

NBP SARMAYA IZAFI FUND (NSIF)

(FORMERLY: NAFA ASSET ALLOCATION FUND)



MONTHLY REPORT (MUFAP's Recommended Format)

March 2020

Unit Price (31/03/2020): Rs.14.0887

Performance %											
Performance Period	Mar-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years*	Last 5 Years*	Since Launch August 20, 2010*
NBP SARMAYA IZAFI FUND (FORMERLY: NAFA ASSET ALLOCATION FUND)	(14.4)%	(2.6)%	(9.7)%	(8.7)%	(6.8)%	29.9%	7.6%	24.6%	(5.8)%	5.6%	11.9%
BENCHMARK	(14.0)%	0.5%	(4.6)%	(3.9)%	(2.8)%	14.2%	6.2%	9.6%	(2.5)%	3.7%	7.7%
* 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:	August 20, 2010
Fund Size:	Rs. 1,118 million
Type:	Open-end - Asset Allocation Fund
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 Load (Individual): 3% (Nil on investment above Rs. 101 million) Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL
Management Fee:	1.5% per annum w.e.f 12-Jul-19
Total Expense Ratio:	3.51% p.a (including 0.24% government levies)
Selling & Marketing Expenses:	1.35% per annum
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company Trustee
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	Daily weighted return of KSE-30 Total Return Index & 6-month KIBOR based on Fund's actual allocation.
Fund Manager:	Asim Wahab Khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

Investment Objective

To generate income by investing in Debt & Money Market securities and to generate capital appreciation by investing in equity and equity related securities.

Fund Manager Commentary

During the month under review, NBP Sarmaya Izafi Fund's (NSIF) unit price (NAV) decreased by 14.4%, whereas the Benchmark decreased by 14.0%, thus an underperformance of 0.4% was recorded. Since inception on August 20, 2010 the Fund has posted 11.9% p.a return, versus 7.7% p.a by the Benchmark. Thus, to date the outperformance of your Fund stands at 4.2% p.a. This outperformance is net of management fee and all other expenses.

NSIF started off the month with an allocation of around 57% in equities, which decreased to around 50% towards the end of the month. NSIF underperformed the Benchmark in March as the Fund was underweight in select Cement, Fertilizer, and Pharmaceuticals sectors stocks which outperformed the market and overweight in select Technology & Communication, Textile Composite, and Glass & Ceramics sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Cement and Fertilizer sectors, whereas it was reduced primarily in, Commercial Banks, Oil & Gas Exploration Companies, Power Generation & Distribution Companies, and Textile Composite sectors.

Top Ten Holdings (as on March 31, 2020)

Name	Asset Class	% of Total Assets
Hub Power Company Limited	Sukuk	4.3%
Hub Power Company Limited	Equity	3.3%
Lucky Cement Limited	Equity	3.0%
Habib Bank Limited	Equity	2.9%
Fauji Fertilizer Company Limited	Equity	2.9%
Mari Petroleum Company Limited	Equity	2.7%
Pak Petroleum Limited	Equity	2.6%
Bank Alfalah Limited	Equity	2.5%
Engro Corporation Limited	Equity	2.2%
Bank AL-Habib Limited	Equity	2.0%

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Asim Wahab Khan, CFA
Hassan Raza, CFA
Muhammad Ali Bhabha, CFA, FRM

Asset Allocation (% of Total Assets)	31-Mar-20	29-Feb-20
Equity Securities	50.2%	56.9%
Cash	36.1%	13.9%
TFCs / Sukus	4.3%	3.5%
T-Bills	7.8%	23.9%
Others including Receivables	1.6%	1.8%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio**

	PER	PBV	DY
NSIF	5.5	0.9	7.7%
KSE-30	5.6	1.2	8.6%

** Based on NBP Funds estimates

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

Commercial Banks	12.9 %
Oil & Gas Exploration Companies	7.9 %
Fertilizer	6.1 %
Cement	4.9 %
Power Generation & Distribution	4.6 %
Others	13.8 %

Sindh Workers' Welfare Fund (SWWF)

The Scheme has maintained provisions against Sindh worker's welfare Fund's liability to the tune of Rs. 18,468,474/- if the same were not made the NAV Per unit/last one year return of the Scheme would be higher by Rs. 0.2328/1.48%. For details investors are advised to read the note 9.2 of the latest Financial Statements of the Scheme.

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.