1	**1,320**	-
Total Expenses		**2,968**	1,384
Net income / (loss) for the period before taxation		**64,651**	(21,331)
Taxation	13	-	-
Net income / (loss) for the period after taxation		**64,651**	(21,331)
Allocation of net income / (loss) for the period			
Net income / (loss) for the period after taxation		**64,651**	-
Income already paid on units redeemed		**(1,365)**	-
		63,286	-
Accounting income available for distribution			
Relating to capital gain		**64,868**	-
Excluding capital gains		**(1,582)**	-
		63,286	-
Earnings per unit	14		

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Abdul Karim	Imran Motiwala	Muhammad Munir Abdullah
Chairman	Chief Executive Officer	Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30 2020	2019
	(Rupees in '000)	
Net income / (loss) for the period after taxation	**64,651**	(21,331)
Other comprehensive income for the period	**-**	-
Total comprehensive income / (loss) for the period	**64,651**	(21,331)

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Abdul Karim	**Imran Motiwala**	**Muhammad Munir Abdullah**
Chairman	Chief Executive Officer	Chief Financial Officer

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30					
	2020			2019		
	Capital value	Undistributed Income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	**376,206**	**11,101**	**387,307**	360,051	10,739	370,790
Issue of 133,690 (2019: 206,445) units						
- Capital value (at Ex-Net asset value per unit at the beginning of period)	**1,485**	**-**	**1,485**	2,297	-	2,297
- Element of income / (loss)	**277**	**-**	**277**	(57)	-	(57)
Total proceeds on issuance of units	**1,761**	**-**	**1,762**	2,240	-	2,240
Redemption of 948,434 (2019: 77,833) units						
- Capital value (at Ex-Net asset value per unit at the beginning of period)	**10,533**	**-**	**10,533**	866	-	866
- Element of (loss) / income	**16**	**1,365**	**1,381**	(104)	-	(104)
Total payments on redemption of units	**10,549**	**1,365**	**11,914**	762	-	762
Total comprehensive income for the period	**-**	**64,651**	**64,651**	-	(21,331)	(21,331)
Distribution during the period	**-**	**-**	**-**	-	-	-
Net income/(loss) for the period less distribution	**-**	**64,651**	**64,651**	-	(21,331)	(21,331)
Net assets at end of the period	**367,418**	**74,387**	**441,806**	361,529	(10,592)	350,937
Undistributed income brought forward						
- Realised income		**28,978**			113,988	
- Unrealised income / (loss)		**(17,877)**			(103,249)	
		11,101			10,739	
Accounting income available for distribution						
Relating to capital gain		**64,868**				
Excluding capital gains		**(1,582)**				
		63,286				
Net income / (loss) for the period after taxation		**-**			(21,331)	
Distribution for the period		**-**			-	
Undistributed income carried forward		**74,387**			(10,592)	
Undistributed income carried forward						
- Realised gain		**10,120**			14,219	
- Unrealised gain		**64,267**			(24,811)	
		74,387			(10,592)	
		(Rupees)			**(Rupees)**	
Net assets value per unit at beginning of the period		**11.11**			11.13	
Net assets value per unit at end of the period		**12.97**			10.49	

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Abdul Karim	Imran Motiwala	Muhammad Munir Abdullah
Chairman	Chief Executive Officer	Chief Financial Officer

