Funds Managed by:

AKD Investment Management Ltd.

Quarterly Report
March 31, 2021
(Un-audited)

quarterly report

AKD
ISLAMIC STOCK FUND

AKD Investment Management Ltd.

Partner with AKD
Profit from the Experience

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*

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF), AKD Islamic Stock Fund (AKDISSF), and Golden Arrow Stock Fund (GASF) – (*Formerly: Golden Arrow Selected Stocks Fund Limited*) is pleased to present its nine months report along with the Funds' unaudited financial statements for the period ended March 31, 2021.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

For the 9MFY21, the return of AKD Opportunity Fund stood at 71.89% compared to the benchmark KSE–100 Index return of 29.53%. During 3QFY21, the return of AKDOF stood at 6.93% compared to the benchmark KSE-100 index return of 1.90%. For 2QFY21, the return of AKDOF stood at 11.48% compared to the benchmark KSE-100 index return of 7.85%.

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

For the 9MFY21, the return of Golden Arrow Stock Fund (*Formerly: Golden Arrow Selected Stocks Fund Limited*) stood at 83.06% compared to the benchmark KSE–100 Index return of 29.53%. During 3QFY21, the return of GASF stood at 14.50% compared to the benchmark KSE-100 index return of 1.90%. For 2QFY21, the return of GASF stood at 15.30% compared to the benchmark KSE-100 index return of 7.85%.

AKD Index Tracker Fund (AKDITF)

For the 9MFY21, the return of AKD Index Tracker Fund stood at 27.22% compared to the benchmark KSE–100 Index return of 29.53%. During 3QFY21, the return of AKDITF stood at 1.50% compared to the benchmark KSE-100 index return of 1.90%. For the 2QFY21, the return of AKDITF stood at 7.31% compared to the benchmark KSE-100 index return of 7.85%.

AKD Cash Fund (AKDCF)

For the 9MFY21, the annualized return of AKD Cash Fund stood at 6.25% compared to the benchmark return of 6.68%. During 3QFY21, the return of AKDCF stood at 6.03% compared to the benchmark return of 6.63%. For the 2QFY21, the return of AKDCF stood at 6.01% compared to the benchmark return of 6.63%.

AKD Aggressive Income Fund (AKDAIF)

For the 9MFY21, the annualized return of AKD Aggressive Income Fund stood at 6.34% compared to the benchmark return of 7.66%. During 3QFY21, the return of AKDAIF stood at 7.42% compared to the benchmark return of 7.97%. For the 2QFY21, the return of AKDAIF stood at 6.51% compared to the benchmark return of 6.67%.

AKD Islamic Income Fund (AKDISIF)

For the 9MFY21, the annualized return of AKD Islamic Income Fund stood at 6.59% compared to the benchmark return of 3.72%. During 3QFY21, the return of AKDISIF stood at 6.33% compared to the benchmark return of 3.29%. For 2QFY21, the return of AKDISIF stood at 5.09% compared to the benchmark return of 3.44%.

AKD Islamic Stock Fund (AKDISSF)

For the 9MFY21, the return of AKD Islamic Stock Fund stood at 50.88% compared to the benchmark KMI–30 Index return of 32.81%. During 3QFY21, the return of AKDISSF stood at 8.06% compared to the benchmark KMI-30 index return of 2.63%. For the 2QFY21, the return of AKDISSF stood at 6.09% compared to the benchmark KMI-30 index return of 9.93%.

MACRO PERSPECTIVE:

Pakistan Economy witnessed a strong rebound during the nine months of fiscal year 2021 on the back of growth in Large Scale Manufacturing Index, which showed a growth of 7.45%YoY during 8MFY21 as compared to same period last year. Net collections by Federal Board of Revenue (FBR) surpassed the target owing to improvement in business activities. Moreover, better external account numbers provided fiscal space for appreciation of local currency against greenback.

Major contributions towards LSM growth came from Food, Beverages & Tobacco (weight 12.40%), Non Metallic Mineral Products (weight 5.40%), and Pharmaceuticals (weight 3.60%) which increased by 15.75%, 20.77%, and 12.09% respectively. However, some of the increase was eroded by negative contribution from Electronics (weight 2.0%), and Leather Products (weight 0.90%), which decreased by 24.36%, and 40.49% respectively during July-February FY21.

During the period under review, the external account turned positive after witnessing consecutive current account deficits since 4QFY15, resulted in strengthening of local currency by 10.01% since year ended FY20. During nine months of FY21, external account of the country clocked in at a surplus of USD 0.959 billion (0.45% of GDP) as compared to a deficit of USD 4.147 billion (2.07% of GDP) recorded during the same period last year. Improvement in external account can be attributed to a 26.22%YoY surge in workers' remittances we suspect from laid offs and to constraints through informal channels after closure of international flights. The Exports of Goods & Services surged by 1.97%YoY to USD 23.07 billion owing to improvement in exports of textile products. Imports of Goods & Services increased by 4.23%YoY to USD 43.09 billion due to rise in international commodity prices coupled with import of capital goods i.e Plant and Equipment and raw material.

During the 9MFY21, Pakistan was able to attract only USD 1.395 billion in gross FDI as compared to USD 2.150 billion in SPLY, exhibiting a decrease of 35.13% YoY. Portfolio Investment witnessed net an outflow of USD 265.2 million as compared to outflow of USD 103.6 million during SPLY. Moreover, investment in debt securities also turned negative to USD 3.50 million from positive USD 331.40 million owing to a decrease in interest rates. Net open position by foreign investors stood at USD 3.03 billion, USD 0.38 billion, and USD 0.345 billion in Equity, T-Bills, and PIBs respectively as compared to USD 2.73 billion, USD 0.59 billion, and USD 0.096 billion respectively at the end of FY20.

Total liquid foreign exchange reserves of Pakistan stood at USD 20.84 billion by March 2021 (USD 13.67 billion net reserves with State Bank of Pakistan and USD 7.16 billion net reserves with banks) as compared to USD 17.10 billion in SPLY.

On the fiscal front, the Federal Board of Revenue (FBR) made net revenue collection of PKR 3,394 billion during first nine months of FY21, exceeding its target of PKR 3,287 billion by PKR 107 billion. Net revenue collection surged by 10.34%YoY as compared to PKR 3,076 billion recorded during SPLY owing to faster recovery in the economy. During the period under review, refunds of PKR 177 billion were issued compared to PKR 102 billion for the SPLY. Government is expected to achieve its collection target of PKR 4.69 trillion for FY21, up by 17.3% as compared to FY20 collection of PKR ~4.00 trillion.

As per the Pakistan Bureau of Statistics (PBS), National Consumer Price Index (NCPI) for March 2021 stood at 9.05%YoY which pulled down the average inflation for 9MFY21 to 8.34% as compared to 11.53% SPLY. This significant increase in monthly inflation was primarily due to an increase in prices of Food and Non-alcoholic Beverages (weight 34.58%) by 11.58%YoY.

