NAFA ISLAMIC CAPITAL PRESERVATION PLAN-I (NICPP-I)

MONTHLY REPORT (MUFAP's Recommended Format)

December 2020

Unit Price (31/12/2020): Rs.112.2235

Performance %

Performance Period	Dec-2020	FYTD - 2021	Rolling 12 Months	FY - 2020	FY - 2019	Since Launch February 28, 2018*
NAFA ISLAMIC CAPITAL PRESERVATION PLAN-I	2.7%	11.9%	5.9%	6.6%	1.8%	7.2%
BENCHMARK	3.6%	12.3%	5.6%	5.0%	(0.9)%	5.7%

** 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:	February 28, 2018
Fund Size:	Rs. 149 million
Type:	Open Ended Shariah Compliant Fund of Funds - CPPI
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 3:00 P.M (Friday) 9:00 A.M to 4:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Back end Load:	Nil
Management Fee:	1) On invested amount in NBP funds, no additional fee. 2) Cash in Bank account: 1.25% p.a. 0.05% p.a of average net assets during the month
Total Expense Ratio:	0.92% (including 0.52% government levies)
Risk Profile / Risk of principal erosion:	Medium / Principal at medium risk
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	Daily Weighted Return of KMI-30 Index and 3-months average deposit rate of three AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP, on the basis of actual investment by the Plan in equity and money market schemes.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

Asset Allocation (% of Total Assets)	31-Dec-20	30-Nov-20
Shari'ah Compliant Funds	91.8%	96.1%
Cash Equivalents	7.8%	3.6%
Others including Receivables	0.4%	0.3%
Total	**100.0%**	**100.0%**
Leverage	Nil	Nil

Characterstics of Equity Portfolio**

	PER	PBV	DY
NIAAEF	7.2	1.3	3.6%
KMI-30	7.4	1.1	4.5%

** Based on NBP Funds estimates

Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 1,871,577/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 1.4084/1.33%. For details investors are advised to read the Note 5 of the latest Financial Statements.

Investment Objective

The objective of NAFA Islamic Capital Preservation Plan-I is to earn a potentially high return through dynamic asset allocation between Shariah Compliant Dedicated Equity and Money Market based Collective Investment Schemes, while providing Capital Preservation of the Initial Investment Value including sales load at completion of twenty four months and beyond.

Fund Manager Commentary

NBP Funds launched its NAFA Islamic Capital Preservation Plan-I (NICPP-I) in February, 2018 which is the fourth plan under NAFA Islamic Active Allocation Fund-II. The Plan is dynamically allocated between the Equity Component and Money Market Component by using the Constant Proportion Portfolio Insurance (CPPI) Methodology. Allocation to Equity Component is generally increased when equity market is rising, while allocation to the Money Market Component is generally increased when the equity market declines. The Plan is presently closed for new subscription. NICPP-I has an initial maturity of two years.

Since inception, unit price of NICPP-I has increased by 7.2% p.a versus the Benchmark return of 5.7% p.a. The current exposure in Income Fund and Equity Fund stands at 44.1% & 47.7%, respectively. During the month, maximum multiplier stood at 3.3 whereas minimum multiplier was 3.0.

Top Holdings (as on December 31 , 2020)

Name	% of Total Assets
NBP Islamic Active Allocation Equity Fund (Formerly: NAFA Islamic Active Allocation Equity Fund)	47.7%
NBP Islamic Money Market Fund (Fomerly: NAFA Islamic Money Market Fund)	44.1%

Name of the Members of Investment Committee

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

Dispute Resolution / Complaint Handling

Complaint Service : www.nbpfunds.com/contact-us/investor-relations
SECP's Service Desk Management System: sdms.secp.gov.pk

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. Capital preservation only applies to unit holders who hold their investments until initial maturity of two years.