



Dawood Income Fund

Fund Manager Report

January'19

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 increased to 559.07 mn from PKR 386.37 mn. The Fund made monthly annualize return of 16.82% for the month ended January 31, 2019 as compared to its benchmark return of 10.64% during the same period.

Fund Statistics		Asset Allocation (% of Total Assets)		
Name of Fund	Dawood Income Fund	Assets	Jan-19	Dec-18
Type	Open End	TFC / Sukuk	13.56%	19.52%
Category	Income	Islamic Commercial Paper	7.07%	10.17%
Net Assets	PKR 559.07 million	Bank Balances	78.09%	69.24%
Net Assets Value per unit	PKR 84.9331	Others	1.28%	1.07%
Wt. average Time to maturity	0.79 years			
Benchmark	Avg. 6 Month KIBOR			
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*	2.48%* p.a			
Sales Load	1% Front End			
Pricing Mechanism	Forward			
Leverage	Nil			
Risk Profile	Medium			
AMC Rating	AM3 (28 December 2018)			
Stability Rating	AA-(f) by PACRA (29 November 2018)			
Subscription	PKR. 5,000/-			

* This includes 0.51% representing government levy, SWWF and SECP fee. (Annualized)

TOP TEN DEBT SECURITIES		
INVESTEE COMPANY	Type	% of Total Assets
K-Electric	Islamic Commercial Paper	7.07%
Dawood Hercules Corporation Limited	SUKUK	5.30%
Dubai Islamic Bank Limited	SUKUK	4.68%
Agha Steel Industries Limited	SUKUK	2.65%
TPL Corp Ltd. (Formerly: TPL Trakker Ltd.)	SUKUK	0.93%

Asset Allocation (Credit Quality)		
Credit Quality	Jan-19	Dec-18
AA	12.37%	17.79%
AA-	78.07%	68.28%
A+	8.27%	12.85%
Unrated	1.29%	1.08%

Fund Returns		
Periods	Returns	Benchmark
January 2019	16.82%	10.64%
FYTD 2019	10.95%	9.15%
Rolling 12 Months January 2019	8.73%	8.04%
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

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	83,775,780	83,775,780	-	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.

SWWF Disclosure

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

The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 2.83 million, Had that not been provided, the NAV per unit/return for the period would have been higher by Rs. 0.43 / 0.51%. For details investors are advised to read the Note 9.1 of the latest Financial Statements of the Scheme for the period ended September 30, 2018.

DIF has provided annualize return 10.95 % due to agreement executed between the Management Company and Dewan Cement Ltd. for recovery of fully provided TFC of Dewan Cement Ltd.

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)