EQUITY REVIEW:

During nine months of fiscal year 2021, local market continued to make gains where the benchmark KSE-100 index surged by 10,165 points, showing an increase of 29.53%, to close at 44,588 points level. On sequential basis, index surged by 832 points during 3QFY21, an increase of 1.90%QoQ as compared to an increase of 7.85%QoQ witnessed during 2QFY21. Local bourse witnessed healthy participation during the period under review as average daily turnover surged by 1.46x to 483.46 million shares as compared to 196.34 million shares recorded during FY20. Average daily traded value also surged by 59.57% to PKR 18.74 billion as compared to PKR 7.22 billion recorded during FY20. Investor interest was concentrated in second and third tier stocks, with KSE-100 contribution to total volumes decreasing to 55.77% from 68.92% recorded during FY20.

Market participants hailed positive macro developments giving little attention to political noise and rising Covid infection ratio. Some of the key triggers were, (1) country selling USD 2.5 billion in three-tranche Euro bonds, (2) receipt of USD 499 million IMF tranche, (3) PM winning vote of confidence from parliament (4) Current Account Surplus of USD 0.88 billion during 8MFY21 resulting in appreciation of local currency by 10.01%, (5) FBR collection +10.34% during nine months of FY2021, exceeding target of by PKR 107 billion, (6) LSM posted growth of 7.45% YoY during July-February FY21, (7) Roshan Digital Account (RDA) received an exuberant response with a deposit of USD 800 million in six months, (8) monthly remittances sustaining USD 2.0 billion mark for 10 consecutive months, and (9) FATF extending action timeline till Jun’21 to complete action plan.

Foreign investors remained net sellers for sixth consecutive quarter with a net outflow of USD 16.48 million. During 9MFY21 Individuals, Companies and Insurance companies were the major net buyers with net inflows of USD 248.13 million, USD 117.83 million, and USD 52.98 million respectively.

However, Banks/DFI and Broker Proprietary Trading were the net sellers with a net outflow of USD 90.56 million and USD 35.23 million respectively.

There was a major outperformance witnessed in different sectors during 9MFY21 which helped the KSE-100 Index maintain its momentum. Sector wise market capitalization i.e. Cement, Commercial Banks, Technology and Communication, Chemicals, and Refinery increased by 54.2%, 17.8%, 129.5%, 31.7%, and 168.5%, respectively. In terms of valuation, KSE-100 Index closed at FY21 Price to Earnings Multiple of 5.92x, 56% discount compared to MSCI Emerging Market P/E of 13.44x, offering a healthy dividend yield of 6.45%.

MONEY MARKET REVIEW:

During 9MFY21, nineteen (19) MTB auctions were conducted, where the State Bank of Pakistan (SBP) managed to raise PKR 9.83 trillion cumulatively. Weighted average yield of 3 months, 6 months, and 12 months MTB were 7.08%, 7.19%, and 7.32%, respectively as compared to 13.38%, 13.35%, and 13.27% for same period last year. It is pertinent to note that the yield curve has been on an increasing trend since touching its low of 6.43%, 6.47%, and 6.55% for 3 months, 6 months, and 12 months MTB, respectively in July 2020 auction, depicting an upward slope in the yield curve within short tenure paper as well. Additionally, upward sloping yield curve for recent MTB auctions further suggests future increase in the interest rates.

To further address demand for liquidity, the SBP conducted nine (9) auctions of fixed rate Pakistan Investment Bonds (PIBs) and was successful in raising PKR 473.92 billion cumulatively during 9MFY21. The weighted average yield of 3 years, 5 years, 10 years, and 20 years fixed rate PIBs were 8.29%, 8.76%, 9.29%, and 10.51% respectively, as compared to 12.56%, 12.11%, 11.87%, and 11.08% during same period last year. Moreover, SBP conducted auction for 30 years fixed rate PIBs during 3QFY21, however no bids were received. The Monetary Policy Committee (MPC) announced four (4) Monetary Policy Statements in 9MFY21, 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 67 Open Market Operations (OMO) in 9MFY21 of different maturities, in which it injected an average amount of PKR 669.36 billion per OMO at an average cut-off yield of 7.04%, and mopped up an average amount of PKR 45.59 billion per OMO at an average cut-off yield of 6.91%.

As per the auction target calendar for April – June 2021, the SBP targets to raise PKR 4.70 trillion by issuing 3 months, 6 months, and 12 months MTB against maturity amount of PKR 4.03 trillion. Moreover, SBP targets to raise PKR 375 billion by issuing 3 - 30 years fixed rate PIBs during the period.

FUTURE OUTLOOK:

Going into the fourth quarter of FY2021, the market is expected to follow Budget related news for the fiscal year 2022 along with FATF related news where deadline for compliance had been extended till June 2021. Any Fresh tax imposed may hinder the growth and sentiments of the local market. Pakistan has committed with IMF to implement PKR 1.272 trillion fresh taxes, PKR 176 billion on salaried class alone, in the upcoming budget FY2021.

IMF has upward revised the estimated growth for FY21 to 1.5% where inflation and current account deficit are expected to clock in at 8.70% and 1.50% of GDP respectively during FY21. IMF has projected the economic growth rate of 4.0% for FY22, which is to reach 5.0% by FY26. The Fund estimates inflation and current account deficit to clock in at 8.0% and 1.80% of GDP during FY22.

With the upcoming result season, near term market performance will largely be guided by earning reads. The benchmark KSE – 100 index is likely to remain in the bull-run trajectory due to upward revision in valuation multiples. We reiterate our stance for positive market outlook based on (i) Expected growth in GDP owing to robust earnings profile (ii) enticing Price to Earnings multiple of 6.1x, (iii) healthy dividend yield of 6.19%, (iv) low profit rate on other asset classes, and (v) increase inflow of funds.

Recent inflows of USD 2.5 billion coupled with a rollover of USD 2.0 billion repayment by UAE along with Government's initiatives for attracting investments from Non-Resident Pakistanis (NRPs) are expected to bode well for the USD PKR parity. Reportedly, Roshan Digital Account has attracted deposits of more than USD 1 billion in more than one hundred thousand accounts as of April 24th, 2021. The RDA initiative is expected to attract USD 1.5 billion during FY21. The new initiative allows Pakistani diaspora to invest in equity market and will bring fresh liquidity to the capital market.

As far as fixed income is concerned, in the latest Monetary Policy Meeting held during March 2021, the Monetary Policy Committee has kept the policy rate at 7.0%, deviating from its policy-setting framework to support economic recovery. The MPC has indicated to keep interest rates stable in the near term where the Central Bank has indicated a shift from stability to growth. Additionally, recent money market auctions on April 21, 2021 by SBP have shown yields of issuances coming down by up to 10 bps, which may lead the market to believe that stability of interest rates and even a potential rate cut may be on the horizon in the next MPC meeting scheduled for May 2021.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Abdul Karim Memon
Chairman

Karachi: April 30, 2021

AKD Islamic Stock Fund

AKD
ISLAMIC STOCK FUND

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

TRUSTEE
MCB Financial Services Limited
4th Floor, Perdesi House,
2/1 R-Y Old Queens Road,
Karachi-74200

BANKERS
BankIslami Paskistan Limited
Dubai Islamic Bank Pakistan Limited
Summit Bank Limited (Islamic Banking)

AUDITORS
Yousuf Adil
Chartered Accoutants
Cavish Court A-35, Block 7 & 8
KCHSU, Sharah-e-Faisal,
Karachi-75350, Pakistan

LEGAL ADVISER
Sattar & Sattar
Attorneys -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 (Private) Ltd.
Investlink Advisor (Private) Limited
Metro Capital (Private) Ltd.