CONDENSED INTERIM CASH FLOWS STATEMENT (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Note	2020	2019
		Quarter ended September 30	
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income / (loss) for the period after taxation		**64,651**	(21,331)
Adjustments for non cash items:			
Unrealized diminution / (appreciation) on remeasurement of investments classified as 'at fair value through profit or loss'		**(64,267)**	24,811
Capital (gain) / loss on sale of investment		**(601)**	(604)
Provision of Sindh Workers' Welfare Fund		**1,320**	-
		1,103	2,876
(Increase) / decrease in assets			
Dividend and profit receivable on bank deposits		**(854)**	(2,282)
Deposits and other receivable		**(45)**	-
Receivable against sale of securities		**32**	-
		(867)	(2,282)
(Decrease) / increase in liabilities			
Payable to AKD Investment Management Limited - Management Company		**96**	(24)
Payable to Central Depository Company of Pakistan Limited - Trustee		**15**	(3)
Payable to Securities and Exchange Commission of Pakistan		**(55)**	(384)
Accrued expenses and other liabilities		**211**	139
		267	(272)
Investment - net		**6,579**	(2,865)
Net cash generated /(used) in operating activities		**7,082**	**(2,543)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issue of units		**1,762**	2,240
Payment against redemption of units		**(11,914)**	(762)
Net cash flows generated from financing activities		**(10,152)**	1,478
Net decrease in cash and cash equivalents during the period		**(3,070)**	(1,065)
Cash and cash equivalents at beginning of the period		**9,733**	10,605
Cash and cash equivalents at end of the period	5	**6,663**	9,540

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

Abdul Karim	**Imran Motiwala**	**Muhammad Munir Abdullah**
Chairman	Chief Executive Officer	Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

"AKD Index Tracker Fund (""The Fund"") was established under a Trust Deed executed between AKD Investment Management Limited (AKDIML) as Asset Management Company and Central Depository Company of Pakistan Limited (CDC) as 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) an open end mutual fund."

The Management Company of the Fund has obtained a license to act as an Asset Management Company under the NBFC Rules from SECP. Registered office of the Management Company is situated at Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh.

The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange Limited. Its units are offered 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 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 cash in bank account (excluding TDRs), and treasury bills not exceeding 90 days maturity.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned Asset Manager Rating of 'AM3++' to the Management Company dated February 08, 2020. Due to specialised nature of the Fund, performance ranking has not been taken, as the comparable benchmark is not available.

2. BASIS OF PREPARATION

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 along with part VIIIA of the repealed Companies Ordinance, 1984; 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 requirement of the Trust Deed

Where provisions of and directives issued under the Companies Act, 2017 , part VIIIA of the repealed Companies Ordinance, 1984, 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, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulation 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 2020.

2.3 This condensed interim financial information is being submitted to the unitholders as required under Regulation 38 (g) 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 2020.

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 2020.

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 2020.

	Note	Un-Audited September 30 2020	Audited June 30 2020
5. BANK BALANCES		(Rupees in '000)	
Saving accounts	5.1	**6,274**	9,344
Current accounts		**389**	389
		6,663	9,733

5.1 Mark-up rates on these saving accounts range between 5.0% to 5.50% (June 30, 2020: 5.00% to 6.50%) per annum.

6. INVESTMENTS

At fair value through profit or loss

	Note	Un-Audited September 30 2020	Audited June 30 2020
Listed equity securities	6.1	**440,711**	382,422

