

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 582.39 mn to PKR 875.6 mn. The Fund made monthly annualized return of 14.08% for the month ended January 31, 2023 as compared to its benchmark return of 6.76% during the same period.

Category of CIS	Risk Profiling	Risk of Principal Erosion
Shariah Compliant Income Scheme	Medium	Principal at Medium Risk

Fund Statistics

Name of Fund	786 Smart Fund
Type	Open End
Category	Shariah Compliant Income Scheme
Net Assets	PKR 875.6 million
Net Assets Value per unit	PKR 88.9754
Wt. average Time to maturity	0.6
Benchmark	Six Month average deposit rates of three (3) A rated schedules islamic banks or Islamic windows of conventional banks as selected by MUFAP
Trustee & Custodian	Digital Custodian Company Limited
Auditor	Reanda Haroon Zakaria & Company
Registrar	M/s F.D. Registrar Services (SMC-Pvt) Limited
Launch Date	19-May-2003
Listing	PSX
Duration	Perpetual
Management Fee	1.50% per annum
Total Expense Ratio*	Ytd 2.15% Mtd 2.14%
Sales Load	1% Front End
Pricing Mechanism	Forward
Leverage	Nil
Risk Profile	Medium
AMC Rating	AM3 (23 Dec 2022)
Stability Rating	AA-(f) by PACRA (14 Oct 2022)
Subscription	PKR. 5,000/-

* This includes Ytd | 0.23% and Mtd | 0.23% representing Government Levy and SECP Fee. (Annualized)

TOP TEN DEBT SECURITIES

INVESTEES COMPANY	Type	% of Total Assets
Nishat Mills Limited	SUKUK	13.53%
K Electric Limited	SUKUK	11.28%
China Power Hub Generation Limited	SUKUK	5.64%
Dubai Islamic Bank Limited	SUKUK	4.96%
Lucky Electric Power Company Limite	SUKUK	2.82%
Agha Steel Industries Limited	SUKUK	1.16%

Asset Allocation (% of Total Assets)

Assets	Jan-23	Dec-22
TFC / Sukuk	39.38%	71.64%
Islamic Commercial Paper	12.41%	18.55%
Bank Balances	45.75%	6.32%
Others	2.46%	3.49%

Asset Allocation (Credit Quality)

Credit Quality	Jan-23	Dec-22
AA	82.18%	78.64%
AA+	5.64%	8.42%
AA-	0.00%	0.00%
A+	9.73%	9.45%
Unrated	2.45%	3.49%

Fund Returns

Periods	Returns	Benchmark
January 2023	14.08%	6.76%
FYTD 2023	15.08%	5.57%
Rolling 12 Months January 2023	13.29%	4.77%
FY 2022	10.81%	3.34%
FY 2021	5.49%	3.11%
FY 2020	10.90%	6.41%
FY 2019	11.12%	12.93%
FY 2018	11.86%	6.22%
FY 2017	16.32%	5.98%
FY 2016	22.61%	6.50%
last 10 years	78.21%	9.77%

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

Investment Committee

Tara Uzra Dawood	Chief Executive Officer
Noman Shakir	Chief Financial Officer
Muhammad Abbas	Fund Manager
Muhammad Ali	Head of Compliance

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	41,887,890	41,887,890	-	0.00%	0.00%
New Allied Electronics Industires Limited	TFC	32,655,939	32,655,939	-	0.00%	0.00%
New Allied Electronics Industires 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, 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
Monday - Friday	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. 786SF has provided annualize return 14.08% due to agreement executed between the Management Company and Dewan Cement Limited for recovery of fully provided TFC of Dewan Cement Ltd.

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

Dispute Resolution/Complaints Handling:

Investors may lodge their complaints to our Investor Services Department through any of the following options where our dedicated staff is available to provide assistance. Call at 92-21 111 329 663 , Email at info@786investments.com or submit our website <https://www.786investments.com/investor-complaints/>. In case your complaint has not been redressed by us, you may lodge your complaint with SECP at the link <https://sdms.secp.gov.pk/>. However, please note that SECP will entertain only those complaints which were at first directly requested to be redressed by the Company and the Company has failed to redress the same. Further, the complaints that are not relevant to SECP's regulatory domain/competence shall not be entertained by the SECP.

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