

Performance %											
Performance Period	Jul-2021	CYTD - 2021	Rolling 12 Months	FY - 2021	FY - 2020	FY - 2019	FY - 2018	FY - 2017	Last 3 Years*	Last 5 Years*	Since Launch October 28, 2011*
NBP FINANCIAL SECTOR INCOME FUND	7.4%	7.2%	7.7%	7.8%	13.5%	9.3%	6.0%	8.4%	10.2%	9.0%	9.1%
BENCHMARK	7.6%	7.6%	7.5%	7.4%	12.2%	10.2%	6.3%	6.0%	10.0%	8.5%	8.4%

\* 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. 46,382 million
Type:	Open-end - Income Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Fri) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front End Load (Individual with takaful coverage): Amount upto Rs.5 million: 3%, Amount over and above Rs.5 million and up to Rs.25 million: 1%, Amount exceeding Rs.25 million, load will be charged on Rs.5 million: 3% Front end load (Individual under Health Takaful Plan): Amount upto Rs. 4 million: 3%, Amount over and above Rs.4 million and up to Rs.25 million: 1%, Amount exceeding Rs.25 million, load will be charged on Rs. 4 million: 3%, Front End Load (others): 1% (Nil if amount greater than 25 million), Back end Load: 0% Front end: 1%, Back end: 0%
Management Fee:	6% of Net Income (min: 0.5% p.a., max: 1.5% p.a.) w.e.f 12-July-19. 0.53% p.a. of average net assets during the month
Total Expense Ratio:	1.08% p.a (including 0.27% government levies)
Selling & Marketing Expenses:	0.003% p.a of average net assets during the month
Risk Profile / Risk of principal erosion:	Medium / Principal at medium risk
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)

**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 7.4% p.a. in the month of July 2021 versus the Benchmark return of 7.6% p.a. Since its launch in October 2011, the Fund has generated an annualized return of 9.1% p.a. against the Benchmark return of 8.4% p.a., hence an out-performance of 0.7% 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 8.5% of net assets at the end of the month with average time to maturity of around 4.2 years. The TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. The weighted average time-to-maturity of the Fund is around 0.39 year.

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

**Credit Quality of the Portfolio as of July 31, 2021 (% of Total Assets)**

Government Securities (AAA rated)	3.0%
AAA	0.2%
AA+	28.0%
AA	5.4%
AA-	18.3%
A+	19.6%
A	19.2%
MTS	0.4%
Spread transactions	3.2%
Others including Receivables	2.7%
<b>Total</b>	<b>100%</b>

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

	31-Jul-21	30-Jun-21
TFCs / Sukuk	8.4%	9.4%
Placements with Banks and DFIs	0.0%	4.8%
T-Bills	3.0%	0.6%
Bank Deposits	64.5%	71.4%
Others including Receivables	2.7%	1.7%
Money Market Placements (LOP)	17.8%	0.0%
Certificate of Investments (COI)	0.0%	7.2%
MTS	0.4%	0.3%
Spread transactions	3.2%	4.6%
<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  
 Asim Wahab Khan, 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. 80,196,519/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0183/0.19%. For details investors are advised to read note 5 of the latest financial statements of the Scheme.

**Dispute Resolution / Complaint Handling**

Complaint Service : [www.nbp-funds.com/contact-us/investor-relations](http://www.nbp-funds.com/contact-us/investor-relations)  
 SECP's Service Desk Management System: [sdms.secp.gov.pk](mailto:sdms.secp.gov.pk)

**Top TFC (as at July 31, 2021) (% of Total Assets)**

Samba Bank Limited 01-MAR-21 01-MAR-31	1.8%
HUBCO Suk-2 Rev 22-AUG-19 22-AUG-23	1.8%
KE Suk 03-AUG-20 03-AUG-27	1.4%
Hub Power Holding Limited 12-NOV-20 12-NOV-25	1.1%
Askari Commercial Bank Limited 17-MAR-20 17-MAR-30	0.7%
HUBCO Rev 19-MAR-20 19-MAR-24	0.5%
JSCL-11 06-MAR-18 06-SEP-23	0.3%
JS Bank Limited 14-DEC-16 14-DEC-23	0.2%
JS Bank Limited 29-DEC-17 29-DEC-24	0.2%
JSCL-10 18-JUL-17 18-JUL-23	0.1%

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

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