RATING
AKD Islamic Stock Fund
PACRA: 1 Year Category:
MFR 4-Star

FUND MANAGER'S REPORT

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

Open – End Islamic Equity Scheme.

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

AKD Islamic Stock Fund (AKDISSF) is designed to earn competitive returns by investing in the stock market. The objective of AKD Islamic Stock Fund is to invest in the capital markets through an optimal combination of strategies in Shariah compliant equities providing growth and dividends.

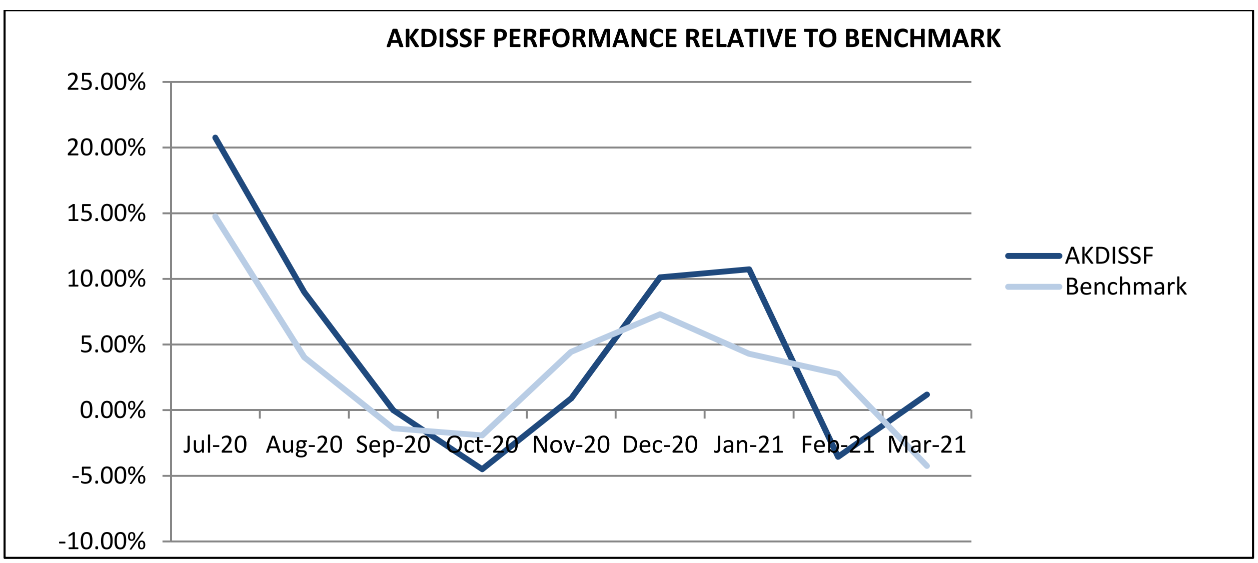
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 9MFY21, the return of AKD Islamic Stock Fund stood at 50.88% compared to the benchmark KMI-30 Index return of 32.81%.

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

KMI-30 Index

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



Monthly return	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
AKDISSF	20.76%	8.99%	-0.01%	-4.50%	0.88%	10.12%	10.73%	-3.56%	1.19%
Benchmark	14.75%	4.03%	-1.39%	-1.92%	4.44%	7.31%	4.29%	2.77%	-4.25%

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

AKD Islamic Stock Fund is an Open – End Islamic Equity Scheme; the return of the Fund is generated through investment in Islamic stocks which have strong growth potential. AKDISSF is fully complied with the relevant policies and procedures as per Fund's regulatory requirements.

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

Asset Allocation (% of Total Assets)	31-Mar-21	31-Dec-20
Equities	88.73%	95.11%
Cash	6.34%	2.93%
Other Assets including Receivables	4.93%	1.96%

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

9MFY21 Return	50.88%
Benchmark Return	32.81%

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

Net Asset Value			NAV Per Unit	
31-Mar-21	31-Dec-20	Change in Net Assets	31-Mar-21	31-Dec-20
(Rupees In "000")			Rs.	Rs.
342,972	275,570	24.46%	45.13	41.76

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

MACRO PERSPECTIVE:

Pakistan Economy witnessed a strong rebound during the nine months of fiscal year 2021 on the back of growth in Large Scale Manufacturing Index, which showed a growth of 7.45%YoY during 8MFY21 as compared to same period last year. Net collections by Federal Board of Revenue (FBR) surpassed the target owing to improvement in business activities. Moreover, better external account numbers provided fiscal space for appreciation of local currency against greenback.

Major contributions towards LSM growth came from Food, Beverages & Tobacco (weight 12.40%), Non Metallic Mineral Products (weight 5.40%), and Pharmaceuticals (weight 3.60%) which increased by 15.75%, 20.77%, and 12.09% respectively. However, some of the increase was eroded by negative contribution from Electronics (weight 2.0%), and Leather Products (weight 0.90%), which decreased by 24.36%, and 40.49% respectively during July-February FY21.

During the period under review, the external account turned positive after witnessing consecutive current account deficits since 4QFY15, resulted in strengthening of local currency by 10.01% since year ended FY20. During nine months of FY21, external account of the country clocked in at a surplus of USD 0.959 billion (0.45% of GDP) as compared to a deficit of USD 4.147 billion (2.07% of GDP) recorded during the same period last year. Improvement in external account can be attributed to a 26.22%YoY surge in workers' remittances we suspect from laid offs and to constraints through informal channels after closure of international flights. The Exports of Goods & Services surged by 1.97%YoY to USD 23.07 billion owing to improvement in exports of textile products. Imports of Goods & Services increased by 4.23%YoY to USD 43.09 billion due to rise in international commodity prices coupled with import of capital goods i.e Plant and Equipment and raw material.

During the 9MFY21, Pakistan was able to attract only USD 1.395 billion in gross FDI as compared to USD 2.150 billion in SPLY, exhibiting a decrease of 35.13% YoY. Portfolio Investment witnessed net an outflow of USD 265.2 million as compared to outflow of USD 103.6 million during SPLY. Moreover, investment in debt securities also turned negative to USD 3.50 million from positive USD 331.40 million owing to a decrease in interest rates. Net open position by foreign investors stood at USD 3.03 billion, USD 0.38 billion, and USD 0.345 billion in Equity, T-Bills, and PIBs respectively as compared to USD 2.73 billion, USD 0.59 billion, and USD 0.096 billion respectively at the end of FY20.