6.1 Listed equity securities

Name of investee company	Face value per share (Rupees)	As at July 01, 2020	Purchases during the period	Bonus / right issue	Sales during the period	As at September 30, 2020	Balance as at September 30, 2020 Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
		(Number of Shares)					Rupees in '000'			%		
SHARES OF LISTED COMPANIES - fully paid ordinary shares												
Automobile Assembler												
Atlas Honda Limited	10	2,920	-	-	-	2,920	1,121	1,256	135	0.28	0.28	0.00
Honda Atlas Cars (Pakistan) Limited	10	6,670	400	-	-	7,070	1,426	1,831	405	0.42	0.41	0.00
Indus Motor Company Limited	10	3,329	-	-	-	3,329	3,312	4,262	950	0.97	0.96	0.00
Millat Tractors Limited (note 6.2)	10	5,573	-	-	-	5,573	3,935	4,822	887	1.09	1.09	0.01
Pak Suzuki Motor Company Limited	10	5,020	-	-	-	5,020	812	1,011	199	0.23	0.23	0.01
							10,606	**13,182**	**2,576**			
Automobile Parts & Accessories												
Agriauto Industries Limited	5	4,300	-	-	-	4,300	783	1,036	253	0.24	0.23	0.01
Thal Limited	5	7,871	-	-	-	7,871	2,558	3,308	750	0.75	0.75	0.01
							3,341	**4,344**	**1,003**			
Cable & Electrical Goods												
Pak Elektron Limited	10	58,275	3,500	-	-	61,775	**1,458**	**2,042**	**584**	0.46	0.46	0.01
Cement												
Bestway Cement Limited	10	-	-	-	-	-	-	-	-	-	-	-
Cherat Cement Company Limited (note 6.2)	10	25,505	900	-	-	26,405	2,340	3,083	743	0.70	0.70	0.01
D.G. Khan Cement Company Limited	10	54,487	-	-	500	53,987	4,607	5,567	960	1.26	1.26	0.01
Fauji Cement Company Limited (note 6.2)	10	187,800	-	-	-	187,800	3,170	3,733	563	0.85	0.84	0.01
Kohat Cement Company Limited (note 6.2)	10	14,950	-	-	-	14,950	2,055	2,553	498	0.58	0.58	0.01
Lucky Cement Limited	10	32,383	600	-	1,269	31,714	14,704	20,521	5,817	4.66	4.64	0.01
Maple Leaf Cement Factory Limited	10	121,747	-	-	-	121,747	3,163	4,369	1,206	0.99	0.99	0.01
Pioneer Cement Limited	10	30,900	-	-	-	30,900	1,948	2,803	855	0.64	0.63	0.01
							31,987	**42,629**	**10,642**			

Name of investee company	Face value per share (Rupees)	As at July 01, 2020	Purchases during the period	Bonus / right issue	Sales during the period	As at September 30, 2020	Balance as at September 30, 2020 Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
		(Number of Shares)					Rupees in '000'			%		
SHARES OF LISTED COMPANIES - fully paid ordinary shares												
Chemical												
Archroma Pakistan Limited	10	1,950	-	-	-	1,950	1,149	1,106	(43)	0.25	0.25	0.01
Colgate Palmolive (Pakistan) Limited (note 6.2)	10	1,420	-	142	-	1,562	3,181	4,764	1,583	1.08	1.08	0.00
Engro Polymer & Chemicals Limited (note 6.2)	10	78,597	-	-	-	78,597	1,963	3,164	1,201	0.72	0.72	0.01
ICI Pakistan Limited	10	3,388	-	-	-	3,388	2,354	2,452	98	0.56	0.55	0.00
Lotte Chemical Pakistan Limited	10	88,000	-	-	-	88,000	876	1,056	180	0.24	0.24	0.01
							9,523	**12,542**	**3,019**			
Close - end Mutual Fund												
HBL Growth Fund - Class A	10	57,512	-	-	-	57,512	**431**	**566**	**135**	0.13	0.13	-
Commercial Banks												
Allied Bank Limited	10	42,039	-	-	-	42,039	3,219	3,543	324	0.80	0.80	0.00
Askari Bank Limited	10	88,313	5,000	-	-	93,313	1,309	1,728	419	0.39	0.39	0.01
Bank AL Habib Limited (note 6.2)	10	179,632	-	-	1,000	178,632	9,342	11,534	2,192	2.62	2.61	0.02
Bank Alfalah Limited (note 6.2)	10	177,534	-	-	1,500	176,034	5,909	6,122	213	1.39	1.39	0.01
Faysal Bank Limited (note 6.2)	10	112,280	-	-	16,000	96,280	1,341	1,649	308	0.37	0.37	0.01
Habib Bank Limited	10	183,733	3,000	-	6,500	180,233	17,536	23,564	6,028	5.35	5.33	0.01
Habib Metropolitan Bank Limited (note 6.2)	10	117,348	-	-	-	117,348	3,263	3,932	669	0.89	0.89	0.01
MCB Bank Limited	10	103,828	1,900	-	3,800	101,928	16,549	17,717	1,168	4.02	4.01	0.01
Meezan Bank Limited	10	80,398	-	7,989	1,400	86,987	5,445	7,151	1,706	1.62	1.62	0.01
National Bank of Pakistan	10	124,038	-	-	-	124,038	3,430	4,947	1,517	1.12	1.12	0.01
Standard Chartered Bank (Pak) Ltd	10	44,848	2,500	-	-	47,348	1,313	1,491	178	0.34	0.34	0.00
The Bank of Punjab (note 6.2)	10	279,659	-	-	-	279,659	2,349	2,763	414	0.63	0.63	0.01
United Bank Limited	10	122,629	2,000	-	4,300	120,329	12,456	13,851	1,395	3.14	3.14	0.01
							83,461	**99,992**	**16,531**			

