

# NBP ISLAMIC ACTIVE ALLOCATION EQUITY FUND (NIAAEF)

(FORMERLY: NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND)



## MONTHLY REPORT (MUFAP's Recommended Format)

Unit Price (31/01/2020): Rs.11.1804

January 2020

Performance %								
Performance Period	Jan-2020	FYTD - 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: NBP ISLAMIC ACTIVE ALLOCATION EQUITY FUND)	2.3%	23.1%	0.4%	(19.9)%	(14.1)%	30.1%	(5.9)%	6.9%
BENCHMARK	1.6%	23.9%	(1.7)%	(23.8)%	(9.6)%	18.8%	(7.2)%	6.4%

\* 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. 1,221 million
Fund Size: (Excluding investment by fund of funds):	Nil
Type:	Open Ended 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:	4.65% p.a (including 1.13% government levies)
Selling & Marketing Expenses:	1.35% per annum
Risk Profile:	High
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-30 Index
Fund Manager:	Taha Khan Javed, 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 Shari'ah Compliant equities.

NIAAEF started off the month with an allocation of around 93% in equities which decreased to around 91% towards the end of the month. NIAAEF outperformed the Benchmark in January as the Fund was underweight in select Oil & Gas Exploration Companies, Food & Personal Care Products, and Fertilizer sectors stocks which underperformed the market and overweight in select Commercial Banks, Technology & Communication, Cement, Automobile Parts & Accessories, and Glass & Ceramics sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Cement, Automobile Parts & Accessories, and Textile Composite sectors, whereas it was reduced primarily in Power Generation & Distribution Companies, Fertilizer, Engineering, Chemical, and Power Generation & Distribution Companies sectors.

Asset Allocation (% of Total Assets)	31-Jan-20	31-Dec-19
Equities / Stocks	91.2%	93.2%
Cash Equivalents	7.7%	3.0%
Others including Receivables	1.1%	3.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Leverage Nil Nil

Note: Amount invested by fund of funds is Rs1,221 million.

### Top Ten Holdings (as on January 31, 2020)

Name	% of Total Assets
Pak Petroleum Limited	9.3%
Engro Corporation Limited	8.6%
Mari Petroleum Company Limited	7.7%
Hub Power Company Limited	7.2%
Meezan Bank Limited	6.8%
Oil and Gas Dev.Co Limited	5.5%
Lucky Cement Limited	5.5%
Pakistan Oilfields Limited	4.8%
Nishat Mills Limited	3.8%
Kohat Cement Limited	3.2%
Total	62.4%

### Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF	6.7	1.2	5.0%
KMI-30	7.5	1.2	5.3%

\*\* Based on NBP Funds estimates

### Top Five Sectors (% of Total Assets) (as on January 31,2020)

Oil & Gas Exploration Companies	27.4 %
Fertilizer	11.8 %
Cement	10.4 %
Power Generation & Distribution	7.9 %
Commercial Banks	6.8 %
Others	26.9 %

### Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 35,148,814/-If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs 0.3218/2.89%. For details investors are advised to read the Note 5 of the Financial Statements of the scheme.

### Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, 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.