Total liquid foreign exchange reserves of Pakistan stood at USD 20.84 billion by March 2021 (USD 13.67 billion net reserves with State Bank of Pakistan and USD 7.16 billion net reserves with banks) as compared to USD 17.10 billion in SPLY.

On the fiscal front, the Federal Board of Revenue (FBR) made net revenue collection of PKR 3,394 billion during first nine months of FY21, exceeding its target of PKR 3,287 billion by PKR 107 billion. Net revenue collection surged by 10.34%YoY as compared to PKR 3,076 billion recorded during SPLY owing to faster recovery in the economy. During the period under review, refunds of PKR 177 billion were issued compared to PKR 102 billion for the SPLY. Government is expected to achieve its collection target of PKR 4.69 trillion for FY21, up by 17.3% as compared to FY20 collection of PKR ~4.00 trillion.

As per the Pakistan Bureau of Statistics (PBS), National Consumer Price Index (NCPI) for March 2021 stood at 9.05%YoY which pulled down the average inflation for 9MFY21 to 8.34% as compared to 11.53% SPLY. This significant increase in monthly inflation was primarily due to an increase in prices of Food and Non-alcoholic Beverages (weight 34.58%) by 11.58%YoY.

EQUITY REVIEW:

During nine months of fiscal year 2021, local market continued to make gains where the benchmark KSE-100 index surged by 10,165 points, showing an increase of 29.53%, to close at 44,588 points level. On sequential basis, index surged by 832 points during 3QFY21, an increase of 1.90%QoQ as compared to an increase of 7.85%QoQ witnessed during 2QFY21. Local bourse witnessed healthy participation during the period under review as average daily turnover surged by 1.46x to 483.46 million shares as compared to 196.34 million shares recorded during FY20. Average daily traded value also surged by 59.57% to PKR 18.74 billion as compared to PKR 7.22 billion recorded during FY20. Investor interest was concentrated in second and third tier stocks, with KSE-100 contribution to total volumes decreasing to 55.77% from 68.92% recorded during FY20.

Market participants hailed positive macro developments giving little attention to political noise and rising Covid infection ratio. Some of the key triggers were, (1) country selling USD 2.5 billion in three-tranche Euro bonds, (2) receipt of USD 499 million IMF tranche, (3) PM winning vote of confidence from parliament (4) Current Account Surplus of USD 0.88 billion during 8MFY21 resulting in appreciation of local currency by 10.01%, (5) FBR collection +10.34% during nine months of FY2021, exceeding target of by PKR 107 billion, (6) LSM posted growth of 7.45% YoY during July-February FY21, (7) Roshan Digital Account (RDA) received an exuberant response with a deposit of USD 800 million in six months, (8) monthly remittances sustaining USD 2.0 billion mark for 10 consecutive months, and (9) FATF extending action timeline till Jun'21 to complete action plan.

Foreign investors remained net sellers for sixth consecutive quarter with a net outflow of USD 16.48 million. During 9MFY21 Individuals, Companies and Insurance companies were the major net buyers with net inflows of USD 248.13 million, USD 117.83 million, and USD 52.98 million respectively. However, Banks/DFI and Broker Proprietary Trading were the net sellers with a net outflow of USD 90.56 million and USD 35.23 million respectively.

There was a major outperformance witnessed in different sectors during 9MFY21 which helped the KSE-100 Index maintain its momentum. Sector wise market capitalization i.e. Cement, Commercial Banks, Technology and Communication, Chemicals, and Refinery increased by 54.2%, 17.8%, 129.5%, 31.7%, and 168.5%, respectively. In terms of valuation, KSE-100 Index closed at FY21 Price to Earnings Multiple of 5.92x, 56% discount compared to MSCI Emerging Market P/E of 13.44x, offering a healthy dividend yield of 6.45%.

FUTURE OUTLOOK:

Going into the fourth quarter of FY2021, the market is expected to follow Budget related news for the fiscal year 2022 along with FATF related news where deadline for compliance had been extended till June 2021. Any Fresh tax imposed may hinder the growth and sentiments of the local market. Pakistan has committed with IMF to implement PKR 1.272 trillion fresh taxes, PKR 176 billion on salaried class alone, in the upcoming budget FY2021.

IMF has upward revised the estimated growth for FY21 to 1.5% where inflation and current account deficit are expected to clock in at 8.70% and 1.50% of GDP respectively during FY21. IMF has projected the economic growth rate of 4.0% for FY22, which is to reach 5.0% by FY26. The Fund estimates inflation and current account deficit to clock in at 8.0% and 1.80% of GDP during FY22.

With the upcoming result season, near term market performance will largely be guided by earning reads. The benchmark KSE – 100 index is likely to remain in the bull-run trajectory due to upward revision in valuation multiples. We reiterate our stance for positive market outlook based on (i) Expected growth in GDP owing to robust earnings profile (ii) enticing Price to Earnings multiple of 6.1x, (iii) healthy dividend yield of 6.19%, (iv) low profit rate on other asset classes, and (v) increase inflow of funds.

Recent inflows of USD 2.5 billion coupled with a rollover of USD 2.0 billion repayment by UAE along with Government's initiatives for attracting investments from Non-Resident Pakistanis (NRPs) are expected to bode well for the USD PKR parity. Reportedly, Roshan Digital Account has attracted deposits of more than USD 1 billion in more than one hundred thousand accounts as of April 24th, 2021. The RDA initiative is expected to attract USD 1.5 billion during FY21. The new initiative allows Pakistani diaspora to invest in equity market and will bring fresh liquidity to the capital market.

As far as fixed income is concerned, in the latest Monetary Policy Meeting held during March 2021, the Monetary Policy Committee has kept the policy rate at 7.0%, deviating from its policy-setting framework to support economic recovery. The MPC has indicated to keep interest rates stable in the near term where the Central Bank has indicated a shift from stability to growth. Additionally, recent money market auctions on April 21, 2021 by SBP have shown yields of issuances coming down by up to 10 bps, which may lead the market to believe that stability of interest rates and even a potential rate cut may be on the horizon in the next MPC meeting scheduled for May 2021.

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

There were no significant changes in the state of affairs during the period and up till the date of Fund Manager's report under review.

xii) Disclosure of any split (if any), comprising:

There were no unit splits during the period.

xiii) Break down of unit holding size:

Range (Units)	No. of Investors
0.1 - 9,999	278
10,000 - 49,999	48
50,000 - 99,999	14
100,000 - 499,999	12
500,000 and above	3
	355

xiv) Disclosure of circumstances that materially affect any interests of unit holders:

Investments are subject to credit and market risk.

xv) 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 broker or dealer by virtue of transactions conducted by the Collective Investment Scheme.

