



# Dawood Income Fund

## Fund Manager Report

June'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 516.57 mn to PKR 445.69 mn. The Fund made monthly annualize return of 8.78% for the month ended June 30, 2019 as compared to its benchmark return of 12.93% during the same period.

Fund Statistics		Asset Allocation (% of Total Assets)		
Name of Fund	Dawood Income Fund	Assets	Jun-19	May-19
Type	Open End	TFC / Sukuk	25.68%	22.18%
Category	Income	Bank Balances	72.90%	76.67%
Net Assets	PKR 445.69 million	Others	1.42%	1.15%
Net Assets Value per unit	PKR 80.4336	<b>Asset Allocation (Credit Quality)</b>		
Wt. average Time to maturity	0.94 years	Credit Quality	Jun-19	May-19
Benchmark	Avg. 6 Month KIBOR	AA	6.59%	5.63%
Trustee & Custodian	MCB Financial Services Limited	AA-	0.38%	0.56%
Auditor	Grant Thornton Anjum Rahman	A+	82.81%	85.03%
Registrar	M/s F.D. Registrar Services (SMC-Pvt) Limited	A1+	8.80%	7.63%
Launch Date	19-May-2003	Unrated	1.42%	1.15%
Listing	PSX	<b>Fund Returns</b>		
Duration	Perpetual	Periods	Returns	Benchmark
Management Fee	1.50% per annum	June 2019	8.78%	12.93%
Total Expense Ratio*	2.45%* p.a	FYTD 2019	11.12%	10.05%
Sales Load	1% Front End	Rolling 12 Months June 2019	8.78%	12.93%
Pricing Mechanism	Forward	FY 2018	11.89%	6.22%
Leverage	Nil	FY 2017	16.29%	5.98%
Risk Profile	Medium	FY 2016	22.61%	6.50%
AMC Rating	AM3 (28 June 2019)	FY 2015	6.41%	9.00%
Stability Rating	AA-(f) by PACRA (30 April 2019)	FY 2014	6.18%	9.80%
Subscription	PKR. 5,000/-	last 10 years	59.57%	9.77%

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

TOP TEN DEBT SECURITIES			Investment Committee	
INVESTEES COMPANY	Type	% of Total Assets	Tara Uzra Dawood	Chief Executive Officer
The Hub Power Company Limited	SUKUK	8.80%	Talal Ismail Pasha	Chief Financial Officer
Dawood Hercules Corporation Limited	SUKUK	6.59%	Muhammad Abbas	AVP Finance
Dubai Islamic Bank Limited	SUKUK	5.83%	Shaheryar Ali	Risk Officer / Acting Fund Manager
Agha Steel Industries Limited	SUKUK	3.30%		
TPL Corp Ltd. (Formerly: TPL Trakker Ltd.)	SUKUK	1.16%		

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

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	79,586,991	79,586,991	-	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	Cut-off Timings		
786 Investments Limited	Business / Dealing Days	Business Hours	Cut-off Timings
G3, Ground Floor BRR Tower, Hassan Ali Street, Off I. I. Chundrigar Road, Karachi 74000, Pakistan	Monday - Thursday	09:00 am - 6:00 pm	9:00 am - 3:00 pm
UAN: (92 21) 111-DAWOOD (329663) Tel: (92 21) 32603751-54	Friday	09:00 am - 6:00 pm	9:00 am - 3:00 pm
Email: info@786investments.com			
URL: www.786investments.com			

Other Information	SWWF Disclosure
The calculation of performance does not include cost of Front End Load. This return includes reversal of provisioning.	The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 3.27 million, Had that not been provided, the NAV per unit/return for the period would have been higher by Rs. 0.59 / 0.73%. For details investors are advised to read the Note 10.2 of the latest Financial Statements of the Scheme for the period ended March 31, 2019.
The Scheme holds certain Non-Compliant investments. Before making any investment decision, investors should review the latest monthly Fund Manager Report and Financial Statements.	
DIF has provided annualize return 11.12 % 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)