

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 decreased from PKR 604.33 mn to PKR 555.49 mn. The Fund made monthly annualized return of 4.42% for the month ended December 31, 2020 as compared to its benchmark return of 3.36% during the same period.

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

Fund Statistics		Asset Allocation (% of Total Assets)		
Name of Fund	786 Smart Fund	Assets	Dec-20	Nov-20
Type	Open End	TFC / Sukuk	14.20%	13.09%
Category	Shariah Compliant Income Scheme	Bank Balances	84.89%	86.06%
Net Assets	PKR 555.49 million	Others	0.91%	0.85%
Net Assets Value per unit	PKR 82.8464	Asset Allocation (Credit Quality)		
Wt. average Time to maturity	0.52	Credit Quality	Dec-20	Nov-20
Benchmark	Six Month average deposit rates of three (3) A rated schedules islamic banks or Islamic windows of conventional banks as selected by MUFAP	AA	85.25%	78.22%
Trustee & Custodian	MCB Financial Services Limited	A	2.53%	2.32%
Auditor	Grant Thornton Anjum Rahman	AA-	4.78%	4.41%
Registrar	M/s F.D. Registrar Services (SMC-Pvt) Limited	A+	6.53%	14.20%
Launch Date	19-May-2003	Unrated	0.91%	0.85%
Listing	PSX	Fund Returns		
Duration	Perpetual	Periods	Returns	Benchmark
Management Fee	1.50% per annum	Dec 2020	4.42%	3.36%
Total Expense Ratio*	2.25%* p.a	FYTD 2021	4.52%	3.93%
Sales Load	1% Front End	Rolling 12 Months December 2020	6.13%	5.23%
Pricing Mechanism	Forward	FY 2020	10.93%	6.41%
Leverage	Nil	FY 2019	8.78%	12.93%
Risk Profile	Medium	FY 2018	11.89%	6.22%
AMC Rating	AM3 (24 Dec 2020)	FY 2017	16.29%	5.98%
Stability Rating	AA-(f) by PACRA (22 Oct 2020)	FY 2016	22.61%	6.50%
Subscription	PKR. 5,000/-	FY 2015	6.41%	9.00%
		FY 2014	6.18%	9.80%
		last 10 years	59.57%	9.77%

* This includes 0.33% representing government levy, SWWF and SECP fee. (Annualized)

TOP TEN DEBT SECURITIES

INVESTE COMPANY	Type	% of Total Assets
Dawood Hercules Corporation Limited	SUKUK	4.93%
Dubai Islamic Bank Limited	SUKUK	4.65%
Agha Steel Industries Limited	SUKUK	2.53%
TPL Corp Ltd. (Formerly: TPL Trakker Ltd.)	SUKUK	1.96%
Fatima Fertilizer Company Ltd.	SUKUK	0.13%

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 Naveed	Research Officer

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
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.

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

SWWF Disclosure

The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 7.75 million. Had that not been provided, the NAV per unit/return for the period would have been higher by Rs. 1.16 / 1.4%. For details investors are advised to read the Note 12.1 of the latest Financial Statements of the Scheme for the period ended September 30, 2020.

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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