AKD ISLAMIC STOCK FUND

Financial statements
For the nine months period ended
March 31, 2021

AKD ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2021

	Note	(Un-audited) March 31, 2021	(Audited) June 30, 2020
		------- (Rupees in '000) -------	
Assets			
Bank balances	4	**22,209**	664
Investments	5	**310,843**	125,261
Dividend and profit receivable on bank deposits	6	**438**	43
Deposits and prepayments	7	**2,908**	2,705
Preliminary expenses and floatation cost	8	**388**	541
Receivable against conversion of units		**11,326**	-
Receivable against sale of securities		**2,204**	-
Total assets		**350,316**	129,214
Liabilities			
Payable to the AKD Investment Management Limited - Management Company	9	**1,394**	995
Payable to the MCB Financial Services Limited - Trustee	10	**36**	15
Payable to Securities and Exchange Commission of Pakistan	11	**41**	26
Payable against Redemption of Units		**775**	-
Accrued expenses and other liabilities	12	**3,495**	1,166
Payable against conversion of units		**1,603**	-
Total liabilities		**7,344**	2,202
Net assets		**342,972**	127,012
Unit holders' fund (as per statement attached)		**342,972**	127,012
Contingencies and commitments	13		
		Number of units	
Number of units in issue		**7,599,656**	4,246,230
		------- **Rupees** -------	
Net assets value per unit		**45.1299**	29.9117

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

AKD ISLAMIC STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

	Note	For the nine months ended March 31, 2021	For the nine months ended March 31, 2020	For the quarter ended March 31, 2021	For the quarter ended March 31, 2020
		------('Rupees in '000) ------			
Income					
Capital gain / (loss) on sale of investments 'at fair value through profit or loss'		**58,647**	5,801	**34,535**	1,579
Net unrealised appreciation / (diminution) on remeasurement of investments 'at fair value through profit or loss'	5.2	**27,079**	(29,672)	**(7,457)**	(38,125)
Dividend income		**5,501**	1,761	**2,504**	41
Profit on bank deposits		**527**	241	**198**	66
Total income / (loss)		**91,754**	(21,869)	**29,780**	(36,439)
Expenses					
Remuneration of the Management Company	9.1	**4,114**	2,013	**1,630**	692
Sales tax on the remuneration of the Management Company	9.2	**535**	262	**212**	90
Expenses allocated by the Management Company	9.3	**720**	101	**285**	35
Remuneration of the Trustee	10.1	**247**	121	**98**	42
Sales tax on the remuneration of Trustee	10.2	**32**	16	**9**	5
Annual fee to the Securities and Exchange Commission of Pakistan	11.1	**41**	20	**16**	7
Securities transaction costs		**1,370**	192	**673**	60
Auditors' remuneration		**150**	134	**49**	44
Settlement and bank charges		**71**	56	**40**	47
Amortisation of preliminary expenses and floatation costs		**153**	154	**50**	51
Fee and subscription		**474**	386	**193**	121
Printing and stationary		**113**	113	**38**	38
Legal and professional charges		**305**	301	**197**	136
Charity		**124**	79	**63**	8
Sindh Workers' Welfare Fund		**1,666**	-	**524**	(240)
Total expenses		**10,115**	3,948	**4,077**	1,136
Net income / (loss) for the year before taxation		**81,639**	(25,817)	**25,703**	(37,575)
Taxation	15	-	-	-	
Net income / (loss) for the period after taxation		**81,639**	(25,817)	**25,703**	(37,575)
Allocation of net income for the period					
Net Income for the period after taxation		**81,639**	-	**25,703**	-
Income already paid on units redeemed		**(22,198)**	-	**(13,150)**	-
		59,441	-	**12,553**	-
Accounting income available for distribution:					
Relating to capital gain		**85,726**	-	**27,078**	-
Excluding capital gains		**(26,285)**	-	**(14,525)**	-
		59,441	-	**12,553**	-

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

AKD ISLAMIC STOCK FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

	For the nine months ended March 31,		For the quarter ended March 31,	
	2021	2020	**2021**	2020
	('Rupees in '000)			
Net income / (loss) for the period after taxation	**81,639**	(25,817)	**25,703**	(37,575)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	**81,639**	(25,817)	**25,703**	(37,575)

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AKD ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

	Note	For the nine months ended March 31, 2021	For the nine months ended March 31, 2020	For the quarter ended March 31, 2021	For the quarter ended March 31, 2020
		('Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income / (loss) for the period before taxation		**81,639**	(25,817)	**25,703**	(37,575)
Adjustments					
Amortisation of preliminary expenses and floatation costs		**153**	154	**50**	51
Capital gain on sale of investments		**(58,647)**	(5,801)	**(34,535)**	(1,579)
Net unrealised (appreciation) / diminution on remeasurement of investments 'at fair value through profit and loss'		**(27,079)**	29,672	**7,457**	38,125
		(3,934)	(1,792)	**(1,325)**	(978)
(Increase) / decrease in assets					
Dividend and profit receivable on bank deposits		**(395)**	(14)	**(402)**	371
Deposits and prepayments		**(203)**	(46)	**(272)**	(118)
Receivable against sale of investment		**(2,204)**	2,328	**(2,204)**	-
		(2,802)	2,268	**(2,878)**	253
(Decrease) / increase in liabilities					
Payable to the Management Company		**399**	(143)	**78**	(35)
Payable to Securities and Exchange Commission of Pakistan		**15**	(159)	**16**	7
Payable to the Trustee		**21**	(2)	**-**	(4)
Payable against purchase of investment		**-**	4,005	**-**	8,648
Accrued expenses and other liabilities		**2,329**	454	**745**	(28)
		2,764	4,155	**839**	8,588
Investments - net		**(99,856)**	(7,697)	**22,469**	(6,295)
Net cash generated from / (used in) operating activities		**(103,828)**	(3,066)	**19,105**	1,568
CASH FLOWS FROM FINANCING ACTIVITIES					
Amount received on issue of units		**633,505**	29,502	**277,134**	19,213
Payment against redemption of units		**(508,132)**	(17,652)	**(283,470)**	(12,234)
Net cash generated from / (used in) financing activities		**125,373**	11,850	**(6,336)**	6,979
Net increase / (decrease) in cash and cash equivalents		**21,545**	8,784	**12,769**	8,547
Cash and cash equivalents at beginning of the period		**664**	2,712	**9,440**	2,949
Cash and cash equivalents at end of the period	4	**22,209**	11,496	**22,209**	11,496

