



Dawood Income Fund

Fund Manager Report

February'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 decreased from PKR 559.07 mn to PKR 557.39 mn. The Fund made monthly annualize return of 7.47% for the month ended February 28, 2019 as compared to its benchmark return of 10.73% during the same period.

Fund Statistics		Asset Allocation (% of Total Assets)		
Name of Fund	Dawood Income Fund	Assets	Feb-19	Jan-19
Type	Open End	TFC / Sukuk	20.59%	13.56%
Category	Income	Islamic Commercial Paper	7.07%	7.07%
Net Assets	PKR 557.39 million	Bank Balances	70.26%	78.09%
Net Assets Value per unit	PKR 85.4198	Others	2.08%	1.28%
Wt. average Time to maturity	0.83 years	Asset Allocation (Credit Quality)		
Benchmark	Avg. 6 Month KIBOR	Credit Quality	Feb-19	Jan-19
Trustee & Custodian	MCB Financial Services Limited	AA	12.33%	12.37%
Auditor	Grant Thornton Anjum Rahman	AA-	70.24%	78.07%
Registrar	M/s F.D. Registrar Services (SMC-Pvt) Limited	A+	8.28%	8.27%
Launch Date	19-May-2003	A1+	7.07%	78.07%
Listing	PSX	Unrated	2.08%	1.29%
Duration	Perpetual	Fund Returns		
Management Fee	1.50% per annum	Periods	Returns	Benchmark
Total Expense Ratio*	2.46%* p.a	February 2019	7.47%	10.73%
Sales Load	1% Front End	FYTD 2019	10.61%	9.34%
Pricing Mechanism	Forward	Rolling 12 Months February 2019	8.92%	8.24%
Leverage	Nil	FY 2018	11.89%	6.22%
Risk Profile	Medium	FY 2017	16.29%	5.98%
AMC Rating	AM3 (28 December 2018)	FY 2016	22.61%	6.50%
Stability Rating	AA-(f) by PACRA (29 November 2018)	FY 2015	6.41%	9.00%
Subscription	PKR. 5,000/-	FY 2014	6.18%	9.80%
		last 10 years	59.57%	9.77%

* This includes 0.50% representing government levy, SWWF and SECP fee. (Annualized)

TOP TEN DEBT SECURITIES		
INVESTEES COMPANY	Type	% of Total Assets
K-Electric	Islamic Commercial Paper	7.07%
The Hub Power Company Limited	SUKUK	7.07%
Dawood Hercules Corporation Limited	SUKUK	5.25%
Dubai Islamic Bank Limited	SUKUK	4.68%
Agha Steel Industries Limited	SUKUK	2.65%
TPL Corp Ltd. (Formerly: TPL Trakker Ltd.)	SUKUK	0.93%

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
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Email: info@786investments.com
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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. 2.89 million, Had that not been provided, the NAV per unit/return for the period would have been higher by Rs. 0.44 / 0.52%. For details investors are advised to read the Note 10.2 of the latest Financial Statements of the Scheme for the period ended December 31, 2018.

DFI has provided annualize return 10.61% 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)