

NBP RIBA FREE SAVINGS FUND (NRFSSF)

(FORMERLY: NAFA RIBA FREE SAVINGS FUND)



MONTHLY REPORT (MUFAP's Recommended Format)

May 2020

Unit Price (31/05/2020): Rs.11.2380

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 RIBA FREE SAVINGS FUND (FORMERLY: NAFA RIBA FREE SAVINGS FUND)	2.2%	11.0%	11.1%	8.8%	5.2%	5.9%	5.5%	7.4%	8.2%	7.2%	8.1%
BENCHMARK	6.6%	6.4%	6.3%	3.7%	2.4%	3.1%	4.9%	6.7%	4.1%	4.1%	5.7%

* 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:	August 20, 2010
Fund Size:	Rs. 5,636 million
Type:	Open-end – Shari'ah Compliant Income
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 Takaful 0.5%, with life Takaful 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:	6% of Net Income (min: 0.5% p.a., max: 1.25% p.a.) w.e.f 12-Jul-19. 0.54% p.a. of average net assets during the month.
Total Expense Ratio:	1.98% p.a. (including 0.34% government levies)
Selling & Marketing Expenses:	0.7% p.a.
Risk Profile:	Very 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 average deposit rates of three A rated Islamic Banks/Islamic windows of conventional 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 preservation of capital and earn a reasonable rate of return along with a high degree of liquidity by investing in Shariah Compliant banks and money market / debt securities.

Fund Manager Commentary
The Fund generated an annualized return of 2.2% p.a. for the month of May 2020 versus the Benchmark return of 6.6% p.a. This reported return is net of management fee and all other expenses.

The Fund aims to consistently provide better return than the profit rates offered by Islamic Banks / Islamic windows of commercial banks, while also providing easy liquidity along with a high-quality credit profile.

Around 48% of net assets of the portfolio are invested in bank deposits which enhance the liquidity profile of the Fund. 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)	22.9%
AAA	6.1%
AA+	21.1%
AA	3.8%
AA-	9.8%
A+	0.6%
A-	34.4%
Un-rated	0.1%
Others including receivables	1.2%
Total	100.0%

Asset Allocation (% of Total Assets)	31-May-20	30-Apr-20
GOP Ijara Sukuk	18.1%	14.1%
Government backed security	4.8%	0.0%
Sukuks	21.1%	21.4%
Placement with Banks	3.5%	0.0%
Bank Deposits	47.5%	59.2%
Others including receivables	1.2%	1.5%
Commercial Paper (Islamic)	3.8%	3.8%
Total	100.0%	100.0%
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	

Top Sukuk (as at May 31, 2020) (% of Total Assets)	
Hub Power Company Limited 19-MAR-20 19-MAR-24	12.3%
KE Sukuk (Pre-IPO) 27-DEC-19 27-DEC-26	8.8%

Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 27,114,464/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0541/0.54% For details investors are advised to read note 8 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.