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

AKD ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2021

	For the nine months ended March 31 2021			For the nine months ended March 31 2020		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	Rupees in '000			Rupees in '000		
Net assets at beginning of the period	**211,190**	**(84,178)**	**127,012**	202,501	(66,899)	135,602
Issuance of 15,557,170 (2020: 969,676) units						
- Capital value (at net asset value per unit at the beginning of period)	**465,340**	-	**465,340**	33,746	-	33,746
- Element of income	**179,491**	-	**179,491**	(4,244)	-	(4,244)
Total proceeds on issuance of units	**644,831**	-	**644,831**	29,502	-	29,502
Redemption of 12,203,744 (2020: 513,487) units						
- Capital value (at net asset value per unit at the beginning of period)	**365,034**	-	**365,034**	17,870	-	17,870
- Amount paid out of element of income relating to net income for the year after taxation	-	**22,198**	**22,198**	-	-	-
- Element of income	**123,278**	-	**123,278**	(218)	-	(218)
Total payments on redemption of units	**488,312**	**22,198**	**510,510**	17,652	-	17,652
Total comprehensive income / (loss) for the period	-	**81,639**	**81,639**	-	(25,817)	(25,817)
Net assets at end of the period	**367,709**	**(24,737)**	**342,972**	214,351	(92,716)	121,635
Accumulated loss brought forward						
- Realised	-	**(64,274)**	**(64,274)**	-	(12,337)	(12,337)
- Unrealised	-	**(19,904)**	**(19,904)**	-	(54,562)	(54,562)
	-	**(84,178)**	**(84,178)**	-	(66,899)	(66,899)
Accounting income available for distribution						
- Relating to capital gains	-	**85,726**	**85,726**	-	-	-
- Excluding capital gains	-	**(26,285)**	**(26,285)**	-	-	-
	-	**59,441**	**59,441**	-	-	-
Accounting income / (loss) for the period	-	-	-	-	(25,817)	(25,817)
Accumulated loss carried forward	-	**(24,737)**	**(24,737)**	-	(92,716)	(92,716)
Accumulated loss carried forward						
- Realised loss	-	**(51,816)**	**(51,816)**	-	(63,044)	(63,044)
- Unrealised income	-	**27,079**	**27,079**	-	(29,672)	(29,672)
	-	**(24,737)**	**(24,737)**	-	(92,716)	(92,716)
Net assets value per unit at beginning of the period			**29.9117**			34.8012
Net assets value per unit at end of the period			**45.1299**			27.9450

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

AKD ISLAMIC STOCK FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Islamic Stock Fund (the Fund) was established under a Trust Deed, dated August 30, 2017, executed between AKD Investment Management Limited (AKDIML) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on May 30, 2017. The initial Public Offering (IPO) of the Fund was made during the period from February 19, 2018 to February 20, 2018 and the Fund commenced operations from February 21, 2018. In accordance with the Trust Deed, the first accounting period of the Fund commenced on the date on which the Fund property was first transferred to the Trustee i.e. February 19, 2018.

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

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

The Fund is categorised as an open end Shariah Complaint (Islamic) Equity Scheme in accordance with Circular 7 of 2009, issued by the Securities and Exchange Commission of Pakistan (SECP). Al-Hilal Shariah Advisors (Pvt.) Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The principle activities of the Fund is to invest in the Shariah Compliant (Islamic) equity securities.

The Pakistan Credit Rating Company Limited (PACRA) has maintained asset manager rating of 'AM3++' of the Management Company dated February 08, 2021. PACRA has also assigned 4 star performance ranking in 1 year to the Fund dated February 15, 2021.

Title to the assets of the Fund are held in the name of MCB Financial Services Limited as trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information 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 Accounting Standards (IAS) 34, Interim Financial Reporting, 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 requirement of the Trust Deed.

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

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

2.1.3 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

2.2 **Basis of measurement**

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

2.3 **Functional and presentation currency**

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

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

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

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

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

4. **FINANCIAL RISK MANAGEMENT**

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

		Note	**March 31, 2020**	June 30, 2020
			-------- (Rupees in '000) --------	
4.	**BANK BALANCES**			
	In savings accounts	4.1	**22,209**	664

4.1 Mark-up rates on these accounts are 5% (June 30, 2020: 5% to 6%) per annum.

		Note	**(Unaudited) March 31, 2020**	(Audited) June 30, 2020
			-------- (Rupees in '000) --------	
5.	**INVESTMENTS**			
	At fair value through profit or loss			
	- Listed equity securities	5.1	**310,843**	125,261

5.1 Listed equity securities

Name of the Investee Company	Face value per share (Rupees)	Number of shares: As at July 1, 2021	Purchased during the period	Bonus / right issue received during the period	Sold/ Disposed during the year	As at March 31, 2021	Balance as at March 31, 2021: Carrying cost	Market value	Appreciation / (dimiuntion)	Percentage in relation to: Market value as percentage of total investments	Market value as percentage of net assets	Paid up value of shares as a percentage of total paid up capital of the investee company
							(Rupees in '000)			(%)		
Automobile Assembler												
Ghandhara Nissan Limited	10	37,999	-	-	37,000	999	63	101	38	0.03	0.03	0.00
Honda Atlas Cars (Pakistan) Limited	10	-	27,500	-	27,500	-	-	-	-	-	-	-
Millat Tractors Limited	10	-	2,050	1	2,040	11	9	12	3	0.00	0.00	0.00
							72	113	41			
Automobile Parts & Accessories												
Thal Limited	5	28,000	-	-	28,000	-	-	-	-	-	-	-
Cable & Electrical Goods												
Pak Electron Limited	10	-	125,000	-	125,000	-	-	-	-	-	-	-
Pakistan Cables Limited	10	82,475	-	-	42,475	40,000	4,276	4,975	699	1.60	1.45	0.11
							4,276	4,975	699			
Cement												
DG Khan Cement Company Limited	10	-	350,000	-	350,000	-	-	-	-	-	-	-
Javedan Corporation Limited	10	961,190	-	-	200,000	761,190	17,127	28,636	11,509	9.21	8.35	0.24
Maple Leaf Cement Factory Limited	10	-	184,415	-	50,000	134,415	5,650	6,022	372	1.94	1.76	0.01
							22,777	34,658	11,881			
Chemical												
Biafo Industries Limited	10	300	-	-	300	-	-	-	-	-	-	-
Engro Polymer & Chemicals Limited	10	-	310,000	-	225,000	85,000	4,539	4,674	135	1.50	1.36	0.01
Lotte Chemical Pakistan Limited	10	-	2,550,000	-	450,000	2,100,000	30,916	33,495	2,579	10.78	9.77	0.14
							35,455	38,169	2,714			
Commercial Banks												
Bankislami Pakistan Limited	10	1,815,300	-	-	695,500	1,119,800	8,466	13,169	4,703	4.24	3.84	0.10
Meezan Bank Limited	10	100,000	-	10,000	91,045	18,955	1,186	2,145	959	0.69	0.63	0.00
							9,652	15,314	5,662			
Engineering												
Crescent Steel and Allied Products Limited	10	20,000	-	-	-	20,000	910	1,322	412	0.43	0.39	0.03
International Industries Limited (5.1.1)	10	35,000	282,000	-	217,000	100,000	15,661	20,317	4,656	6.54	5.92	0.08
International Steels Limited	10	-	515,000	-	25,000	490,000	45,885	41,934	(3,951)	13.49	12.23	0.11
							62,456	63,573	1,117			
Fertilizer												
Engro Corporation Limited	5	-	45,122	-	10,122	35,000	10,932	9,706	(1,226)	3.12	2.83	0.01
Food & Personal Care Products												
Al Shaheer Corporation Limited	10	1,980,833	3,377,000	1,075,166	3,207,500	3,225,499	45,038	49,221	4,183	15.83	14.35	1.61
At-Tahur Limited	10	-	160,000	-	50,000	110,000	2,008	1,839	(169)	0.59	0.54	0.06
							47,046	51,060	4,014			

