

Fund Manager Report

Investment Objective

To provide competitive, risk-adjusted returns to its investors, the portfolio invests in a diversified mix of long-, medium-, and short-term Shariah-compliant debt instruments, taking into account liquidity considerations.

Fund Manager's Comments

During the month, the fund size increased from PKR 1197.52 million to PKR 1414.89 million. The fund achieved a monthly, annualized return of 21.18% for the month ended August 31, 2024, outperforming its benchmark, which returned 10.86% 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 1414.89 million
Net Assets Value per unit	PKR 86.5
Wt. average Time to maturity	0.75
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 2.21% Mtd 2.17%
Sales Load	1% Front End
Pricing Mechanism	Forward
Leverage	Nil
Risk Profile	Medium
AMC Rating	AM3 (22 Dec 2023)
Stability Rating	AA-(f) by PACRA (18 Oct 2023)
Subscription	PKR. 5,000/-

* This includes Ytd | 0.33% and Mtd | 0.32% representing Government Levy and SECP Fee. (Annualized)

Asset Allocation (% of Total Assets)		
Assets	Aug-24	Jul-24
TFC / Sukuk	53.04%	72.34%
GOP Ijara Sukuk	0.00%	7.72%
Bank Balances	42.58%	14.16%
Others	4.38%	5.78%

Asset Allocation (Credit Quality)		
Credit Quality	Aug-24	Jul-24
AAA	7.25%	16.31%
AA	58.35%	32.84%
AA-	11.85%	14.04%
A+	17.38%	30.09%
A	0.22%	0.26%
BB-	0.00%	0.67%
D	0.57%	0.00%
Unrated	4.38%	5.78%

Fund Returns		
Periods	Returns	Benchmark
August 2024	21.18%	10.86%
FYTD 2025	20.96%	10.89%
Rolling 12 Months August 2024	21.88%	10.67%
FY 2024	22.72%	10.10%
FY 2023	18.84%	6.06%
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	14.52%	6.74%

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

TOP TEN DEBT SECURITIES		
INVESTEES COMPANY	Type	% of Total Assets
Pak Elecron Ltd. (27-3-2024)	SUKUK	14.29%
Mughal Iron & Steel Industries Ltd. (27-12-23)	SUKUK	11.85%
K-Electric Ltd. - STS 24 (28-3-2024)	SUKUK	8.71%
PTCL STS III (19-03-2024)	SUKUK	7.25%
K-Electric Company Ltd. (23-11-22)	SUKUK	7.08%
Dubai Islamic Bank Ltd. (02-12-22)	SUKUK	3.07%
Agha Steel Industries Limited	SUKUK	0.57%
Bankislami Pakistan Limited	SUKUK	0.22%

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 Ltd.	Pre-IPO Investment	12,566,367	12,566,367	-	0.00%	0.00%
New Allied Electronics Industries Ltd.	TFC	32,655,939	32,655,939	-	0.00%	0.00%
New Allied Electronics Industries Ltd.	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 Ltd.	Sukuk	22,500,000	22,500,000	-	0.00%	0.00%
Agha Steel Industries Limited	Sukuk	10,200,000	2,040,000	8,160,000	0.58%	0.57%

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 the cost of a front-end load. 786SF has provided annualized return 20.96% due to agreement executed between the Management Company and Dewan Cement Ltd. for recovery of fully provided TFC of Dewan Cement Ltd.

The scheme holds certain non-compliant investments. Before making any investment decision, investors are advised to 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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