

# Fund Manager Report Conventional Schemes May 2020

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\*Subject to conditions as per section 62 and 63 of the Income Tax Ordinance, 2001.  
Disclaimer: All investments in Mutual Funds and Pension Funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Documents of the Funds to understand the investment policies and risk involved.

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## Economic and Stock Market Outlook amid Coronavirus Pandemic

**Economy:** Coronavirus pandemic has already spread to 213 countries and worldwide infections have surpassed 6.4 million, with more than 378,000 deaths. Some economies have cautiously re-opened their economies, although most are still far from restoring their normal economic activities. Since early May, the developing world has been the new hot spot of the pandemic as more than half of daily new cases are now being reported from these countries and regions. Making matters worse, the developing countries have weaker public health systems and limited policy buffers.

Pakistan reported its first Covid-19 case on 26th February. After spreading at a gradual pace initially, the infection cases have started to rise sharply with partial lifting of the lockdown and increase in testing. So far, total confirmed cases in the country stand at around 76,000, while it has taken 1,621 lives. As per some statistical models, cases are expected to peak in June, however, possibility of subsequent waves cannot be ruled out, as being witnessed in Iran. Despite poor health infrastructure, relatively low death toll and higher recovery rates raise hope that Pakistan may be spared from the worst as earlier feared.

The fiscal and monetary authorities have responded with unprecedented economic policies in terms of speed, scale and scope that aim at income-bridging, debt-forgiveness, and monetary easing. The SBP has slashed the Policy Rate by a cumulative 5.25% and has made amendments in prudential regulations for corporates / commercial banks related to loan repayments. The government has announced a Rs. 1.2 trillion stimulus package, which includes relief for all sectors of the society including the under privileged, businesses, and the industries. Pakistan has received an emergency loan of USD 1.39 billion from the IMF, and further assistance is expected from other multilateral agencies. The G20 countries have also announced a major debt relief for low income nations, and Pakistan is also expected to benefit from postponing of debt payment.

The economy is expected to contract by 1.5% in FY2020, as per our estimates. However, we expect economic growth to pick-up gradually in the coming months due to unleashing of pent-up demand in some sectors of the economy, gradual increase in investment activity as a result of ongoing monetary easing, and recovery in the agriculture and services sectors.

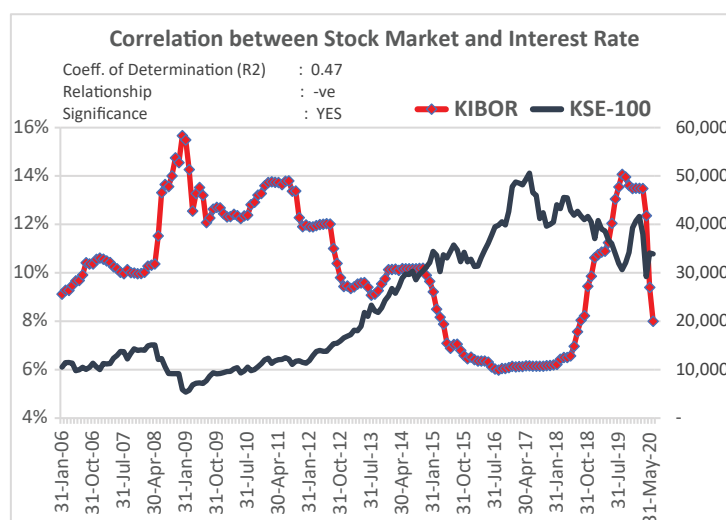
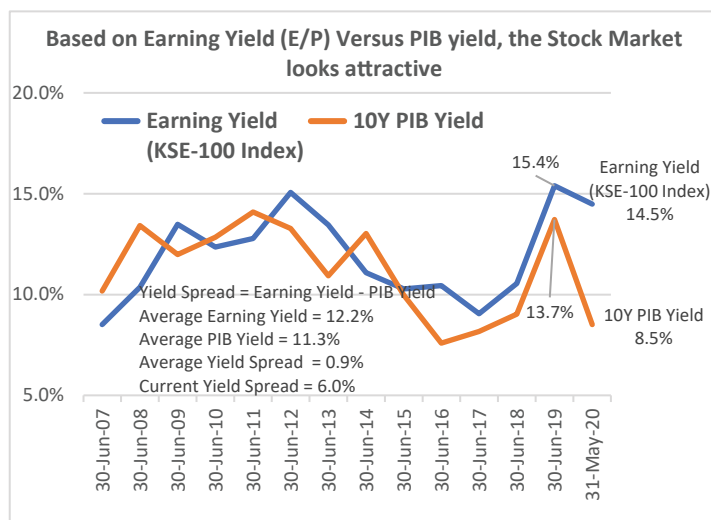
We expect a sharp decline in exports and tapering off of workers' remittances in 4QFY2020. However, it is likely to be offset by slump in crude oil prices and a large volumetric and price decline in other imports. Resultantly, we project Current Account Deficit (CAD) of USD 4.1 billion (1.5% of the GDP) for FY2020, which is expected to widen to a still manageable level of 1.7% and 2.2% for FY21 and FY22, respectively. As measured by Real Effective Exchange Rate (REER), the PKR is now slightly below its equilibrium value as reflected by the latest reading of 96.3. Going forward, with an expectation of manageable CAD, we expect a measured 5% devaluation of PKR against the US Dollar in FY20-21.

Regarding the public finance, the loss of tax revenues and additional government expenditures will be partially offset by savings from debt servicing cost due to a sharp reduction in interest rates. Overall, the fiscal deficit is estimated to widen to 8.8% of the GDP from the earlier estimates of 7.2%, which is expected to decline marginally in FY21 owing to lower debt servicing cost and some recovery in the tax collection with the restoration of economic activity. On the positive side, the IMF has agreed to exclude the expenditures incurred to fight the pandemic from the country's fiscal targets. Inflation is expected to further decline due to the trickle-down effect of the recent sharp reduction in retail fuel

prices, stable power tariffs & gas prices, measured currency devaluation, and high base effect. Average inflation for FY2020 is expected to clock-in at around 11%, which is likely to further drop to around 7% in FY2021. We expect continuation of monetary easing going forward in line with the downward trend of inflation. We anticipate a further 100 bps cut in the Policy Rate to 7% over the next few months. The upcoming Federal Budget for FY21, scheduled to be announced on June 12th, is likely to focus on relief for people and businesses.

**Stock market:** The initial shock to the economy from the Covid-19 is severe as the economic activity was deliberately frozen worldwide. A hefty 21% drawdown in the stock market (KSE-100) from its January 2020-peak has priced in a high degree of economic turmoil, which would eventually pass. Although, economic slowdown will affect the profitability of corporate listed sector for the next few quarters, we expect robust corporate earnings growth over the next 2-3 years. Sharp reduction in the borrowing cost and decline in global oil prices are also expected to provide a boost to corporate profitability as the spread of pandemic abates. The valuations of the stock market are not entirely based on this year's cash flow, but on the present value of cash flows over the next several years.

From the valuation stand point, the stock market is trading at an attractive forward Price-to-Earnings (P/E) multiple of 6.9x against the 10-year average of 8x. At the current levels, 14.5% earnings yield offered by the stock market along with a healthy 6% dividend yield looks appealing compared with 8.5% yield on the 10-year PIB. The market is trading at a Price-to-Book Value (P/BV) of 1.1x versus the 10-year average of 1.75x. The Market-Cap to GDP ratio also stands at 15% as against historical average of 23%, indicating that any contraction in GDP has been more than priced into valuations. We believe that the case for flow of funds towards equities from alternative fixed income avenues has strengthened after a large 5.25% reduction in the Policy Rate by the SBP. Expected decline in interest rates will further convince investors to switch to equities. Historical analysis shows that the stock market performs well in a declining inflation and interest rate environment.