Name of the Investee Company	Face value per share (Rupees)	Number of shares					Balance as at March 31, 2021			Percentage in relation to		
		As at July 1, 2021	Purchased during the period	Bonus / right issue received during the period	Sold/ Disposed during the year	As at March 31, 2021	Carrying cost	Market value	Appreciation / (dimiuntion)	Market value as percentage of total investments	Market value as percentage of net assets	Paid up value of shares as a percentage of total paid up capital of the investee company
							(Rupees in '000)			(%)		
Oil & Gas Exploration Companies												
Pakistan Oilfields Limited	10	-	25,000	-	25,000	-	-	-	-	-	-	-
Pakistan Petroleum Limited	10	-	40,000	-	-	40,000	3,439	3,493	54	1.12	1.02	0.00
							3,439	3,493	54			
Oil & Gas Marketing Companies												
Pakistan State Oil Company Limited (5.1.1)	10	-	140,000	-	69,710	70,290	14,489	16,211	1,722	5.22	4.73	0.01
Paper and Board												
Pakistan Paper Products Limited	10	666	-	-	-	666	51	53	2	0.02	0.02	0.01
Power Generation & Distribution												
Hub Power Company Limited	10	19,500	600,000	-	24,000	595,500	48,842	48,320	(522)	15.54	14.09	0.05
K-Electric Limited	3.5	743,000	-	-	-	743,000	2,236	2,957	721	0.95	0.86	0.00
							51,078	51,277	199			
Refinery												
Attock Refinery Limited	10	58,000	15,000	-	73,000	-	-	-	-	-	-	-
BYCO Petroleum Limited	10	-	200,000	-	200,000	-	-	-	-	-	-	-
National Refinery Limited	10	108,000	75,000	-	183,000	-	-	-	-	-	-	-
							-	-	-			
Sugar and Allied Industries												
The Premier Sugar Mills Limited	10	-	2,800	-	-	2,800	1,537	1,120	(417)	0.36	0.33	0.07
Technology and Communication												
Pakistan Telecommunication Company Limited	10	1,100,000	15,500	-	215,500	900,000	7,995	8,352	357	2.69	2.44	0.02
Textile Composite												
Interloop Limited	10	-	539,000	-	464,000	75,000	4,915	4,959	44	1.60	1.45	0.01
Nishat Mills Limited	10	60,000	45,000	-	35,000	70,000	6,608	6,476	(132)	2.08	1.89	0.02
							11,523	11,435	(88)			
Vanaspati & Allied Industries												
Punjab Oil Mills Limited	10	6,200	-	-	-	6,200	986	1,334	348	0.43	0.39	0.12
Total as at March 31, 2021							283,764	310,843	27,079			
Total as at June 30, 2020							145,165	125,261	(19,904)			

5.1.1 Shares pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin are as follows:

Security Name	Un-audited March 31, 2021	Audited June 30, 2020
	Number of Shares	
International Industries Limited	50,000	-
Thal Limited	-	25,000
Pakistan State Oil Company Limited	65,000	-

		Note	(Unaudited) March 31, 2021	(Audited) June 30, 2020
			-------- (Rupees in '000) --------	
5.2	**Net unrealised appreciation / (diminution) on re-measurement of investments 'at fair value through profit or loss'**			
	Market value of investments	5.1	**310,843**	125,261
	Carrying amount of investments	5.1	**(283,764)**	(145,165)
			27,079	(19,904)
6.	**DIVIDEND AND PROFIT RECEIVABLE ON BANK DEPOSITS**			
	Profit on bank balance		**49**	6
	Dividend receivable		**389**	37
			438	43
7.	**DEPOSITS AND PREPAYMENTS**			
	Security deposit with			
	- National Clearing Company of Pakistan Limited		**2,500**	2,500
	- Central Depository Company of Pakistan Limited		**100**	100
	Prepayments			
	- PSX annual listing fee		**7**	-
	- Shariah advisory fee		**301**	105
			2,908	2,705
8.	**PRELIMINARY EXPENSES AND FLOATATION COST**			
	Preliminary expenses and floatation cost		**1,024**	1,024
	Accumulated amortization			
	Opening balance		**(483)**	(278)
	Amortized during the period / year		**(153)**	(205)
	Closing balance	8.1	**(636)**	(483)
			388	541

8.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

		Note	(Unaudited) March 31, 2020	(Audited) June 30, 2019
9.	**PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY**		-------- (Rupees in '000) --------	
	Management fee	9.1	**526**	211
	Sindh Sales tax on management fee	9.2	**68**	27
	Expenses allocated by the Management Company	9.3	**92**	11
	Formation cost		**541**	746
	Others		**167**	-
			1,394	995

9.1 The Management Company charged remuneration at the rate of 2 % per annum of the average net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

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

9.3 The Management Company has charged expenses at the rate of 0.35% (June 30, 2020: 0.1%) per annum of the average annual net assets of the Fund under the Regulation 60 of the NBFC Regulations and SECP vide SRO 639 dated June 20, 2019.

10. PAYABLE TO MCB FINANCIAL SERVICES LIMITED - TRUSTEE

	Note	(Unaudited) March 31, 2020	(Audited) June 30, 2019
		-------- (Rupees in '000) --------	
Trustee fee	10.1	**32**	13
Sindh Sales Tax	10.2	**4**	2
		36	15

10.1 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	0.12% of Net Assets
Exceeding Rs 1,000 million and up to Rs.5,000 million	Rs. 1.2 million plus 0.065% per anum of the amount exceeding Rs. 1,000 million
Exceeding Rs. 5,000 million and up to Rs. 10,000 million	Rs. 3.8 million plus 0.06% per anum of the amount exceeding Rs. 5,000 million

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

11. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

	Note	(Unaudited) March 31, 2020	(Audited) June 30, 2019
		-------- (Rupees in '000) --------	
Annual fee payable to SECP	11.1	**41**	26

11.1 Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, all Collective Investment Schemes are required to pay an annual fee, to the Securities and Exchange Commission of Pakistan, an amount equal to 0.02 percent of the average annual net assets of the scheme.

12. ACCRUED AND OTHER LIABLITIES

	Note	(Unaudited) December 31, 2020	(Audited) June 30, 2020
		-------- (Rupees in '000) --------	
Brokerage payable		**113**	54
Auditors remuneration		**91**	140
Printing charges payable		**233**	150
Charity payable		**271**	610
Credit rating fee payable		**99**	172
Provision for Sindh Workers' Welfare Fund	12.1	**1,666**	-
Others		**1,022**	40
		3,495	1,166

12.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

In the Companies Act, 2017, mutual funds have not been included in the definition of "financial institutions". The MUFAP has held the view that SWWF is applicable on asset management companies and not on mutual funds.

Had the provision for SWWF not been recorded in this condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2021 would have been higher by Rs.0.22 per unit

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at March 31, 2021 and June 30, 2020

14. TOTAL EXPENSE RATIO

The total expense ratio of the Fund from July 1, 2020 to March 31, 2021 is 3.69% (June 30, 2020: 3.86%) and this includes 0.90% (June 30, 2020: 0.42%) representing government levies on the Fund such as sales taxes, annual fees to SECP etc.

