



786 Smart Fund

January '21

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 555.49 mn to PKR 547.78 mn. The Fund made monthly annualized return of 4.91% for the month ended January 31, 2021 as compared to its benchmark return of 3.37% 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 547.78 million
Net Assets Value per unit	PKR 83.1916
Wt. average Time to maturity	0.51
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	MCB Financial Services Limited
Auditor	Grant Thornton Anjum Rahman
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*	2.26%* p.a
Sales Load	1% Front End
Pricing Mechanism	Forward
Leverage	Nil
Risk Profile	Medium
AMC Rating	AM3 (24 Dec 2020)
Stability Rating	AA-(f) by PACRA (22 Oct 2020)
Subscription	PKR. 5,000/-

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

Asset Allocation (% of Total Assets)			
Assets	Jan-21	Dec-21	
TFC / Sukuk	14.18%	14.20%	
Bank Balances	85.08%	84.89%	
Others	0.74%	0.91%	

Asset Allocation (Credit Quality)			
Credit Quality	Jan-21	Dec-21	
AA	86.37%	85.25%	
A	2.60%	2.53%	
AA-	4.84%	4.78%	
A+	5.45%	6.53%	
Unrated	0.74%	0.91%	

Fund Returns		
Periods	Returns	Benchmark
Jan 2021	4.91%	3.37%
FYTD 2021	4.59%	3.85%
Rolling 12 Months January 2021	6.57%	4.95%
FY 2020	10.93%	6.41%
FY 2019	8.78%	12.93%
FY 2018	11.89%	6.22%
FY 2017	16.29%	5.98%
FY 2016	22.61%	6.50%
FY 2015	6.41%	9.00%
FY 2014	6.18%	9.80%
last 10 years	59.57%	9.77%

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

TOP TEN DEBT SECURITIES		
INVESTEES COMPANY	Type	% of Total Assets
Dawood Hercules Corporation Limited	SUKUK	4.97%
Dubai Islamic Bank Limited	SUKUK	4.71%
Agha Steel Industries Limited	SUKUK	2.60%
TPL Corp Ltd. (Formerly: TPL Trakker Ltd.)	SUKUK	1.76%
Fatima Fertilizer Company Ltd.	SUKUK	0.13%

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%
Amtext 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.

SWWF Disclosure
The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 7.8 million Had that not been provided, the NAV per unit/return for the period would have been higher by Rs. 1.18 / 1.42%. 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.

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.

Disclaimer

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(MUFAP's recommended format)