

NBP ISLAMIC ACTIVE ALLOCATION EQUITY FUND (NIAAEF)

(FORMERLY: NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND)



MONTHLY REPORT (MUFAP's Recommended Format)

June 2020

Unit Price (30/06/2020): Rs.8.7057

Performance %								
Performance Period	Jun-2020	CYTD - 2020	FY - 2020 (Rolling 12 Months)	FY - 2019	FY - 2018	FY - 2017	Last 3 Years*	Since Launch January 18, 2016*
NBP ISLAMIC ACTIVE ALLOCATION EQUITY FUND (FORMERLY: NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND)	(0.4)%	(12.2)%	5.7%	(19.9)%	(14.1)%	30.1%	(10.1)%	2.6%
BENCHMARK	(0.3)%	(16.7)%	1.6%	(23.8)%	(9.6)%	18.8%	(11.2)%	1.2%

* Annualized return. All other returns are cumulative.
The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

General Information	
Launch Date:	January 18, 2016
Fund Size:	Rs. 663 million
Fund Size: (Excluding investment by fund of funds):	Nil
Type:	Open-end - Shari'ah Compliant Equity Scheme
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0%, Back end: 0%
Management Fee:	1.5% per annum w.e.f 12-Jul-19
Total Expense Ratio:	4.10% p.a (including 0.48% government levies)
Selling & Marketing Expenses:	1.5% per annum
Risk Profile:	High
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-30 Index
Fund Manager:	Asim Wahab Khan, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

Investment Objective
The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shari'ah Compliant listed equities.

Fund Manager Commentary
NBP Funds launched its second open-end Islamic Equity Fund namely NBP Islamic Active Allocation Equity Fund (NIAAEF) in January, 2016. The aim of the Fund is to provide growth to the investment of unit holders over the long-term in approved Shariah Compliant equities.

NIAAEF started off the month with an allocation of around 89% in equities which decreased to around 83% towards the end of the month. NIAAEF underperformed the Benchmark in June as the Fund was underweight in select Food & Personal Care Products, Oil & Gas Exploration Companies, and Fertilizer sectors stocks which outperformed the market and overweight in select Engineering sector stocks which underperformed the market. During the month, the allocation was increased primarily in Technology & Communication sector, whereas it was reduced primarily in Oil & Gas Exploration Companies, Glass & Ceramics, Engineering, and Automobile & Assembler sectors.

Asset Allocation (% of Total Assets)	30-Jun-20	31-May-20
Equities / Stocks	82.9%	89.4%
Cash Equivalents	13.4%	8.0%
Others including Receivables	3.7%	2.6%
Total	100.0%	100.0%
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs. 663 million.

Characteristics of Equity Portfolio**			
	PER	PBV	DY
NIAAEF	7.9	1.0	4.2%
KMI-30	7.2	0.8	5.5%

** Based on NBP Funds estimates

Top Five Sectors (% of Total Assets) (as on June 30 ,2020)	
Oil & Gas Exploration Companies	24.2 %
Cement	12.7 %
Fertilizer	7.9 %
Power Generation & Distribution	5.2 %
Textile Composite	4.7 %
Others	28.2 %

Sindh Workers' Welfare Fund (SWWF)
The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 31,533,187/-If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs 0.4138/5.01%. For details investors are advised to read the Note 5 of the Financial Statements of the scheme.

Top Ten Holdings (as on June 30 , 2020)	
Name	% of Total Assets
Mari Petroleum Company Limited	7.8%
Engro Corporation Limited	7.7%
Pak Petroleum Limited	7.3%
Oil and Gas Development Co Limited	5.9%
Lucky Cement Limited	5.6%
Hub Power Company Limited	5.2%
Kohat Cement Limited	4.6%
Meezan Bank Limited	4.4%
Pakistan Oilfields Limited	3.2%
Nishat Mills Limited	3.0%

Name of the Members of Investment Committee
Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Asim Wahab Khan, CFA
Hassan Raza, CFA

Notes: 1) The calculation of performance does not include cost of front end load
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

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.