**To summarize:** We hold a positive view on the stock market for 2020, and beyond given: (i) attractive stock market valuations; (ii) benign inflation outlook and expectation of further 100 bps cut in the Policy Rate in the near-term; (iii) barring short-term blip, a healthy corporate earnings growth over the next 2-3 years; (iv) abundant local liquidity awaiting to enter the market; and (v) manageable Current Account Deficit (CAD).

## Stock Market Review

May-20 remained a lacklustre month for equities in terms of performance as the benchmark KSE-100 Index shed 180 points during the month (0.5% down on a MoM basis). After sharp rebound in stock market during April-20, in which the market rose by 16.7%, the market remained in the consolidation phase in May. On one hand investors were perturbed over dismal export numbers, which as per PBS data stood at USD 957 million for the month of April-20, casting doubt over sustainability of Balance of Payment (BoP) situation amid business closures across the globe that suppressed international trade. Even the incentive package of PKR 50 billion for agri sector for subsidized fertilizers, tractors and loans; and further 100 bps cut in Policy Rate failed to excite the market. On the other hand, gradual ease in lockdown offered hope to investors that business were slowly and steadily returning to some form of normalcy despite uptick in Covid-19 cases in the country.

During the month, Automobile Assemblers and Parts & Accessories, Chemical, Food & Personal Care, Insurance, Oil & Gas Exploration Companies, Oil & Gas Marketing Companies, Paper & Board, Pharmaceuticals, Refinery, and Technology & Communication sectors performed better than the market. On the contrary, Cement, Commercial Bank, Engineering, Glass & Ceramics, Power Generation & Distribution, and Textile Composite sectors lagged behind. Looking at the participant-wise activity during the month, Foreign Investors remained major sellers in the market, liquidating positions to the tune of USD 40 million. Alongside, Mutual Funds and Banks/DFIs were other main sellers, with outflows amounting to USD 10 million and USD 9 million, respectively. On the buying front, Individuals emerged as large buyers in the market, accumulating fresh positions to the tune of USD 41 million. Other Organizations and Insurance were also buyers with net inflows of USD 8 million and USD 4 million, respectively.

In terms of outlook, we reckon that the recent spike in new Covid-19 cases remains worrisome but low fatality rate in patients in the country remains encouraging for policy makers that continue to ease restrictions on businesses. With the availability of antiviral drug in a couple of months and a potent vaccine in a few months' time, investors should look past the Covid-19 disruption. The historic fiscal and monetary policy actions would somewhat contain the economic damage and we expect economic activity to return to some normalcy from 1st quarter of FY21 as the spread of pandemic subsides. Discussions between the authorities and the IMF have resumed for the second review of EFF, and any constructive outcome will lend support to the BoP situation of the country. The market will also take cue from the upcoming budget for FY2020-21, scheduled on 12th June. From the valuation standpoint, the market is trading at an undemanding Price-to-Earnings multiple of 6.9x and offers a healthy 6% dividend yield. Although bulk of the decline in Policy Rate has already taken place in our opinion, further moderation in inflation due to slackening demand and continued decline in retail fuel prices warrant another 100 bps cut in Policy Rate going forward. Taken it all together, we advise investors to stay course and ignore the market volatility and consolidate position in equities, focusing on their long-term investment goals.

## Money Market Review

In its bi-monthly Monetary Policy Statement, the State Bank of Pakistan (SBP) decided to further reduce the Policy Rate by 100 bps to 8%. The decision was based on the improved inflation outlook, in response to the continued fall in global oil prices – considering the real, external and fiscal sectors post-corona pandemic. Inflation for May clocked-in at 8.2% on a year-on-year basis. Average inflation for FY2020 is expected to clock-in at around 11%, which is likely to further drop to around 7% in FY2021. We expect continuation of monetary easing going forward in line with the downward trend of inflation. We anticipate a further 100 bps cut in the Policy Rate to 7% over the next few months.

During the outgoing month, SBP held two T-Bill auctions with a combined target of Rs. 725 billion against the maturity of Rs. 602 billion. In the first T-Bill auction, an amount of Rs. 402 billion was accepted at a cut-off yield of 8.39%, 8.00% and 7.75% for 3-month, 6-month and 12-month tenures, respectively. In the second T-Bill auction, an amount of Rs. 215 billion was accepted at a cut-off yield of 8.15%, 7.81% and 7.75% for 3-month, 6-month and 12-month tenures, respectively. In the PIB auction, bids worth Rs. 172 billion were realized for 3-year, 5-year, 10-year, and 15-year at a cut-off yield of 7.64%, 8.05%, 8.69% and 9.97%, respectively. However, bids for 20-year were rejected. Furthermore, SBP in the recent floating rate of PIB auction dated 29th May, attracted bids worth around Rs. 80 billion. Out of the total bids, only Rs. 70 billion was accepted at a cut-off margin of 43 basis points over the benchmark.

We have calibrated the portfolio of our money market and income funds based on our interest rate outlook and will remain alert to any developments that may influence our investment strategy.

# NBP GOVERNMENT SECURITIES LIQUID FUND (NGSLF)

(FORMERLY: NAFA GOVERNMENT SECURITIES LIQUID FUND)



MONTHLY REPORT (MUFAP's Recommended Format)

May 2020

Unit Price (31/05/2020): Rs.10.1912

Performance %												
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years*	Last 5 Years*	Last 10 Years*	Since Launch May 15, 2009*
NBP GOVERNMENT SECURITIES LIQUID FUND (FORMERLY: NAFA GOVERNMENT SECURITIES LIQUID FUND)	6.8%	12.8%	12.8%	8.5%	5.3%	7.6%	5.7%	8.3%	8.6%	7.9%	8.7%	8.9%
BENCHMARK	8.6%	12.0%	12.0%	8.7%	5.4%	5.3%	6.0%	8.7%	8.5%	7.4%	8.6%	8.8%

\* Annualized Return Based on Morning Star Methodology. All other returns are Annualized Simple Return.  
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:	May 15, 2009
Fund Size:	Rs. 2,154 million
Type:	Open-end - Money Market Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front End Load (Individual without life insurance): 0% Front End Load (Individual with life insurance): Amount up to Rs.5 million: up to 3%, Amount over & above Rs.5 million: 1% Back End Load: NIL
Management Fee:	3% of Net Income (Min 0.4% p.a., Max 1.0% p.a.). 0.42% p.a. of average net assets during the month.
Total Expense Ratio:	1.67% p.a. (including 0.33% government levies)
Selling & Marketing Expenses:	0.7% per annum (w.e.f 11-May-2020 0.5% p.a.)
Risk Profile:	Exceptionally Low
Fund Stability Rating:	"AAA (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	70% 3-Month PKRV & 30% average 3-Month deposit rates of three AA rated banks as selected by MUFAP
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum:	Growth Unit: Rs. 10,000/-
Subscription:	Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

To generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term Government Securities.

## Fund Manager Commentary

The Fund earned an annualized return of 6.8% p.a. during May 2020 versus the Benchmark return of 8.6% p.a. The return generated by the Fund is net of management fee and all other expenses.

NGSLF's stability rating is 'AAA (f)' awarded by PACRA. NGSLF is the largest Fund in Pakistan with this rating. The rating reflects exceptionally strong credit and liquidity profile of the Fund. Average daily allocation for the last 365 days in short-term T-Bills was 79% of net assets. While at the end of the month, T-Bills comprises around 85% of the Total Assets and around 88% of the Net Assets. Weighted average time to maturity of the Fund is 58 days.

We will rebalance the allocation of the Fund proactively based on the capital market outlook.

## Credit Quality of the Portfolio as of May 31, 2020 (% of Total Assets)

Credit Quality	% of Total Assets
Government Securities (AAA rated)	84.5%
AAA	0.8%
AA+	13.6%
AA-	0.3%
Un-rated	0.1%
Others including Receivables	0.7%
<b>Total</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

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

## Asset Allocation (% of Total Assets)

	31-May-20	30-Apr-20
T-Bills	84.5%	93.0%
Money Market Placements (LOP)	8.9%	0.0%
Bank Deposits	5.9%	6.1%
Others including Receivables	0.7%	0.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 23,146,080/-. If the same were not made the NAV per unit / last one year return of scheme would be higher by Rs. 0.1095/1.21%. For details investors are advised to read note 5 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.

