

## Fund Manager Report

### Investment Objective

To provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short term Shariah compliant debt instruments while taking in to account liquidity considerations.

### Fund Manager's Comments

During the month, the fund size increased from PKR 662.66 mn to PKR 670.39 mn. The Fund made monthly annualized return of 9.17% for the month ended March 31, 2020 as compared to its benchmark return of 6.79% during the same period.

Fund Statistics	
<b>Name of Fund</b>	786 Smart Fund (Formerly Dawood Income Fund)
<b>Type</b>	Open End
<b>Category</b>	Shariah Compliant Income Scheme
<b>Net Assets</b>	PKR 670.39 million
<b>Net Assets Value per unit</b>	PKR 87.9786
<b>Wt. average Time to maturity</b>	0.54 years
<b>Benchmark</b>	Six Month average deposit rates of three (3) A rated schedules islamic banks or Islamic windows of conventional banks as selected by MUFAP
<b>Trustee &amp; Custodian</b>	MCB Financial Services Limited
<b>Auditor</b>	Grant Thornton Anjum Rahman
<b>Registrar</b>	M/s F.D. Registrar Services (SMC-Pvt) Limited
<b>Launch Date</b>	19-May-2003
<b>Listing</b>	PSX
<b>Duration</b>	Perpetual
<b>Management Fee</b>	1.50% per annum
<b>Total Expense Ratio*</b>	2.51%* p.a
<b>Sales Load</b>	1% Front End
<b>Pricing Mechanism</b>	Forward
<b>Leverage</b>	Nil
<b>Risk Profile</b>	Medium
<b>AMC Rating</b>	AM3 (27 Dec 2019)
<b>Stability Rating</b>	AA-(f) by PACRA (28 Oct 2019)
<b>Subscription</b>	PKR. 5,000/-

\* This includes 0.49% representing government levy, SWWF and SECP fee. (Annualized)

Asset Allocation ( % of Total Assets)		
Assets	Mar-20	Feb-20
<b>TFC / Sukuk</b>	12.50%	12.64%
<b>Bank Balances</b>	84.35%	84.45%
<b>Others</b>	3.15%	2.91%

Asset Allocation (Credit Quality)		
Credit Quality	Mar-20	Feb-20
<b>AA</b>	4.66%	4.73%
<b>AA-</b>	0.22%	0.22%
<b>A+</b>	91.97%	92.14%
<b>Unrated</b>	3.15%	2.91%

Fund Returns		
Periods	Returns	Benchmark
<b>March 2020</b>	9.17%	6.79%
<b>*FYTD 2020 (till July 2019)</b>	8.51%	13.43%
<b>**FYTD 2020 (from Aug 2019 tilldate)</b>	12.45%	6.33%
<b>*Rolling 12 Months Jan 20 (Till July 19)</b>	12.67%	10.60%
<b>**Rolling 12Months Jan 20 (Aug19 todate)</b>	12.67%	5.98%
<b>FY 2019</b>	8.78%	12.93%
<b>FY 2018</b>	11.89%	6.22%
<b>FY 2017</b>	16.29%	5.98%
<b>FY 2016</b>	22.61%	6.50%
<b>FY 2015</b>	6.41%	9.00%
<b>FY 2014</b>	6.18%	9.80%
<b>last 10 years</b>	59.57%	9.77%

Returns are computed on the basis of NAV to NAV with dividend reinvested

\* As per Old benchmark \*\* As per New benchmark

### Investment Committee

<b>Tara Uzra Dawood</b>	Chief Executive Officer
<b>Noman Shakir</b>	Chief Financial Officer
<b>Muhammad Abbas</b>	AVP Finance

### Details of Non-Compliant Investment

Name of Investment	Type	Value before Provision	Provision (if any)	Value after Provision	% of Net Assets	% of Gross Assets
Dewan Cement Limited	Pre-IPO Investment	71,209,413	71,209,413	-	0.00%	0.00%
New Allied Electronics Industries Limited	TFC	32,655,939	32,655,939	-	0.00%	0.00%
New Allied Electronics Industries Limited	Sukuk	5,027,500	5,027,500	-	0.00%	0.00%
Eden Housing Ltd.	Sukuk	2,887,171	2,887,171	-	0.00%	0.00%
Amtex Limited	Sukuk	22,500,000	22,500,000	-	0.00%	0.00%

### Registered Address

786 Investments Limited

G3, Ground Floor BRR Tower, Hassan Ali Street, Off I. I. Chundrigar Road, Karachi 74000, Pakistan  
 UAN: (92 21) 111-DAWOOD (329663) Tel: (92 21) 32603751-54  
 Email: info@786investments.com  
 URL: www.786investments.com

### Cut-off Timings

Business / Dealing Days	Business Hours	Cut-off Timings
<b>Monday - Friday</b>	09:00 am - 6:30 pm	9:00 am - 4:00 pm

### Other Information

The calculation of performance does not include cost of Front End Load. This return includes reversal of provisioning.

The Scheme holds certain Non-Compliant investments. Before making any investment decision, investors should review the latest monthly Fund Manager Report and Financial Statements.

786SF has provided annualize return 12.45% due to agreement executed between the Management Company and Dewan Cement Ltd. for recovery of fully provided TFC of Dewan Cement Ltd.

### Disclaimer

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand investment policies and the risks involved.

(MUFAP's recommended format)