



786 Smart Fund

August '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 increased from PKR 751.33 mn. to PKR 866.87 mn. The Fund made monthly annualized return of 24.14% for the month ended August 31, 2021 as compared to its benchmark return of 3.13% 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 866.87 million
Net Assets Value per unit	PKR 83.1964
Wt. average Time to maturity	0.24
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*	2.39%* 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 0.23% representing government levy, SWWF and SECP fee. (Annualized)

TOP TEN DEBT SECURITIES		
INVESTEE COMPANY	Type	% of Total Assets
Dubai Islamic Bank Limited	SUKUK	3.05%
Agha Steel Industries Limited	SUKUK	1.68%
TPL Corp Ltd. (Formerly: TPL Trakker Ltd.)	SUKUK	0.85%
Fatima Fertilizer Company Ltd.	SUKUK	0.04%

Asset Allocation (% of Total Assets)			
Assets	Aug-21	Jul-21	
TFC / Sukuk	5.63%	6.41%	
Bank Balances	69.65%	65.54%	
Islamic Commercial Paper	12.61%	14.26%	
TDR	11.39%	12.99%	
Others	0.72%	0.80%	

Asset Allocation (Credit Quality)			
Credit Quality	Aug-21	Jul-21	
AA	69.60%	65.51%	
AA-	3.09%	3.52%	
A+	26.60%	30.16%	
Unrated	0.72%	0.81%	

Fund Returns		
Periods	Returns	Benchmark
August 2021	24.14%	3.13%
FYTD 2022	14.60%	3.13%
Rolling 12 Months August 2021	6.89%	3.30%
FY 2021	5.12%	3.11%
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%
last 10 years	59.57%	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
Shahzaib Akbar	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	62,831,835	62,831,835	-	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, 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 14.60% due to reversal of Sindh Workers' Welfare Fund's (SWWF) and 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.

Disclaimer

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(MUFAP's recommended format)