# NBP MONEY MARKET FUND (NMMF)

(FORMERLY: NAFA MONEY MARKET FUND)

MONTHLY REPORT (MUFAP's Recommended Format)

May 2020

Unit Price (31/05/2020): Rs.9.8736

Performance %											
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years*	Last 5 Years*	Since Launch February 23, 2012*
NBP MONEY MARKET FUND (FORMERLY: NAFA MONEY MARKET FUND)	6.6%	13.1%	13.1%	9.0%	5.6%	6.6%	6.3%	8.9%	9.1%	8.1%	8.4%
BENCHMARK	8.6%	12.0%	12.0%	8.7%	5.4%	5.1%	4.6%	6.8%	8.5%	7.0%	7.0%

\* Annualized Return Based on Morning Star Methodology. All other returns are Annualized Simple Return.  
 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:	February 23, 2012
Fund Size:	Rs. 30,208 million
Type:	Open-end - Money Market Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M 2-3 business days
Settlement:	Forward Pricing
Pricing Mechanism:	Load: Front End Load (Individual): without life insurance 0.5%, with life insurance 3% (Nil on investment above Rs. 26 million) Front End Load (Other): 0.5% (Nil on investment above Rs. 16 million) Back End Load: NIL
Management Fee:	1% of Net Income (Min 0.15% p.a., Max 1.0% p.a.) w.e.f 13-Dec-19. 0.16% p.a. of average net assets during the month
Total Expense Ratio:	1.45% p.a (including 0.32% government levies)
Selling & Marketing Expenses:	0.7% per annum (w.e.f May 11, 2020 0.5% per annum)
Risk Profile:	Very Low
Fund Stability Rating:	"AA (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil, Chartered Accountants
Benchmark:	70% 3-Month PKRV & 30% average 3-Month deposit rates of three AA rated banks as selected by MUFAP
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum:	Growth Unit: Rs. 10,000/-
Subscription:	Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

To provide stable income stream with preservation of capital by investing in AA and above rated banks and money market instruments.

## Fund Manager Commentary

The Fund earned an annualized return of 6.6% p.a. during May 2020 versus the Benchmark return of 8.6% p.a. Since its launch in February 2012, the Fund has outperformed its Benchmark by 1.4% p.a. by earning an annualized return of 8.4% p.a. This outperformance is net of management fee and all other expenses.

Being a money market scheme, the Fund has very restrictive investment guidelines. The authorized investments of the Fund include T-Bills, Bank Deposits and Money Market instruments. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six months maturity. The weighted average time to maturity of the Fund cannot exceed 90 days. The Fund is rated AA(f) by PACRA which denotes a very strong capacity to maintain relative stability in returns and very low exposure to risks.

Weighted average time to maturity of the Fund is 78 days. We will rebalance the allocation of the Fund proactively based on the capital market outlook.

## Credit Quality of the Portfolio as of May 31, 2020 (% of Total Assets)

Government Securities (AAA rated)	88.6%
AAA	0.1%
AA+	11.0%
Un-rated	0.1%
Others including receivables	0.2%
<b>Total</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

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

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
T-Bills	88.6%	84.5%
Bank Deposits	1.4%	8.7%
Money Market Placements (LOP)	9.8%	6.5%
Others including receivables	0.2%	0.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.138,138,372/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0452/0.52%. For details investors are advised to read note 8 of the latest financial statements of the Scheme.

# NBP GOVERNMENT SECURITIES SAVINGS FUND (NGSSF)

(FORMERLY: NAFA GOVERNMENT SECURITIES SAVINGS FUND)



MONTHLY REPORT (MUFAP's Recommended Format)

May 2020

Unit Price (31/05/2020): Rs.10.3069

Performance %										
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	Last 3 Years*	Last 5 Years*	Since Launch July 10, 2014*
NBP GOVERNMENT SECURITIES SAVINGS FUND (FORMERLY: NAFA GOVERNMENT SECURITIES SAVINGS FUND)	2.5%	22.5%	21.7%	7.8%	5.0%	5.8%	6.5%	11.1%	9.0%	10.0%
BENCHMARK	7.8%	12.5%	12.5%	9.9%	6.2%	5.9%	6.2%	9.4%	8.0%	8.2%

\* Annualized Return Based on Morning Star Methodology. All other returns are Annualized Simple Return.  
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: July 10, 2014  
Fund Size: Rs. 1,097 million  
Type: Open-end – Income Fund  
Dealing Days: Daily – Monday to Saturday  
Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M  
(Friday) 9:00 A.M to 5:30 P.M  
(Saturday) 9:00 A.M to 1:00 P.M  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front End Load (Individual): without life insurance 1%, with life insurance 3% (Nil on investment above Rs. 26 million) Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL

Management Fee: 1.5% of Net Income (min: 0.2% p.a., max: 1.0% p.a.) w.e.f. 12-Jul-19. 0.26% p.a. of average net assets during the month.

Total Expense Ratio: 1.72% p.a. (including 0.43% government levies)

Selling & Marketing Expenses: 0.7% p.a.  
Risk Profile: Low  
Fund Stability Rating: "AA- (f)" by PACRA  
Listing: Pakistan Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: A. F. Ferguson & Co. Chartered Accountants  
Benchmark: 6-Month PKRV  
Fund Manager: Muhammad Ali Bhabha, CFA, FRM  
Minimum: Growth Unit: Rs. 10,000/-  
Subscription: Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM1 by PACRA (Very High Quality)

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
PIBs	53.0%	47.4%
T-Bills	22.1%	18.7%
Bank Deposits	19.0%	25.8%
Placement with Banks	3.1%	2.6%
Others including Receivables	2.8%	5.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.4,399,231/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0413/49%. For details investors are advised to read note 5 of the latest financial statements of the Scheme

## Investment Objective

To provide competitive return from portfolio of low credit risk by investing primarily in Government Securities.

## Fund Manager Commentary

During the month under review, the Fund generated an annualized return of 2.5% p.a. against the Benchmark return of 7.8% p.a. Since its launch in July 2014, the Fund offered an annualized return of 10.0% p.a. against the Benchmark return of 8.2% p.a., hence an out-performance of 1.8% p.a. This out-performance is net of management fee and all other expenses.

NBP Government Securities Savings Fund (NGSSF) invests a minimum of 70% in Government Securities. The Fund invests a minimum 10% of its assets in less than 90 days T-Bills or saving accounts with banks, which enhances liquidity profile of the Fund.

As the asset allocation of the Fund shows, exposure in Government Securities was around 75% of the Total Assets and 77% of Net Assets at the end of the month. Last one year allocation in Government Securities was around 75% of net assets. The weighted average time-to-maturity of the Fund is 2.2 years.

We will rebalance the allocation of the Fund proactively based on the capital market outlook.

## Credit Quality of the Portfolio as of May 31, 2020 (% of Total Assets)

Government Securities (AAA rated)	75.1%
AAA	0.7%
AA+	1.5%
AA-	2.2%
A+	6.3%
A	11.2%
Un-rated	0.2%
Others including Receivables	2.8%
<b>Total</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

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



Performance %				
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	Since Launch March 18, 2019*
NBP GOVERNMENT SECURITIES PLAN-I	0.6%	18.8%	17.5%	14.7%
BENCHMARK	7.8%	12.5%	12.5%	12.3%

\* Annualized Return Based on Morning Star Methodology. All other returns are Annualized Simple Return.  
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:	March 18, 2019
Fund Size:	Rs. 295 million
Type:	Open-end - Income Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Fri) 9:00 A.M to 2:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front End Load: without life takaful 1%,with life takaful (amount upto Rs.5 million) 3%, with life takaful (amount over & above Rs.5 million) 1% Back End: 0%, Contingent Load: 0.25%

Management Fee:	0.6% p.a
Total Expense Ratio:	1.75% p.a.(including 0.46% government levies)
Selling & Marketing Expenses:	0.1% p.a
Risk Profile:	Low
Fund Stability Rating:	"AA-(f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co, Chartered Accountants

Benchmark:	Average 6-month PKRV
Fund Manager:	Muhammad Ali Bhabha CFA,FRM
Minimum Subscription:	Rs. 10,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
PIBs	84.1%	84.6%
T-Bills	12.3%	12.3%
Bank Deposits	0.4%	0.4%
Others including Receivables	3.2%	2.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

**Investment Objective**  
To provide attractive return with capital preservation at maturity of the plan, by investing in Government Securities not exceeding maturity of the plan.