Name of investee company	Face value per share (Rupees)	As at July 01, 2020	Purchases during the period	Bonus / right issue	Sales during the period	As at September 30, 2020	Balance as at September 30, 2020 Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
		(Number of Shares)					Rupees in '000'			%		
SHARES OF LISTED COMPANIES - fully paid ordinary shares												
Engineering												
International Industries Limited	10	14,000	500	-	-	14,500	1,361	2,102	741	0.48	0.48	0.01
International Steels Limited	10	30,600	1,700	-	-	32,300	1,706	2,488	782	0.56	0.56	0.01
							3,067	**4,590**	**1,523**			
Fertilizer												
Engro Corporation Limited	10	79,381	1,200	-	2,700	77,881	22,834	23,445	611	5.32	5.31	0.01
Engro Fertilizer Limited (note 6.2)	10	149,275	-	-	900	148,375	8,944	9,024	80	2.05	2.04	0.01
Fatima Fertilizer Company Limited (note 6.2)	10	78,634	-	-	-	78,634	2,102	2,334	232	0.53	0.53	0.00
Fauji Fertilizer Bin Qasim Limited	10	76,901	-	-	-	76,901	1,227	1,550	323	0.35	0.35	0.01
Fauji Fertilizer Company Limited	10	175,250	3,000	-	6,300	171,950	18,915	18,569	(346)	4.21	4.20	0.01
							54,022	**54,922**	**900**			
Food & Personal Care Product												
Frieslandcampina Engro Pakistan Limited	10	17,924	900	-	-	18,824	1,400	1,478	78	0.34	0.33	0.00
Fauji Foods Limited	10	-	-	-	-	-	-	-	-	-	-	-
Murree Brewery Company Limited	10	3,080	-	-	-	3,080	1,786	1,831	45	0.42	0.41	0.01
National Foods Limited (note 6.2)	5	11,146	-	-	-	11,146	2,792	3,184	392	0.72	0.72	0.01
Nestle Pakistan Limited	10	1,124	-	-	570	554	3,731	3,656	(75)	0.83	0.83	0.00
							9,709	**10,149**	**440**			
Glass & Ceramics												
Ghani Glass Limited	10	25,002	1,500	-	-	26,502	**1,113**	**1,384**	**271**	0.31	0.31	0.00
Insurance												
Adamjee Insurance Company Limited (note 6.2)	10	69,740	-	-	-	69,740	2,309	2,797	488	0.63	0.63	0.02
EFU General Insurance Limited	10	16,537	-	-	-	16,537	1,819	1,967	148	0.45	0.45	0.01
IGI Holdings Limited	10	8,416	-	-	-	8,416	1,523	1,843	320	0.42	0.42	0.01
Jubilee Life Insurance Company Limited	10	4,311	-	-	-	4,311	1,212	1,915	703	0.43	0.43	0.00
							6,863	**8,522**	**1,659**			