15. TAXATION

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

16. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include AKD Investment Management Limited, being the Management MCB Financail Services Limited, being the Trustee, Aqeel Karim Dhedhi Securities (Private) Limited, AKD Securities Limited, directors, officers and other connected persons of the Management Company, and their connected persons.

The transactions with connected persons / related parties are in the normal course of business, at contracted rates and terms determined in accordance with market rates. Details of transactions and balances with connected persons / related parties

	(Un-audited)	(Un-audited)
	For the nine months ended	
	March 31, 2021	March 31, 2020
	-------- (Rupees in '000) ---------	
16.1. Transactions during the period		
AKD Investment Management Limited - Management Company		
Remuneration to Management Company	**4,114**	2,013
Expenses allocated by the Management Company	**720**	101
Sindh Sales Tax on management remuneration	**535**	262
Sales Load	**330**	17
AKD Investment Management Limited - Staff Provident Fund		
Issue of Nil units (2020: 77,370)	**-**	2,875
Redemption of 38,082 units (2020: 160,525)	**1,742**	5,900
MCB Financial Services Limited - Trustee		
Trustee remuneration	**247**	121
Sindh Sales Tax on trustee remuneration	**32**	16
AKD Opportunity Fund (AKDOF) - Common Management		
Shares sold by AKDOF	**48,599**	-
Shares purchased by AKDOF	**-**	277
Golden Arrow Stock Fund (GASF) - Common Management		
Shares sold by GASF	**9,605**	-
AKD Securities Limited		
Brokerage Expense	**195**	10
Shares purchased by AKD Securities Limited	**4,600**	-
Anum Dhedhi - Chief Investment Officer & Director of the Management Company		
Issue of 10,657 units (2020: Nil)	**400**	-
Muhammad Yaqoob - Chief Operating Officer and Company Secretary of the Management Company		
Issue of 10,646 units (2020: Nil)	**450**	-
Sehr Imran Motiwala - Spouse - CEO of the Management Company		
Issue of Nil units (2020: 138,661)	**-**	3,495
Hina Aqeel - Close family member of the chairman of the group		
Issue of 10,600 units (2020: Nil)	**400**	-
Afsheen Aqeel Dhedhi- Close family member of the chairman of the group		
Redemption of Nil units (2020: 21,316)	**-**	768
Saim Mustafa Zuberi - Director of the Management Company		
Redemption of Nil units (2020: 10,078)	**-**	308
Mustafa Shahid* - Connected party due to more than 10% holding		
Issue of 7,660,929 units (2020: Nil)	**318,685**	-
Redemption of 6,780,516 units (2020: Nil)	**283,930**	-

	(Un-Audited) March 31, 2021	(Audited) June 30, 2020
	-------- (Rupees in '000) ---------	
16.2. Balances outstanding at the period / year end		
AKD Investment Management Limited - Management Company		
Remuneration payable	**526**	211
Sales tax provincial on management remuneration	**68**	27
Expenses allocated by the management company	**92**	11
Payable against formation cost	**541**	746
Sales load payable	**167**	-
MCB Financial Services Limited - Trustee		
Remuneration payable	**32**	13
Sales tax on trustee remuneration payable	**4**	2
AKD Securities Limited - Brokerage		
Brokerage payable	**-**	11
Receivable / Payable against conversion of units		
Payable against conversion of units - AKD Cash Fund	**38**	-
Payable against conversion of units - AKD Islamic Income Fund	**1,553**	-
Payable against conversion of units - Golden Arrow Stock Fund	**12**	-
Receivable against conversion of units - AKD Cash Fund	**1,048**	-
Receivable against conversion of units - AKD Aggressive Income Fund	**6,798**	-
Receivable against conversion of units - AKD Islamic Income Fund	**3,480**	-

AKD Investment Management Limited - Staff Provident Fund		
Outstanding Nil units (June 30, 2020: 38,082 units)	**-**	1,139
Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund		
Outstanding 200,000 units (June 30, 2020: 200,000 units)	**9,026**	5,982
Muhammad Farid Alam - Key Management Personnel of Associated Company		
Outstanding 30,000 units (June 30, 2020: 30,000 units)	**1,354**	897
Hina Aqeel - Close family member of the chairman of the group		
Outstanding 53,233 units (June 30, 2020: 42,632 units)	**2,402**	1,275
Anum Dhedhi - Chief Investment Officer & Director of the Management Company		
Outstanding 100,314 units (June 30, 2020: 89,657 units)	**4,527**	2,682
Yasmeen Dhedhi - Close family member of the chairman of the group		
Outstanding 20,000 units (June 30, 2020: 20,000 units)	**903**	598
Muhammad Yaqoob - Chief Operating Officer and Company Secretary of the Management Company		
Outstanding 10,646 units (June 30, 2020: Nil units)	**480**	-
Toqir Hussain - Key Management Personnel of the Management Company		
Outstanding 600 units (June 30, 2020: 600 units)	**27**	18
Hamdard Laboratories (Waqf) Pakistan - Connected person due to more than 10% holding		
Outstanding 1,451,998 (June 30, 2020: 1,451,998) units	**65,529**	43,432
Mustafa Shahid* - Connected party due to more than 10% holding		
Outstanding units 880,413 (June 30, 2020: Nil units)	**39,733**	-

*** Current period connected party, prior period figures not shown.**

17. 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).

	(Unaudited) 'As at March 31, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
ASSETS	**(Rupees in '000)**			
Investment in securities - at fair value through profit or loss				
Listed equity securities	**310,843**	**-**	**-**	**310,843**

	(Audited) 'As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Investment in securities - at fair value through profit or loss				
Listed equity securities	125,261	-	-	125,261

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

18. IMPACT OF COVID-19

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

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

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

19. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on 30 APR 2021

20. GENERAL

20.1 Figures have been rounded off to the nearest thousand rupees.

20.2 This condensed interim financial information is unaudited.

20.3 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

AKD Investment Management Ltd.

Head Office:
216-217, Continental Trade Centre, Block-8, Clifton, Karachi-74000
U.A.N : 92-21-111 AKDIML (111-253-465) | Fax : 92-21-35303125

Gulshan-e-Iqbal Branch:
Bungalow No. FL-3/12,
Ground Floor Block No. 5, KDA,
Scheme No. 24, Gulshan-e-Iqbal, Karachi.
Contact # 92-21-34823003-7

Abbottabad Branch:
Office No. 1 & 2, 2nd Floor, Zaman Plaza,
Near Complex Hospital,
Main Mansehra Road, Abbottabad.
Contact # 099-2381431-2

Lahore Branch:
Plaza # 250, 2nd Floor,Phase IV,
Block-FF, D.H.A.,Lahore Cantt.
Contact # 0333-0342762-4

E-mail : info@akdinvestment.com
Website : www.akdinvestment.com