THE PAKISTAN CREDIT RATING AGENCY LIMITED

Performance Ranking Report

AKD Islamic Stock Fund

Category: (Islamic Equity)

Review Period: Jun'21

Sr. No.	Period	Ranking	
		Jun'21	Dec'20
1	1-Year	5-Star	4-Star
2	3-Year	-	-
3	5-Year	-	-

STAR RANKING REPORT

Aug-21

AKD Islamic Stock Fund

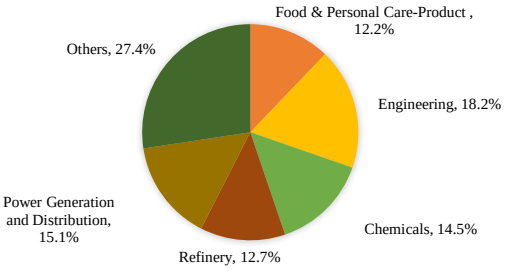
Fund Facts

Fund	AKD Islamic Stock Fund Islamic
Fund Category	Equity
Launch Date	20-Feb-18
Trustee	Digital Custodian Company Limited
Benchmark	KME-30 Index
Fund Size	PKR 425mln
AMC	AKD Investment Management Ltd
AMC Rating	AM3++
Fund Manager	Mr. Ajay Kumar
Peer Universe	Islamic Equity

Asset Allocation

	Jun-21	Dec-20
Equities	96.2%	95.1%
Cash	2%	2.9%
Others	0.8%	2.0%

Sector-wise Portfolio (Jun-21)



History

	Jun-21	Dec-20	Jun-20	Dec-19
Fund Ranking 1Yr	5-Star	4-Star	1-Star	-
Fund Ranking 3Yrs	-	-	-	-
Fund Ranking 5Yrs	-	-	-	-
Fund Size (PKR mln)	425	275	127	152
Category Size (PKR mln)	75,531	68,493	50,901	61,039
Fund NAV (PKR)	49.8	41.7	29.9	37.8
Fund Dividend	-	-	-	-

Fund's Objective

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 capital growth and dividends

Asset Manager (Jun-21)

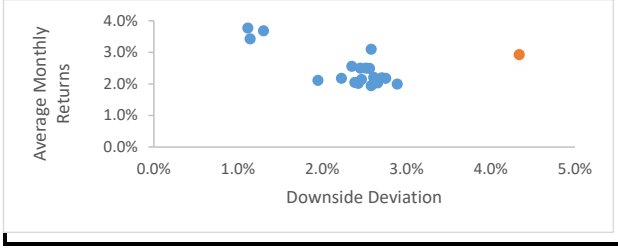
Year of Incorporation	2004
Conventional Funds	5
Shariah-Compliant Funds	2
CEO	Mr. Imran Motiwala
CIO	Ms. Anum Dhedhi
AUMs	PKR 8615mln

Return Summary

Period	AKDISF	Peer Avg	Fund SD	Peer SD
1QFY21	31.6%	15.7%	10.4%	6.7%
2QFY21	6.1%	8.0%	7.4%	4.4%
3QFY21	8.1%	7.0%	7.3%	4.2%
4QFY21	10.3%	4.0%	10.6%	6.0%
FY21	66.5%	33.3%	8.4%	5.7%

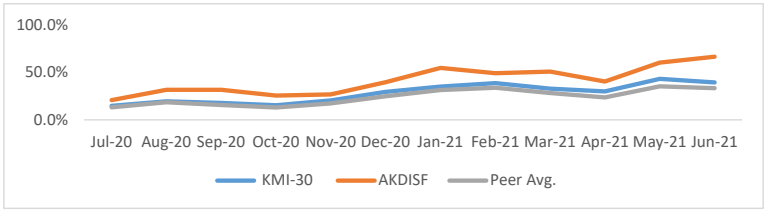
Risk

Return - Downside Deviation Analysis - 1 Year



Performance

Benchmark|AKDISF|Peer Avg. | 1Yr| Jun-21 (Cumulative Monthly Returns)



Rankings Explained

Categorize Funds

- Ranking is a purely quantitative measure, avoiding any biases. It is based on historical returns of a fund relative to other funds in similar category. PACRA mainly follows SECP guidelines (Circular No. 7 of 2009) for defining fund categories – each having distinct characteristics – and rankings of funds are comparable only in their respective category.

