



The Pakistan Credit Rating Agency Limited

STABILITY RATING REPORT

786 SMART FUND

[CATEGORY: SHARIAH COMPLAINT INCOME]

Date	Rating Type	Action	Rating	Outlook	Rating Watch
18-Oct-24	Stability Rating	Maintain	AA-(f)	Stable	-
18-Apr-24	Stability Rating	Maintain	AA-(f)	Stable	-
17-Oct-23	Stability Rating	Maintain	AA-(f)	Stable	-
14-Apr-23	Stability Rating	Maintain	AA-(f)	Stable	-
14-Oct-22	Stability Rating	Maintain	AA-(f)	Stable	-
15-Apr-22	Stability Rating	Maintain	AA-(f)	Stable	-
15-Oct-21	Stability Rating	Maintain	AA-(f)	Stable	-
16-Apr-21	Stability Rating	Maintain	AA-(f)	Stable	-
22-Oct-20	Stability Rating	Maintain	AA-(f)	Stable	-
27-Apr-20	Stability Rating	Maintain	AA-(f)	Stable	-
28-Oct-19	Stability Rating	Maintain	AA-(f)	Stable	-
30-Apr-19	Stability Rating	Maintain	AA-(f)	Stable	-

29-Nov-18	Stability Rating	Maintain	AA-(f)	Stable	-
30-Jun-18	Stability Rating	Maintain	AA-(f)	Stable	-
23-Dec-17	Stability Rating	Maintain	AA-(f)	Stable	-
09-Mar-23	Stability Rating	Maintain	AA-(f)	Stable	-
09-Sep-22	Stability Rating	Maintain	AA-(f)	Stable	-



FUND STABILITY REPORT

Sep'24

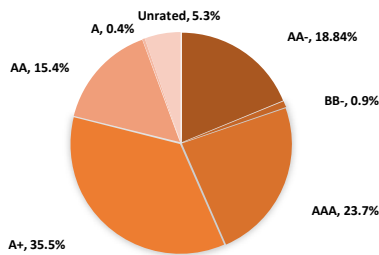
Fund Facts (Jun-24)

Fund	786 Smart Fund
Fund Category	Shariah Compliant Income
Launch Date	19-May-03
Fund Size	PKR 879mln
AMC	786 Investments Limited
AMC Rating	AM3
Fund Manager	Mr. Muhammad Abbas
Peer Universe	Shariah Compliant Income Funds

Asset Allocation Summary

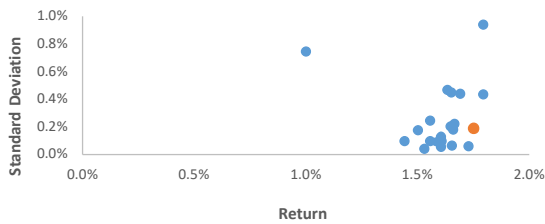
	Jun'24	Mar'24	Dec'23	Jun'23
Sukuk/TFC	93.1%	78.4%	46.3%	65.2%
GOP Ijara Sukuks	-	15.7%	-	-
Bank Placements	1.6%	2.5%	27.4%	9.9%
Others	5.3%	3.4%	26.4%	25.0%
TDR				

Credit Quality (Jun-24)



Risk

Return | Standard Deviation Analysis | 01 Year



786 Smart Fund

History	Jun'24	Mar'24	Dec'23	Jun'23
Fund Size (PKR mln)	879	751	852	721
Category Size (PKR mln)	406,218	389,863	385,572	183,419
Fund NAV (PKR/Unit)	83.5	96.1	91.5	82.4
Fund Dividend (PKR/Unit)	-	-	-	-
WAM (Days)	1	2	2	2
Duration (Days)	126	598	775	595

Fund's 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.

Asset Manager (Jun-24)

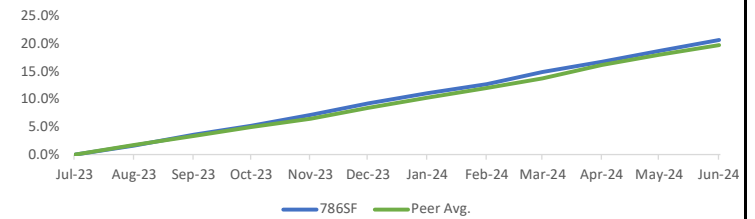
Year of Incorporation	2003
Conventional Funds	-
Shariah-Compliant Funds	1
Pension Schemes	-
CEO	Ms. Tara Uzra Dawood
CFO	Mr. Noman Shakir
AUMs	PKR 879mln

Return Summary

	FY24	786SF	Peer Avg.	Fund SD.	Peer SD.
1Q		5.1%	4.9%	0.2%	0.5%
2Q		5.6%	5.1%	0.1%	0.4%
3Q		5.1%	5.3%	0.2%	0.5%
4Q		5.6%	4.7%	0.3%	0.3%
1 Year		23.2%	21.6%	0.2%	0.4%

Performance

786SF | Peer Avg. | Jul-23 to Jun-24 (Cumulative Monthly Returns)



Commentary

The assigned rating of 786 Smart Fund (or the "Fund") reflects moderate risk profile of the Fund. The objective of the Fund is 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. At end Jun'24, the Fund had allocated ~93.1% in TFC/Sukuks, ~1.6% in Bank placements, while the remaining ~5.3% was invested in others. At end Jun-24, most investment was held in A+ rated avenues (53.5%), ~23.7% in AAA rated, ~18.8% in AA-, ~15.4% in AA rated avenues, while the remaining was invested in other rated avenues. The WAM of the Fund stood at 1 day at end Jun-24; limiting the exposure to credit rate risk. The duration of the Fund stood at 126 days at end Jun-24; exposing the Fund to high interest rate risk. At end Jun-24, the unit holding pattern of the Fund concentration were ~84.96% represented by top ten investors, exposing the Fund to very high level of redemption pressure. Going forward, the fund's management intends to maintain its current exposure in bank placements. Material changes in the fund's asset allocation strategy, impacting its credit quality and/or exposure to interest rate risk, would affect the rating.

Disclosure

Name of Fund	786 Smart Fund
Sector	Mutual Fund
Type of Relationship	Solicited
Purpose of the Rating	Stability Rating
Applicable Criteria	Stability Rating Methodology – Jul-24
Related Research	Sector Study Mutual Funds Stability Rating – Feb-24
Rating Analysts	Hassan Ahmad hassan.ahmad@pacra.com

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(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

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 - ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)
 - iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)]
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(5) PACRA does not make proposals or recommendations regarding the activities of rated entities that could impact a credit rating of entity subject to rating | Chapter III; 10-7-(k)

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