Name of investee company	Face value per share (Rupees)	As at July 01, 2020	Purchases during the period	Bonus / right issue	Sales during the period	As at September 30, 2020	Balance as at September 30, 2020 Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
		(Number of Shares)					Rupees in '000'			%		
SHARES OF LISTED COMPANIES - fully paid ordinary shares												
Inv. Banks / Inv. Cos. / Securities Cos.												
Dawood Hercules Corporation Limited (note 6.2)	10	78,146	-	-	900	77,246	9,881	9,571	(310)	2.17	2.17	0.02
Pakistan Stock Exchange Limited	10	113,500	-	-	-	113,500	1,124	1,873	749	0.42	0.42	0.01
							11,005	**11,444**	**439**			
Jute												
Crescent Jute Products Limited	10	500	-	-	-	500	-	-	-	-	-	0.00
Leasing Companies												
Orix Leasing Pakistan Limited	10	17,440	3,000	-	-	20,440	**492**	**559**	**67**	0.13	0.13	0.01
Leather & Tanneries												
Service Industries Limited	10	1,812	-	453	-	2,265	**1,478**	**1,714**	**236**	0.39	0.39	0.01
Miscellaneous												
Pakistan Services Limited	10	5,190	-	-	-	5,190	5,138	4,931	(207)	1.12	1.12	0.02
Shifa International Hospitals Limited	10	8,104	-	-	-	8,104	1,891	1,805	(86)	0.41	0.41	0.01
							7,029	**6,736**	**(293)**			
Modarabas												
First Habib Modaraba	5	39,000	-	-	-	39,000	**388**	**452**	**64**	0.10	0.10	0.02
Oil & Gas Exploration Companies												
Mari Petroleum Company Limited	10	6,658	-	-	100	6,558	8,110	8,981	871	2.04	2.03	0.00
Oil & Gas Development Company Limited	10	161,637	3,000	-	6,100	158,537	17,299	16,424	(875)	3.73	3.72	0.00
Pakistan Oilfields Limited	10	32,434	600	-	1,200	31,834	11,191	13,413	2,222	3.04	3.04	0.01
Pakistan Petroleum Limited	10	166,830	3,000	-	6,100	163,730	14,250	15,073	823	3.42	3.41	0.01
							50,850	**53,891**	**3,041**			

Name of investee company	Face value per share (Rupees)	As at July 01, 2020	Purchases during the period	Bonus / right issue	Sales during the period	As at September 30, 2020	Balance as at September 30, 2020 Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
		(Number of Shares)					Rupees in '000'			%		
SHARES OF LISTED COMPANIES - fully paid ordinary shares												
Oil & Gas Marketing Companies												
Attock Petroleum Limited	10	6,140	-	-	-	6,140	1,874	2,097	223	0.48	0.47	0.01
Hascol Petroleum Limited (note 6.2)	10	150,047	-	-	-	150,047	2,041	3,028	987	0.69	0.69	0.02
Pakistan State Oil Company Limited (note 6.2)	10	52,695	-	-	600	52,095	8,239	10,429	2,190	2.37	2.36	0.01
Shell Pakistan Limited	10	5,251	-	-	-	5,251	959	1,289	330	0.29	0.29	0.00
Sui Northern Gas Pipelines Limited	10	71,170	-	-	-	71,170	3,826	4,331	505	0.98	0.98	0.01
Sui Southern Gas Company Limited	10	75,828	-	-	1,100	74,728	1,012	1,281	269	0.29	0.29	0.01
							17,951	**22,455**	**4,504**			
Paper & Board												
Packages Limited (note 6.2)	10	5,589	-	-	-	5,589	**1,941**	**2,808**	**867**	0.64	0.64	0.01
Pharmaceuticals												
Abbot Laboratories (Pakistan) Limited	10	5,164	-	-	-	5,164	3,424	3,959	535	0.90	0.90	0.01
AGP Limited (note 6.2)	10	20,976	-	-	-	20,976	2,302	2,286	(16)	0.52	0.52	0.01
Glaxo Smithkline Pakistan Limited (note 6.2)	10	12,873	-	-	-	12,873	2,241	2,364	123	0.54	0.54	0.00
Glaxosmithkline Consumer Healthcare Pakistan Limite	10	3,600	-	-	-	3,600	978	1,043	65	0.24	0.24	0.00
Highnoon Laboratories Limited (note 6.2)	10	3,440	-	-	-	3,440	1,724	2,112	388	0.48	0.48	0.01
The Searle Company Limited (note 6.2)	10	23,944	-	-	300	23,644	4,711	6,060	1,349	1.38	1.37	0.01
							15,380	**17,824**	**2,444**			
Power Generation & Distribution												
The Hub Power Company Limited	10	243,695	4,000	-	8,600	239,095	17,362	18,759	1,397	4.26	4.25	0.02
K-Electric Limited (note 6.2)	3.5	691,648	-	-	-	691,648	2,082	2,912	830	0.66	0.66	0.00
Kot Addu Power Company Limited (note 6.2)	10	113,779	-	-	-	113,779	2,293	2,999	706	0.68	0.68	0.01
Saif Power Limited	10	45,800	-	-	-	45,800	736	771	35	0.17	0.17	0.01
							22,473	**25,441**	**2,968**			