**Fund Manager Commentary**  
The Fund posted an annualized return of 0.6% p.a. in May 2020 as compared to the Benchmark return of 7.8% p.a. Since inception, the Fund generated an annualized return of 14.7% p.a. against the Benchmark return of 12.3% p.a. The performance is net of management fee and all other expenses.

NBP Government Securities Plan I (NGSP-I) has a fixed maturity of July 12, 2021. The Fund invests a minimum of 90% in Government Securities and remaining of its assets in saving accounts with banks, which enhances liquidity profile of the Fund.

As the asset allocation of the Fund shows, exposure in Government Securities was around 96% of Total Assets and 97% of Net Assets at the end of the month. The weighted average time-to-maturity of the Fund is around a year.

We will rebalance the allocation of the Fund proactively based on the capital market outlook.

Credit Quality of the Portfolio as of May 31 , 2020 (% of Total Assets)	
Government Securities (AAA rated)	96.4%
AA+	0.1%
AA-	0.3%
Others including Receivables	3.2%
<b>Total</b>	<b>100.0%</b>

Name of the Members of Investment Committee	
Dr. Amjad Waheed, CFA	
Sajjad Anwar, CFA	
Muhammad Ali Bhabha, CFA, FRM	
Hassan Raza, CFA	

### Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 959,965/-. If the same were not made the NAV per unit/since inception return of scheme would be higher by Rs. 0.0382/39%. For details investors are advised to read the note 5 of the latest financial statements of the Scheme.

Performance %												
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years*	Last 5 Years*	Last 10 Years*	Since Launch November 21, 2009*
NBP MAHANA AMDANI FUND (FORMERLY: NAFA SAVINGS PLUS FUND)	8.9%	13.1%	13.1%	9.1%	5.4%	8.1%	6.3%	8.7%	9.0%	8.3%	8.9%	8.9%
BENCHMARK	7.9%	12.6%	12.7%	10.2%	6.3%	5.8%	4.7%	6.7%	9.6%	7.8%	7.7%	7.7%

\* Annualized Return Based on Morning Star Methodology. All other returns are Annualized Simple Return.  
 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:	November 21, 2009
Fund Size:	Rs. 3,538 million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front End Load: without life insurance 1%, with life insurance (amount up to Rs.5 million) 3%, with life insurance (amount more than Rs.5 million) 1% Back End Load: Nil
Management Fee:	1% of Net Income (min: 0.15% p.a., max:1.0% p.a.). 0.15% p.a. of average net assets during the month
Total Expense Ratio:	1.51% p.a (including 0.32% government levies)
Selling & Marketing Expenses:	0.4% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA- (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co.Chartered Accountants
Benchmark:	6-Month KIBOR
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum:	Growth Unit: Rs. 1,000/-
Subscription:	Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

**Investment Objective**  
 To minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio primarily constituted of bank deposits and money market instruments.

**Fund Manager Commentary**  
 The Fund earned an annualized return of 8.9% p.a. during the month versus the Benchmark return of 7.9% p.a. Since its launch in November 2009, the Fund has offered an annualized return of 8.9% p.a. against the Benchmark return of 7.7% p.a., hence an out-performance of 1.2% p.a. This out-performance is net of management fee and all other expenses.

The Fund is allowed to invest in Government Securities up to a maximum maturity of 3 years and also in debt securities with rating of A and above with a maximum remaining maturity of 1 year. The Fund invests 25% of its net assets in less than 90 days T-Bills or saving accounts with banks, which further enhances liquidity profile of the Fund.

The portfolio of NMAF is invested in TDRs, T-Bills and bank deposits. The weighted average time to maturity of the entire Fund is around 25 days. Our internal guidelines permit MTS financing in only fundamentally strong companies with lower volatility. It is pertinent to mention that in this asset class the Fund provides financing at only pre-determined rates of return with no direct exposure to the stock market.

We will rebalance the allocation of the Fund proactively based on the capital market outlook.

Credit Quality of the Portfolio as of May 31, 2020 (% of Total Assets)	
Government Securities (AAA rated)	16.5%
AAA	0.7%
AA+	1.7%
AA-	39.8%
A+	18.8%
A	5.9%
MTS	14.7%
Un-rated	0.1%
Others including receivables	1.8%
<b>Total</b>	<b>100.0%</b>

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
T-Bills	16.5%	27.1%
Placements with Banks	0.8%	1.4%
Bank Deposits	66.2%	54.4%
MTS	14.7%	15.5%
Others including receivables	1.8%	1.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

**Name of the Members of Investment Committee**  
 Dr. Amjad Waheed, CFA  
 Sajjad Anwar, CFA  
 Muhammad Ali Bhabha, CFA, FRM  
 Hassan Raza, CFA

### Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 6,208,248/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.0200/ 0.2%. For details investors are advised to read note 8 of the latest financial statements of the Scheme

# NBP FINANCIAL SECTOR INCOME FUND (NFSIF)

(FORMERLY: NAFA FINANCIAL SECTOR INCOME FUND)



MONTHLY REPORT (MUFAP's Recommended Format)

May 2020

Unit Price (31/05/2020): Rs.11.8345

Performance %											
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years*	Last 5 Years*	Since Launch October 28, 2011*
NBP FINANCIAL SECTOR INCOME FUND (FORMERLY: NAFA FINANCIAL SECTOR INCOME FUND)	10.0%	13.7%	13.6%	9.3%	6.0%	8.4%	6.4%	10.9%	9.5%	8.6%	9.2%
BENCHMARK	7.9%	12.6%	12.7%	10.2%	6.3%	6.0%	5.9%	8.3%	9.6%	8.1%	8.6%

\* Annualized Return Based on Morning Star Methodology. All other returns are Annualized Simple Return.  
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: October 28, 2011  
Fund Size: Rs. 9,480 million  
Type: Open-end - Income Fund  
Dealing Days: Daily – Monday to Saturday  
Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M  
(Friday) 9:00 A.M to 5:30 P.M  
(Saturday) 9:00 A.M to 1:00 P.M  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front End Load (Individual without life insurance): 1% (Nil on investment above Rs. 26 million) Front End Load (Individual with life insurance): Amount upto Rs.5 million: 3%, Amount over and above Rs.5 million: 1% Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL

Management Fee: 6% of Net Income (min: 0.5% p.a., max: 1.5% p.a.) w.e.f 12-July-19. 0.70% p.a. of average net assets during the month  
Total Expense Ratio: 2.16% p.a (including 0.41% government levies)

Selling & Marketing Expenses: 0.7% per annum  
Risk Profile: Low  
Fund Stability Rating: 'A+(f)' by PACRA  
Listing: Pakistan Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: KPMG Taseer Hadi & Co, Chartered Accountants  
Benchmark: 6-Month KIBOR  
Fund Manager: Muhammad Ali Bhabha, CFA, FRM  
Minimum: Growth Unit: Rs. 10,000/-  
Subscription: Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM1 by PACRA (Very High Quality)

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
TFCs / Sukuk	26.6%	24.3%
PIBs	2.5%	2.1%
T-Bills	8.6%	10.9%
Bank Deposits	58.8%	59.3%
Others including Receivables	3.5%	3.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Top TFC (as at May 31, 2020) (% of Total Assets)	
HUBCO Suk-2 Rev 22-AUG-19 22-AUG-23	8.6%
KE Sukuk (Pre-IPO) 27-DEC-19 27-DEC-26	5.1%
Hub Power Company Limited 19-MAR-20 19-MAR-24	2.5%
Askari Commercial Bank Limited 17-MAR-20 17-MAR-30	2.4%
HBL TFC 19-FEB-16 19-FEB-26	2.1%
Jahangir Siddiqui and Company Ltd. 06-MAR-18 06-MAR-23	1.7%
JS Bank Limited 14-DEC-16 14-DEC-23	1.2%
JS Bank Limited 29-DEC-17 29-DEC-24	1.0%
Jahangir Siddiqui and Company Ltd. 18-JUL-17 18-JUL-22	0.9%
Bank of Punjab Limited 23-APR-18 23-APR-28	0.5%

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 30,944,892/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0386/0.37%. For details investors are advised to read note 5 of the latest financial statements of the Scheme.