Measure Absolute Returns (R)

- **R** = $\frac{PE - PB +/- A}{PB}$
- R = Total return for the month
- PE = End of month NAV (net assets value) per share/certificate
- PB = Beginning of month NAV per share/certificate
- A = Adjustments on account of cash dividend, bonus issue addition to capital.

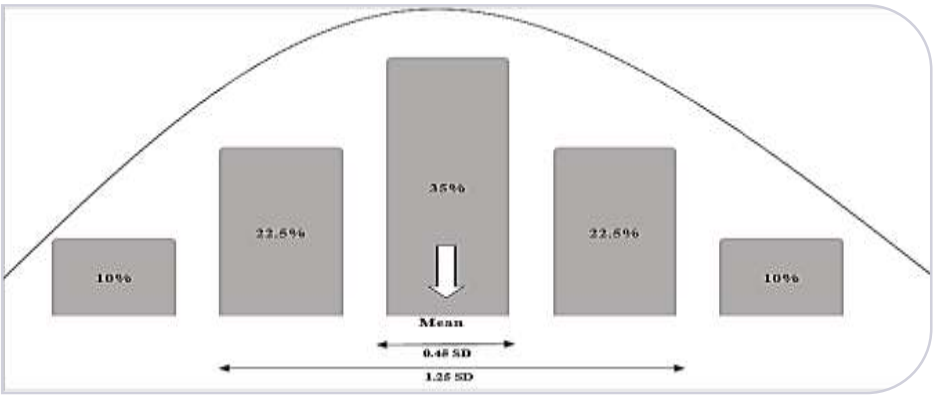
Measure Risk adjusted Return (RAR)

- **RAR** = $\frac{Rn}{DD(Rf)}$
- Rn = Average monthly returns for the relevant period (trailing 12/36/60 monthly periods)
- DD = Downside Deviation of the monthly returns of the fund. DD is computed using the returns for the relevant period
- Rf = Risk free rate: Monthly average of 6-Month T Bill Yield for the relevant period

Equal Weigh to R & RAR

- The fund's performance (measured by assigning 50 % weight each to the fund's return and risk adjusted return)

Plot along Normal Distribution



Final Ranking

Weak	Below Average	Average	Good	Superior
★	★★	★★★	★★★★	★★★★★

- Rankings are calculated on the basis of performance during a particular period (12 months for 1-Year star ranking, 36 months for 3-Year star ranking and 60 months for 5-Year star ranking). For a particular fund the relevant period ranking will be disclosed.
- Only those funds are eligible for ranking that have remained operational throughout the given period.
- A month of a year is used as a reference period to calculate performance.
- Rankings are based on past performance of the fund. PACRA's opinion is not a recommendation to purchase, sell or hold a fund, in as much as it does not comment on the Fund's NAV or suitability for a particular investor.
- PACRA releases rankings twice a year; for the period ending in June and December.

Disclosure

Name of Fund	AKD Islamic Stock Fund
Sector	Mutual Fund
Type of Relationship	Solicited
Purpose of the Rating	Performance Ranking
Applicable Criteria	Performance Ranking Methodology – Jun'21
Related Research	Sector Study | Mutual Funds | Performance Ranking – Feb'21
Rating Analysts	Muhammad Zain Ayaz | zain.ayaz@pacra.com

Regulatory and Supplementary Disclosure

Rating Team Statements
(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

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i. The Rating Team or any of their family members have no interest in this rating | Chapter III; 12-2-(j)
ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)
iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)]
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(10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)
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(19) PACRA reviews all outstanding ratings on semi-annual basis | Chapter III | 18-(b)

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