Name of investee company	Face value per share (Rupees)	As at July 01, 2020	Purchases during the period	Bonus / right issue	Sales during the period	As at September 30, 2020	Balance as at September 30, 2020 Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
		(Number of Shares)					Rupees in '000'			%		
SHARES OF LISTED COMPANIES - fully paid ordinary shares												
Real Estate Investment Trust												
Dolmen City REIT	10	129,500	-	-	-	129,500	**1,410**	**1,399**	**(11)**	0.32	0.32	0.01
Refinery												
Attock Refinery Limited	10	9,773	800	-	-	10,573	1,010	1,475	465	0.33	0.33	0.01
BYCO Petroleum Pakistan Limited	10	123,300	-	-	-	123,300	742	1,255	513	0.28	0.28	0.00
		-					**1,752**	**2,730**	**978**			
Sugar & Allied Industries												
JDW Sugar Mills Limited	10	2,000	-	-	-	2,000	499	434	(65)	0.10	0.10	0.00
							499	**434**	**(65)**			
Synthetics And Rayon												
Ibrahim Fibres Limited	10	3,600	-	-	-	3,600	**216**	**229**	**13**	0.05	0.05	0.00
Technology & Communication												
Pakistan Telecommunication Company Ltd	10	137,517	-	-	-	137,517	1,221	1,487	266	0.34	0.34	0.00
Systems Limited	10	18,500	-	-	300	18,200	3,343	4,951	1,608	1.12	1.12	0.01
TRG Pakistan Limited (note 6.2)	10	114,855	-	-	-	114,855	3,244	5,991	2,747	1.36	1.36	0.02
							7,808	**12,429**	**4,621**			
Textile Composite												
Azgard Nine Limited (note 6.2)	10	90,800	-	-	-	90,800	1,441	1,529	88	0.35	0.35	0.02
Gul Ahmed Textile Mills Limited	10	28,800	2,800	-	-	31,600	928	1,179	251	0.27	0.27	0.01
Interloop Limited	10	31,000	-	-	-	31,000	1,362	2,079	717	0.47	0.47	0.00
Kohinoor Textile Mills Limited	10	54,195	-	-	-	54,195	1,924	2,932	1,008	0.67	0.66	0.02
Nishat Chunian Limited	10	25,830	-	-	-	25,830	838	1,017	179	0.23	0.23	0.01
Feroze1888 Mills Limited	10	13,200	-	-	-	13,200	1,080	1,382	302	0.31	0.31	0.00
Nishat Mills Limited	10	38,447	-	-	-	38,447	2,999	3,886	887	0.88	0.88	0.01
							10,572	**14,004**	**3,432**			