## Investment Objective

To provide income enhancement and preservation of capital by investing in prime quality Financial Sector TFCs/Sukuks, Bank deposits and short-term money market instruments.

## Fund Manager Commentary

The Fund generated an annualized return of 10.0% p.a. in the month of May 2020 versus the Benchmark return of 7.9% p.a. Since its launch in October 2011, the Fund has generated an annualized return of 9.2% p.a. against the Benchmark return of 8.6% p.a., hence an out-performance of 0.6% p.a. This out-performance is net of management fee and all other expenses.

The Fund is unique as it invests a minimum 70% of its assets in Financial Sector (mainly banks) debt securities, instruments or deposits. Minimum entity rating of issuers of debt securities is "AA-". This minimizes credit risk and at the same time enhances liquidity of the Fund. Duration of the overall portfolio cannot be more than one year. This minimizes interest rate or pricing risk.

Exposure in TFCs/Sukuks was around 27% of net assets at the end of the month with average time to maturity of around 3.5 years. The TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. The weighted average time-to-maturity of the Fund is 1.1 year.

We will rebalance the allocation of the Fund proactively based on the capital market outlook.

## Credit Quality of the Portfolio as of May 31, 2020 (% of Total Assets)

Government Securities (AAA rated)	11.1%
AAA	2.3%
AA+	19.5%
AA	2.5%
AA-	1.3%
A+	36.2%
A	23.5%
Un-rated	0.1%
Others including Receivables	3.5%
<b>Total</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
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.

Performance %												
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years*	Last 5 Years*	Last 10 Years*	Since Launch April 21, 2006*
NBP INCOME OPPORTUNITY FUND (FORMERLY: NAFA INCOME OPPORTUNITY FUND)	8.6%	13.4%	13.4%	9.2%	5.3%	6.3%	7.5%	13.2%	9.1%	8.3%	8.5%	8.4%
BENCHMARK	7.9%	12.6%	12.7%	10.2%	6.3%	6.1%	6.5%	9.0%	9.6%	8.3%	9.6%	10.2%

\* Annualized Return Based on Morning Star Methodology. All other returns are Annualized Simple Return.  
 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:	April 21, 2006
Fund Size:	Rs. 4,155 millions
Type:	Open-end - Income Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front End Load (Individual without life insurance): 1% (Nil on investment above Rs. 26 million) Front End Load (Individual with life insurance): Amount upto Rs.5 million: 3%, Amount over and above Rs.5 million: 1% Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL
Management Fee:	6% of Net Income (min: 0.5% p.a., max: 1.0% p.a.) w.e.f 12-July-19. 0.65% p.a. of average net assets during the month
Total Expense Ratio:	2.15% p.a (including 0.39% government levies)
Selling & Marketing Expenses:	0.70% p.a.
Risk Profile:	Low
Fund Stability Rating:	"A(f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	6-Month KIBOR
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum:	Growth Unit: Rs. 10,000/-
Subscription:	Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

**Investment Objective**  
 To seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in money market & debt securities having good credit rating and liquidity.

**Fund Manager Commentary**  
 The Fund posted an annualized return of 8.6% p.a. in May 2020 versus the Benchmark return of 7.9% p.a. The reported return is net of management fee and all other expenses.

The weighted average time to maturity of the Fund is around 2 years. The Fund's sector allocation is fairly diversified with exposure to Banking, Financial Service, Textile Composite, Sugar & Allied Industries and Power Generation & Distribution. TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

We will rebalance the allocation of the Fund proactively based on the capital market outlook.

Credit Quality of the Portfolio as of May 31, 2020 (% of Total Assets)	
Government Securities (AAA rated)	26.2%
AAA	0.5%
AA+	18.0%
AA	4.4%
AA-	6.4%
A+	17.4%
A	18.7%
A-	2.8%
BBB+	2.1%
Un-rated	0.2%
Others including Receivables	3.3%
<b>Total</b>	<b>100.0%</b>

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
Cash	18.6%	19.3%
Placements with Banks and DFIs	6.4%	6.6%
TFCs / Sukuk	42.7%	44.9%
PIBs	10.5%	8.4%
T-Bills	15.7%	15.1%
Commercial Papers	2.8%	2.8%
Others including Receivables	3.3%	2.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Top TFC (as at May 31, 2020) (% of Total Assets)	
KE Sukuk (Pre-IPO) 27-DEC-19 27-DEC-26	9.4%
JS Bank Limited 14-DEC-16 14-DEC-23	6.8%
Dawood Hercules Corp Ltd 16-NOV-17 16-NOV-22	4.3%
Jahangir Siddiqui and Company Ltd. 06-MAR-18 06-MAR-23	3.5%
Bank of Punjab Limited 23-APR-18 23-APR-28	3.1%
HUBCO Suk-2 Rev 22-AUG-19 22-AUG-23	2.4%
Javedan Corp Ltd. SUK 04-OCT-18 04-OCT-26	2.3%
Masood Textile Mills Ltd. Suk 17-DEC-19 17-DEC-24	2.3%
Silk Bank Limited 10-AUG-17 10-AUG-25	2.1%
JS Bank Limited 29-DEC-17 29-DEC-24	2.1%

### Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.40,935,199/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.1187/1.12%. For details investors are advised to read note 8 of the latest financial statements of the Scheme.

### Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets
PACE Pakistan Limited - Revised 15-FEB-08 15-FEB-22	TFC	149,820,000	149,820,000	0	0.0%	0.0%
Azgard Nine Limited V (PPTFC Markup) 31-MAR-12 31-MAR-	Fixed Rate TFCs	82,180,000	82,180,000	0	0.0%	0.0%
Worldcall RS - III 10-APR-18 20-SEP-26	TFC	74,976,975	74,976,975	0	0.0%	0.0%
New Allied Electronics Limited (PP) 15-MAY-07 15-NOV-20	TFC	31,706,536	31,706,536	0	0.0%	0.0%
AgriTech Limited V 01-JUL-11 01-JAN-25	TFC	32,320,000	32,320,000	0	0.0%	0.0%
AgriTech Limited I - Revised II 29-NOV-07 29-NOV-25	TFC	149,860,200	149,860,200	0	0.0%	0.0%
Azgard Nine Limited III (PP) - Revised 04-DEC-07 04-DEC-	TFC	108,376,850	108,376,850	0	0.0%	0.0%
Saudi Pak Leasing Company Limited - Revised II 13-MAR-	TFC	41,321,115	41,321,115	0	0.0%	0.0%
New Allied Electronics Limited II - Sukuk 03-DEC-07 03-DEC-	Sukuk	44,148,934	44,148,934	0	0.0%	0.0%
Eden House Limited - Sukuk Revised 29-MAR-08 29-SEP-25	Sukuk	9,056,250	9,056,250	0	0.0%	0.0%
Dewan Cement Limited (Pre-IPO) 17-JAN-08 17-JAN-22	Pre IPO TFC	150,000,000	150,000,000	0	0.0%	0.0%
Azgard Nine Limited (Non-Voting Ordinary Shares)	Equity	12,854	12,854	0	0.0%	0.0%
<b>Total</b>		873,779,714	873,779,714	0	0.0%	0.0%

### Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
 Sajjad Anwar, CFA  
 Muhammad Ali Bhabha, CFA, FRM  
 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.

