



Dawood Income Fund

Fund Manager Report

JUNE'18

Investment Objective

To preserve the investor's capital while providing a return greater than that offered by other investments of similar risk profile through investments in a portfolio of money market instruments.

Fund Manager's Comments

During the month the fund size decreased from 442.05 mn to 334.72 mn. The Fund made monthly annualize return of 4.91% for the month ended June 30, 2018 as compared to its benchmark return of 6.85% during the same period. DIF has provided annualize return 11.89 % due to agreement executed between the Management Company and Dewan Cement Ltd. for recovery of fully provided TFC of Dewan Cement Ltd.

Fund Statistics	
Name of Fund	Dawood Income Fund
Type	Open End
Category	Income
Net Assets	PKR 334.72 million
Net Assets Value per unit	PKR 88.3086
Wt. average Time to maturity	1.18 years
Benchmark	Avg. 6 Month KIBOR
Trustee & Custodian	MCB Financial Services Limited
Auditor	Riaz Ahmad & Co. Chartered Accountants
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*	3.68%* p.a
Sales Load	1% Front End
Pricing Mechanism	Forward
Leverage	Nil
Risk Profile	Medium
AMC Rating	AM3
Stability Rating	AA-(f) by PACRA
Subscription	PKR. 5,000/-

* This includes 1.69% representing government levy, SWWF and SECP fee. (Annualized)

Asset Allocation (% of Total Assets)		
Assets	Jun-18	May-18
Government Securities	29.17%	66.28%
TFC / Sukuk	18.05%	13.70%
Bank Balances	43.50%	19.62%
TDR	8.78%	0.00%
Others	0.50%	0.40%

Asset Allocation (Credit Quality)		
Credit Quality	Jun-18	May-18
AAA	29.17%	66.28%
A+	22.82%	26.63%
AA	8.79%	6.65%
AA-	38.72%	0.04%
Unrated	0.50%	0.40%

Fund Returns		
Periods	Returns	Benchmark
June 2018	4.91%	6.85%
FYTD 2018	11.89%	6.22%
Rolling 12 Months June 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%
FY 2013	1.41%	9.90%
last 10 years	4.62%	12.40%

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	8.79%
Dubai Islamic Bank Limited	SUKUK	7.75%
TPL Tracker Ltd.	SUKUK	1.51%

Investment Committee	
Tara Uzra Dawood	Chief Executive Officer
Tauqir Shamshad	COO / CIO / Fund Manager
Talal Ismail Pasha	Chief Financial Officer
Muhammad Abbas	AVP Finance
Shaheryar Ali	Risk 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	TFC	96,342,147	96,342,147	-	0.00%	0.00%
Eden Housing Ltd.	Sukuk	2,887,171	2,887,171	-	0.00%	0.00%
New Allied Electronics Industries Limited	TFC	25,433,190	25,433,190	-	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 - Thursday	9:00 am - 6:00 pm	9:00 am - 3:30 pm
Friday	9:00 am - 6:00 pm	9:00 am - 4:30 pm

Other Information

The calculation of performance does not include cost of Front End Load. This return includes reversal of provisioning.

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. 2.24 million, Had that not been provided, the NAV per unit/return for the period would have been higher by Rs. 0.59 / 0.67%. For details investors are advised to read the Note 9.1 of the latest Financial Statements of the Scheme for the period ended March 31, 2018.

Disclaimer

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand investment policies and the risks involved.

(MUFAP's recommended format)