Name of investee company	Face value per share (Rupees)	As at July 01, 2020	Purchases during the period	Bonus / right issue	Sales during the period	As at September 30, 2020	Balance as at September 30, 2020 Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held
		(Number of Shares)					Rupees in '000'			%		
SHARES OF LISTED COMPANIES - fully paid ordinary shares												
Textile Spinning												
Indus Dyeing and Manufacturing Company Limited	10	600	-	-	-	600	348	330	(18)	0.07	0.07	0.00
							348	**330**	**(18)**			
Textile Weaving												
Shahtaj Textile Limited	10	-	-	-	-	-	-	-	-	-	-	-
Yousaf Waving Mills Limited	10	9,000	-	-	-	9,000	30	30	-	0.01	0.01	0.01
							30	**30**	**-**			
Tobacco												
Pakistan Tobacco Company Limited	10	3,120	-	-	60	3,060	4,801	5,202	401	1.18	1.18	0.00
Philip Morris (Pakistan) Limited	10	740	-	-	-	740	1,332	1,240	(92)	0.28	0.28	0.00
							6,133	**6,442**	**309**			
Transport												
Pakistan International Bulk Terminal Limited (note 6.2)	10	223,435	-	-	-	223,435	**1,966**	**2,762**	**796**	0.63	0.63	0.01
Vanaspati & Allied Industries												
Unity Foods Limited	10	51,774	8,500	42,823	-	103,097	**1,126**	**1,714**	**588**	0.39	0.39	0.01
Woollen												
Bannu Woollen Mills Limited	10	500	-	-	-	500	**16**	**20**	**4**	0.00	0.00	0.01
Total as at September 30, 2020							**376,444**	**440,711**	**64,267**			
Total as at June 30, 2020							400,298	382,422	(17,877)			

6.2 These investments held by the Fund exceeded the maximum limit prescribed by the regulation 55(6) of the NBFC regulations. The said regulation state that the value of the security invested into shall not exceed the weight of the security in the index or its subset. Arrangements has made to adjust these investments with the weight prescribed in the NBFC Regulations.

6.3 These include 100,000 shares having market value of Rs.10.36 million of Oil and Gas Development Company Limited as pledged with National Clearing Company of Pakistan Limited as on September 30, 2020.

		Note	Un-Audited September 30 2020	Audited June 30 2020
			(Rupees in '000')	
6.4	**Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'at fair value through profit or loss'**			
	Market value of investments	6.1	**440,711**	382,422
	Carrying value of investments	6.1	**376,444**	400,299
			64,267	(17,877)
7.	**PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY**			
	Management fee	7.1	**283**	237
	Sindh Sales Tax on management fee	7.2	**37**	31
	Expenses allocated by the Management Company	7.3	**76**	32
	Payable to Management Company		**1**	1
	Federal Excise Duty on Management fee	7.4	**1,357**	1,357
			1,754	1,658

7.1 The Management Company has charged remuneration at the rate of 0.75% per annum (June 30, 2020: 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 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.

7.3 As per Regulation 60 of the NBFC Regulations, the Management Company was entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.1% of the average annual net assets of the scheme or actual whichever is less. However, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.1%. Accordingly, the Management Company has charged expenses at the rate of 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 Honorable 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 Honorable Sindh High Court of Pakistan 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 (2020: 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 September 30, 2020 would have been higher by Rs. 0.040 per unit (June 30,2020: Rs. 0.039 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 2020	Audited June 30 2020
8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	**(Rupee in '000')**	
Trustee Fees	**79**	66
Sindh Sales Tax	**10**	8
	89	74

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 [Average Net Assets Value (NAV)]	Tariff per annum
Upto Rs 1,000 million	0.20% per annum of net asset value of the Fund,
Exceeding Rs 1,000 million	Rs. 2.0 million plus 0.10% per annum of net assets value on amount exceeding Rs 1,000 million.

8.2 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.

			Un-Audited September 30 2020	Audited June 30 2020
9.	**PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**	**Note**	**(Rupee in '000')**	
	Annual fee payable to SECP	6.1	**22**	77

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 percent (June 30, 2020: 0.075 percent) of the average annual net assets of the scheme.