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Performance %												
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years*	Last 5 Years*	Last 10 Years*	Since Launch March 28, 2008*
NBP SAVINGS FUND (FORMERLY: NAFA INCOME FUND)	8.9%	12.3%	12.3%	9.3%	5.5%	6.5%	6.9%	13.7%	8.9%	8.0%	5.2%	5.3%
BENCHMARK	7.9%	12.6%	12.7%	10.2%	6.3%	6.1%	6.5%	9.0%	9.6%	8.3%	9.6%	10.1%

\* Annualized Return Based on Morning Star Methodology. All other returns are Annualized Simple Return.  
 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:	March 28, 2008
Fund Size:	Rs. 1,181 millions
Type:	Open-end - Income Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front End Load: without life insurance 1%, with life insurance (amount up to Rs.5 million) 3%, with life insurance (amount more than Rs.5 million) 1% Back End Load: Nil

Management Fee: 8% of Net Income (Min: 0.5% p.a. of Net Assets, Max 1.5% p.a. of Net Assets) w.e.f 10-Jan-20.  
0.80% p.a. of average net assets during the month.

Total Expense Ratio: 2.44% p.a (including 0.39% government levies)

Selling & Marketing Expenses: 0.70% per annum

Risk Profile: Low

Fund Stability Rating: "A(f)" by PACRA

Listing: Pakistan Stock Exchange

Custodian & Trustee: Central Depository Company (CDC)

Auditors: KPMG Taseer Hadi & Co, Chartered Accountants

Benchmark: 6-Month KIBOR

Fund Manager: Muhammad Ali Bhabha, CFA, FRM

Minimum: Growth Unit: Rs. 10,000/-

Subscription: Income Unit: Rs. 100,000/-

Asset Manager Rating: AM1 by PACRA (Very High Quality)

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
T-Bills	8.3%	16.5%
MTS	21.1%	12.7%
Placement with Banks	5.4%	5.4%
Bank Deposits	62.7%	63.5%
Others including Receivables	2.5%	1.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

### Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.6,928,594/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0638/66%. For details investors are advised to read note 6 of the latest financial statements of the Scheme.

**Investment Objective**  
 To earn a competitive rate of return while preserving capital to the extent possible by investing in liquid assets.

**Fund Manager Commentary**  
 The Fund posted an annualized return of 8.9% p.a. during May 2020 versus the Benchmark return of 7.9% p.a. The reported return is net of management fee and all other expenses.

The weighted average time to maturity of the Fund is around 25 days. Potential recovery in fully provided TFCs (Face Value of around Rs. 305 million), is potential upside for the Fund. Thus, the Fund is expected to perform well over the medium to long term horizon. However, since TFCs prices may go up or down, therefore, only investors with medium term investment horizon are advised to invest in this Fund.

We will rebalance the allocation of the Fund proactively based on the capital market outlook.

Credit Quality of the Portfolio as of May 31, 2020 (% of Total Assets)	
Government Securities (AAA rated)	8.3%
AAA	0.3%
AA+	0.3%
AA	0.2%
AA-	12.2%
A+	43.4%
A	11.6%
MTS	21.1%
Un-rated	0.1%
Others including Receivables	2.5%
<b>Total</b>	<b>100.0%</b>

Details of Non-Compliant Investments						
Particulars	Type of Investment	Value of Investments before	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets
Saudi Pak Leasing Company Limited - Revised II 13-MAR-	TFC	41,321,115	41,321,115	0	0.0%	0.0%
Eden House Limited - Sukuk Revised 29-MAR-08 29-SEP-25	Sukuk	19,687,500	19,687,500	0	0.0%	0.0%
AgriTech Limited II - Revised II 14-JAN-08 14-JUL-21	TFC	149,875,800	149,875,800	0	0.0%	0.0%
New Allied Electronics Limited II - Sukuk 03-DEC-07 03-DEC-	Sukuk	49,054,371	49,054,371	0	0.0%	0.0%
AgriTech Limited V 01-JUL-11 01-JAN-25	TFC	22,180,000	22,180,000	0	0.0%	0.0%
Worldcall RS - III 10-APR-18 20-SEP-26	TFC	23,326,170	23,326,170	0	0.0%	0.0%
<b>Total</b>		<b>305,444,956</b>	<b>305,444,956</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>

### Name of the Members of Investment Committee

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

Performance %											
Performance Period	May-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)	(0.8)%	7.3%	3.6%	(8.7)%	(6.8)%	29.9%	7.6%	24.6%	(4.5)%	5.7%	12.8%
BENCHMARK	(0.7)%	9.6%	6.0%	(3.9)%	(2.8)%	14.2%	6.2%	9.6%	(1.0)%	4.7%	8.6%

\* 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. 1,263 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
Total Expense Ratio:	3.66% p.a (including 0.38% government levies)
Selling & Marketing Expenses:	1.35% per annum (w.e.f 11-May-2020 1.5% p.a.)
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
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 Izafe Fund's (NSIF) unit price (NAV) decreased by 0.8%, whereas the Benchmark decreased by 0.7%, thus an underperformance of 0.1% was recorded. Since inception on August 20, 2010 the Fund has posted 12.8% p.a return, versus 8.6% 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 53% in equities, which decreased to around 52% towards the end of the month. NSIF underperformed the Benchmark in May as the Fund was underweight in select Technology & Communication, Oil & Gas Exploration Companies, and Pharmaceuticals, sectors stocks which outperformed the market and overweight in select Cement, and Glass & Ceramics sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Technology & Communication, Oil & Gas Exploration Companies, Automobile Assembler, Paper & Board, and Technology & Communication sectors, whereas it was reduced primarily in Commercial Banks, Cement, and Fertilizer sectors.

**Top Ten Holdings (as on May 31 ,2020)**

Name	Asset Class	% of Total Assets
Hub Power Company Limited	Sukuk	3.8%
Hub Power Company Limited	Equity	3.4%
Mari Petroleum Company Limited	Equity	3.3%
Lucky Cement Limited	Equity	3.2%
Fauji Fertilizer Company Limited	Equity	3.0%
Pak Petroleum Limited	Equity	3.0%
Habib Bank Limited	Equity	2.5%
Engro Corporation Limited	Equity	2.1%
Oil and Gas Development Co Limited	Equity	2.1%
Bank Alfalah 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

**Characteristics of Equity Portfolio\*\***

	PER	PBV	DY
NSIF	6.5	0.9	6.0%
KSE-30	6.4	1.5	7.2%

\*\* Based on NBP Funds estimates

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

Commercial Banks	10.7 %
Oil & Gas Exploration Companies	9.5 %
Fertilizer	6.0 %
Cement	5.8 %
Power Generation & Distribution	4.6 %
Others	15.4 %

**Sindh Workers' Welfare Fund (SWWF)**

The Scheme has maintained provisions against Sindh worker's welfare Fund's liability to the tune of Rs. 20,267,371/- if the same were not made the NAV Per unit/last one year return of the Scheme would be higher by Rs. 0.2489/1.65%. For details investors are advised to read the note 5 of the latest Financial Statements of the Scheme.