			Un-Audited September 30 2020	Audited June 30 2020
10.	**ACCRUED EXPENSES AND OTHER LIABILITIES**	**Note**	**(Rupee in '000')**	
	Auditor's remuneration		**335**	262
	Brokerage payable		**17**	46
	Witholding tax payable		**144**	9
	Sindh Workers Welfare Fund payable	10.1	**3,505**	2,186
	Printing charges payable		**183**	150
	Others		**180**	180
			4,364	2,833

10.1 Sindh Workers Welfare Fund

'The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs. 500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable High Court of Sindh (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). On November 10, 2016 the SCP passed a judgment declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently, the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

Further, as a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014. SWWF Act 2014, enacted on May 21, 2015, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of so much of its total income declared to SWWF. The said Act includes any concern engaged in the Banking or Financial Institution in the definition of "Industrial Undertaking" but does not define Financial Institution. The Management Company, based on an opinion obtained by the Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay Sindh WWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution."

"In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters during financial year ended June 30, 2017. Based on such legal advice (which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgement are very limited), MUFAP had recommended to all its members to reverse the Federal WWF and start recording of Sindh WWF. Consequently, the Fund has recorded provision of Rs. 1.349 million (June 30, 2020: Rs. 0.007) for the year and Rs. 3.505 million (June 30, 2020: 2.186 million) in aggregate in respect of SWWF."

Had the provision against SWWF not been made, the net assets value per unit would have been higher by Re. 0.103 per unit (June 30, 2020: Re. 0.063 per unit).

11. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

12. TOTAL EXPENSE RATIO

The total expense ratio of the Fund is 0.68% (2019: 0.4%) and this includes 0.34% (2019: 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. 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. The Management Company has intends to distribute cash dividend of at least 90% of the aforementioned accounting income to the unit holders. Accordingly, no provision for taxation has been recognised in these financial statements.

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 for the quarter ended September 30	
	2020	**2019**
	(Rupees in '000)	
15.1 Details of transactions with connected persons / related parties during the period		
AKD Investment Management Limited - Management Company of the Fund		
Remuneration for the period	**826**	652
Sindh Sales tax on Management Company's Remuneration	**107**	85
Allocated expenses by the management company	**110**	87
Sales load	**2**	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee Fee	**220**	178
Central Depository Service charges	**3**	2
Sindh Sales Tax on Trustee Fee and CDS Charges	**29**	23

	Un-Audited	Audited
	September 30, 2020	**June 30, 2020**
15.2 Balances outstanding at period / year end	(Rupees in '000)	
AKD Investment Management Limited - Management Company of the Fund		
Remuneration payable	**283**	237
Allocated expenses by management company payable	**76**	32
Payable to Management Company - Others	**1**	1
Sindh sales tax payable on Management Company`s remuneration	**37**	31

	Un-Audited September 30, 2020	Audited June 30, 2020
	(Rupees in '000)	
Federal Excise Duty payable on Management Company`s remuneration	**1,357**	1,357
Sales Load payable	**3**	1
Payable to Central Depository Company of Pakistan - Trustee		
Remuneration payable	**79**	66
Security deposit	**100**	100
Sales tax CDS charges & Trustee Fee payable	**10**	8
Mr. Aqeel Karim Dhedhi - Chairman of the Group		
Units outstanding - 390 (June 30, 2020: 390) units	**5**	4
National Bank of Pakistan Employees Pension Fund (having invested more than 10% in the units of the Fund)		
Number of units outstanding : 29,898,676 (June 30, 2020 : 29,898,676) units	**387,813**	332,031

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).

The following table show the carrying amount and fair values of financial assets and financial liabilities including the levels in the fair value hirearchy.

	As At September 30, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
	----------------- Rupees in '000 -------------------			
Assets				
Investment in securities - at fair value through profit or loss				
Listed equity securities	**440,711**	**-**	**-**	**440,711**

	As At June 30, 2020			
	Level 1	Level 2	Level 3	Total
	----------------- Rupees in '000 -------------------			
Assets				
Investment in securities - at fair value through profit or loss				
Listed equity securities	382,422	-	-	382,422

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

17. GENERAL

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

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

18. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

For AKD Investment Management Limited
(Management Company)

Abdul Karim	**Imran Motiwala**	**Muhammad Munir Abdullah**
Chairman	Chief Executive Officer	Chief Financial Officer

AKD Investment
Management Ltd.

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