# NBP BALANCED FUND (NBF)

(FORMERLY: NAFA MULTI-ASSET FUND)

MONTHLY REPORT (MUFAP's Recommended Format)

May 2020

Unit Price (31/05/2020): Rs.17.5636

Performance %												
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years*	Last 5 Years*	Last 10 Years*	Since Launch January 19, 2007*
NBP BALANCED FUND (FORMERLY: NAFA MULTI-ASSET FUND)	(0.8)%	6.5%	3.1%	(8.5)%	(6.2)%	28.4%	8.7%	26.8%	(4.6)%	5.6%	14.8%	12.2%
BENCHMARK	(0.7)%	9.5%	6.1%	(3.6)%	(2.8)%	14.1%	7.1%	11.0%	(0.9)%	5.0%	10.2%	7.8%

*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 Documents to understand the*

## General Information

Launch Date:	January 19, 2007
Fund Size:	Rs. 1,409 million
Type:	Open-end – Balanced 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 2-3 business days
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:	3.61% p.a.(including 0.37% government levies)
Selling & Marketing Expenses:	1.35% per annum (w.e.f May 11, 2020 1.5% per annum)
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co, 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/- AM1 by PACRA (Very High Quality)
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

To provide investors with a combination of capital growth and income. NBF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, CFS etc.

## Fund Manager Commentary

During the month under review, NBP Balanced Fund's (NBF) unit price (NAV) decreased by 0.8% whereas the Benchmark decreased by 0.7%, thus an underperformance of 0.1% was recorded. Since inception on January 19, 2007 your Fund has posted 12.2% p.a return, versus 7.8% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 4.4% p.a. This outperformance is net of management fee and all other expenses.

NBF started off the month with an allocation of around 53% in equities which was maintained towards the end of the month. NBF underperformed the Benchmark in May as the Fund was underweight in select Oil & Gas Exploration Companies, Technology & Communication, and Pharmaceuticals sectors stocks which outperformed the market and overweight in select Cement, Glass & Ceramics, and Textile Composite sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Technology & Communication, Oil & Gas Exploration Companies, and Automobile Assembler sectors, whereas it was reduced primarily in Commercial Banks, Fertilizer, and Power Generation & distribution Companies sectors.

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

Name	Asset Class	% of Total Assets
Jahangir Siddiqui and Company Ltd.	TFC	3.7%
Hub Power Company Limited	Sukuk	3.5%
Fauji Fertilizer Company Limited	Equity	3.3%
Hub Power Company Limited	Equity	3.2%
Mari Petroleum Company Limited	Equity	3.2%
Lucky Cement Limited	Equity	3.1%
Pak Petroleum Limited	Equity	3.0%
Engro Corporation Limited	Equity	2.9%
Oil and Gas Development Co Limited	Equity	2.8%
Habib Bank Limited	Equity	2.5%

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NBF	6.5	0.9	6.2%
KSE-30	6.4	1.5	7.2%

\*\* Based on NBP Funds estimates

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

Commercial Banks	10.7 %
Oil & Gas Exploration Companies	10.1 %
Fertilizer	7.5 %
Cement	5.4 %
Power Generation & Distribution	4.2 %
Others	15.1 %

## Sindh Workers' Welfare Fund (SWWF)

The Scheme has maintained provisions against Sindh worker's welfare Fund's liability to the tune of Rs 13,986,285/- if the same were not made the NAV Per unit/last one year return of the Scheme would be higher by Rs 0.1744/1.02%. For details investors are advised to read the note 7 of the latest Financial Statements of the Scheme.

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets
Eden House Limited - Sukuk Revised 29-MAR-08 29-SEP-25	Sukuk	9,843,750	9,843,750	0	0.0%	0.0%
New Allied Electronics Limited I - Sukuk 25-JUL-07 25-JUL-22	Sukuk	10,000,000	10,000,000	0	0.0%	0.0%
Saudi Pak Leasing Company Limited - Revised II 13-MAR-	TFC	27,547,410	27,547,410	0	0.0%	0.0%
<b>Total</b>		47,391,160	47,391,160	0	0.0%	0.0%

## 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

Performance %												
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years*	Last 5 Years*	Last 10 Years*	Since Launch January 19, 2007*
NBP STOCK FUND (FORMERLY: NAFA STOCK FUND)	(1.2)%	(1.0)%	(7.0)%	(18.0)%	(9.7)%	33.7%	11.4%	36.9%	(12.2)%	2.6%	17.6%	11.6%
BENCHMARK	(1.9)%	(1.8)%	(8.2)%	(18.2)%	(10.0)%	17.9%	7.1%	12.3%	(12.9)%	(1.2)%	8.8%	3.6%

\* 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 19, 2007
Fund Size:	Rs. 13,840 million
Type:	Open-end – Equity 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:	3.47% p.a (including 0.23% government levies)
Selling & Marketing Expenses:	1.35% per annum (w.e.f 11-May-2020 1.5% p.a.)
Risk Profile:	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co, Chartered Accountants
Benchmark:	KSE-30 Total Return Index
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 provide investors with long term capital growth from an actively managed portfolio invested primarily in listed companies in Pakistan. The risk profile of the Fund will be moderate to high.

**Fund Manager Commentary**

During the month under review, NBP Stock Fund's (NSF) unit price (NAV) decreased by 1.2%, whereas the Benchmark decreased by 1.9%, thus an outperformance of 0.7% was recorded. Since inception on January 19, 2007 your Fund has posted 11.6% p.a return, versus 3.6% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 8.0% p.a. This outperformance is net of management fee and all other expenses.

NSF started off the month with an allocation of around 91% in equities which increased to around 94% towards the end of the month. NSF outperformed the Benchmark in May as the Fund was underweight in select Commercial Banks, Power Generation & Distribution Companies, and Fertilizer sectors stocks which underperformed the market and overweight in select Technology & Communication, Oil & Gas Exploration Companies, and Paper & Board sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Technology & Communication, Oil & Gas Exploration Companies, and Oil & Gas Marketing Companies sectors, whereas it was reduced primarily in Commercial Banks, and Cement sectors.

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
Equities / Stock	93.8%	90.8%
Cash	4.5%	6.6%
T-Bills	1.4%	1.3%
Others including Receivables	0.3%	1.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

**Characteristics of Equity Portfolio\*\***

	PER	PBV	DY
NSF	6.5	0.9	6.1%
KSE-30	6.4	1.5	7.2%

\*\* Based on NBP Funds estimates

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

Oil & Gas Exploration Companies	20.2 %
Commercial Banks	18.6 %
Fertilizer	11.9 %
Cement	8.5 %
Power Generation & Distribution	6.7 %
Others	27.9 %

**Sindh Workers' Welfare Fund (SWWF)**

The Scheme has maintained provisions against Sindh Worker's Welfare Fund's liability to the tune of Rs. 108,972,309/- if the same were not made the NAV Per unit/Last one year return of the Scheme would be higher by Rs. 0.0934/0.73%. For details investors are advised to read the Note 5 of the latest Financial Statements of the Scheme.

**Top Ten Holdings (as on May 31 , 2020)**

Name	% of Total Assets
Mari Petroleum Company Limited	6.3%
Oil and Gas Development Co Limited	6.2%
Hub Power Company Limited	5.3%
Pak Petroleum Limited	5.0%
Lucky Cement Limited	4.7%
Engro Corporation Limited	4.6%
Habib Bank Limited	4.6%
Bank Alfalah Limited	3.8%
Bank AL-Habib Limited	3.3%
Fauji Fertilizer Company Limited	3.3%

**Name of the Members of Investment Committee**

Dr. Amjad Waheed, CFA  
 Sajjad Anwar, CFA  
 Asim Wahab Khan, CFA  
 Hassan Raza, CFA



Performance %					
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	Since Launch February 14, 2018*
NBP FINANCIAL SECTOR FUND (FORMERLY: NAFA FINANCIAL SECTOR FUND)	(5.2)%	(18.5)%	(23.4)%	(9.4)%	(12.4)%
BENCHMARK	(1.9)%	(1.8)%	(8.2)%	(18.2)%	(10.2)%

\* 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:	February 14, 2018
Fund Size:	Rs. 556 million
Type:	Open Ended 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 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:	3.89% p.a (including 0.25% government levies)
Selling & Marketing Expenses:	1.35% per annum (w.e.f 11-May-2020 1.5% p.a.)

Risk Profile:	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co., Chartered Accountants
Benchmark:	KSE 30 Index (Total Return Index)
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)

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
Equities / Stocks	94.5%	95.5%
Cash Equivalents	3.3%	3.6%
Others including Receivables	2.2%	0.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

**Characteristics of Equity Portfolio\*\***

	PER	PBV	DY
NFSF	5.3	0.7	9.6%
KSE-30	6.4	1.5	7.2%

\*\* Based on NBP Funds estimates

**Top Sectors (% of Total Assets) (as on May 31 ,2020)**

Commercial Banks	78.0 %
Insurance	16.5 %

**Investment Objective**

The objective of NBP Financial Sector Fund is to provide investors with long term capital growth from an actively managed portfolio of listed equities belonging to the Financial Sector.

**Fund Manager Commentary**

NBP Funds launched its NAFA Financial Sector Fund (NFSF) in February 2018, aiming to provide an opportunity to invest and benefit from the strong growth of the Financial Sector.

NFSF started off the month with an allocation of around 95% in equities, which decreased to around 94% towards the end of the month. NFSF underperformed the Benchmark in May as the Fund was overweight in select financial sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Insurance sector, whereas it was reduced primarily in Commercial Banks sector.

**Top Ten Holdings (as on May 31 , 2020)**

Name	% of Total Assets
Habib Bank Limited	14.6%
Bank Alfalah Limited	12.9%
Bank AL-Habib Limited	12.4%
Adamjee Insurance Co Limited	11.6%
United Bank Limited	11.2%
MCB Bank Limited	8.5%
Allied Bank Limited	5.6%
IGI Holdings Limited	4.9%
Bank Of Punjab Limited	4.7%
National Bank Of Pakistan Limited	3.0%

**Name of the Members of Investment Committee**

Dr. Amjad Waheed, CFA  
 Sajjad Anwar, CFA  
 Asim Wahab Khan, CFA  
 Hassan Raza, CFA

Performance %													
	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) May 31, 2020	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	FY - 2015	Last 3 Years	Last 5 Years	Since Launch July 02, 2013
NPF-Equity Sub-fund	752.1	261.8751	(1.3)%*	3.6%*	(2.3)%*	(17.6)%*	(7.4)%*	37.3%*	14.8%*	49.6%*	(9.9)%	5.5%	14.8%
NPF-Debt Sub-fund	582.3	188.0426	0.02%	20.8%	20.1%	6.8%	4.3%	4.4%	5.5%	17.3%	10.1%	8.0%	9.4%
NPF-Money Market Sub-fund	1,060.8	161.1034	6.0%	12.3%	12.2%	8.0%	4.4%	4.4%	4.9%	7.8%	8.0%	6.6%	7.0%

\* Cumulative Return All Other returns are annualized  
The performance reported is net of management fee & all other expenses.

**General Information**

Launch Date:	July 2, 2013
Fund Size:	Rs. 2,395 million
Type:	Open-end – Voluntary Pension Scheme
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Pricing Mechanism:	Forward Pricing
Front End Load:	Upto 3% on Contributions
Back end Load:	0%
Management Fee:	On average Annual Net Assets of each Sub-Fund. Equity, Debt, Money Market 1.50% p.a.
Total Expense Ratio:	Equity 2.36% p.a. (including 0.24% government levies) Debt 2.40% p.a. (including 0.63% government levies) Money Market 2.18% p.a. (including 0.48% government levies)
Risk Profile:	Investor dependent
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Fund Manager:	Sajjad Anwar, CFA
Minimum:	Initial: Rs. 10,000/- Subsequent: Rs. 1000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)
Leverage:	Nil

**Investment Objective**

To provide a secure source of savings and regular income after retirement to the Participants.

**Fund Manager Commentary**

During the month of May:

NPF Equity Sub-fund unit price decreased by 1.3% compared with 0.5% decrease in KSE-100 Index. The Sub-fund was around 93% invested in equities with major weights in Oil & Gas Exploration Companies, Cement, and Fertilizer sectors. Equity Sub-fund maintains exposure of atleast 90% in listed equities on average. Last 90 days average allocation in equity was 95% of net asset.

NPF Debt Sub-fund generated annualized return of 0.02%. The Sub-fund was invested primarily in Government Securities and TFCs. Debt Sub-fund maintains a minimum combined exposure of 50% in Government Securities (25% minimum) and AA+ rated banks. Weighted Average Maturity of Sub-fund is 2.9 years.

NPF Money Market Sub-fund generated annualized return of 6.0%. In line with its investment strategy, the Sub Fund will maintain high exposure in money market securities. Money Market Sub-fund average maturity cannot exceed 90 days. Weighted Average Maturity of Sub-fund is 71 days.

**Credit Quality of the Portfolio (as on May 31, 2020)**

	Debt	Money Market
Government Securities (AAA rated)	78.1%	59.6%
AAA	1.1%	1.3%
AA+	9.6%	11.9%
AA	4.3%	-
AA-	2.6%	25.6%
A+	1.2%	0.5%
Others	3.1%	1.1%
Total	100.0%	100.0%

**Asset Allocation (% of Total Assets)**

Equity Sub-fund	31-May-20	30-April-20
Equity	93.0%	91.9%
Cash Equivalents	5.9%	7.3%
Others	1.1%	0.8%
Total	100.0%	100.0%

Debt Sub-fund	31-May-20	30-April-20
Cash Equivalents	2.9%	1.3%
TFC/Sukuk	15.9%	17.0%
PIBs	69.8%	69.2%
T-Bills	8.3%	10.0%
Others	3.1%	2.5%
Total	100.0%	100.0%

Money Market Sub-fund	31-May-20	30-April-20
Cash Equivalents	39.3%	34.5%
T-Bills	59.6%	64.3%
Others	1.1%	1.2%
Total	100.0%	100.0%

**Name of the Members of Investment Committee**

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

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

Oil & Gas Exploration Companies	19.5%
Commercial Banks	18.2%
Fertilizer	9.5%
Cement	9.5%
Power Generation & Distribution	6.7%
Others	29.6%

**Top Ten Holdings of Equity Sub-fund (as on May 31, 2020)**

Name	(% of Total Assets)	Name	(% of Total Assets)
Mari Petroleum Company Limited	8.3%	Kohat Cement Limited	4.0%
Oil & Gas Dev Co Limited	5.8%	Lucky Cement Limited	3.9%
Hub Power Company Limited	4.7%	Fauji Fertilizer Co. Limited	3.9%
Habib Bank Limited	4.7%	Bank AL-Habib Limited	3.8%
Pak Petroleum Limited	4.2%	Bank Al-Falah Limited	3.6%

**As on May 31, 2020****Top TFC/Sukuk Holdings of Debt Sub-fund**

Name	(% of Total Assets)
HUBCO Suk-2 Rev 22-AUG-19 22-AUG-23	6.8%
Askari Commercial Bank Limited 17-MAR-20 17-MAR-30	3.3%
Askari Commercial Bank Limited 30-SEP-14 30-SEP-24	2.6%
JS Bank Limited 14-DEC-16 14-DEC-23	1.2%
Dawood Hercules Corp Ltd 16-NOV-17 16-NOV-22	1.0%
Jahangir Siddiqui and Company Ltd. 18-Jul-17 18-Jul-22	0.8%
Jahangir Siddiqui and Company Ltd. 24-Jun-16 24-Jun-21	0.2%

**Sindh Workers' Welfare Fund (SWWF)**

NPF has maintained provisions against Sindh Workers' Welfare Fund's liability in individual sub-Funds as stated below:

	Total amount Provided Rs	Amount Per Unit Rs	Last One Year return would otherwise have been higher by:
Equity Sub-fund	8,150,678	2.8381	1.05%
Debt Sub-fund	3,941,434	1.2728	0.82%
Money Market Sub-fund	4,610,117	0.7001	0.49%

For details investors are advised to read the Note 10.1 of the latest Financial Statement of the Scheme.