## NBP FINANCIAL SECTOR FUND (NFSF)



# MONTHLY REPORT (MUFAP's Recommended Format)

February 2022

Performance %			Onici fice	(28/02/2022)	. 113.0.0007			
Performance Period	Feb-2022	FYTD - 2022	Rolling 12 Months	FY - 2021	FY - 2020	FY - 2019	Last 3 Years*	Since Launch February 14, 2018*
NBP FINANCIAL SECTOR FUND	(2.4)%	7.7%	11.5%	20.6%	(15.6)%	(9.4)%	0.8%	(0.2)%
BENCHMARK	(2.4)%	(5.4)%	(2.6)%	36.5%	(0.5)%	(18.2)%	3.8%	0.6%
* 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:February 14, 2018Fund Size:Rs. 470 millionType:Open Ended Equity SchemeDealing Days:Daily – Monday to FridayDealing Time:(Mon-Thr) 9:00 A.M to 3:00 P.MSettlement:2-3 business daysPricing Mechanism:Forward PricingLoad:Front end: 3% (Nil if amount greater than Rs. 50 million), Back end: 0%Management Fee:1.5% per annum (w.e.f 12-Jul-19)Total Expense Ratio:4.74% p.a (including 0.24% government levies)Selling & Marketing Expenses:2.05% per annum (w.e.f 12-Jul-19)Risk Profile / Risk of principal erosion:High / Principal at high riskListing:Pakistan Stock ExchangeCustodian & Trustee:Central Depository Company (CDC)Auditors:A. F. Ferguson & Co., Chartered AccountantsBenchmark:KSE 30 Index (Total Return Index)Fund Manager:Asim Wahab Khan, CFAMinimum Subscription:Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-Asset Manager Rating:AM1 by PACRA (Very High Quality)	Concrui information	
Type:Open Ended Equity SchemeDealing Days:Daily – Monday to FridayDealing Time:(Mon-Thr) 9:00 A.M to 3:00 P.MSettlement:2-3 business daysPricing Mechanism:Forward PricingLoad:Front end: 3% (Nil if amount greater than Rs. 50 million), Back end: 0%Management Fee:1.5% per annum (w.e.f 12-Jul-19)Total Expense Ratio:4.74% p.a (including 0.24% government levies)Selling & Marketing Expenses:2.05% per annum (w.e.f 12-Jul-19)High / Principal at high risk erosion:Pakistan Stock ExchangeListing:Pakistan Stock ExchangeCustodian & Trustee:Central Depository Company (CDC)Auditors:A. F. Ferguson & Co., Chartered AccountantsBenchmark:KSE 30 Index (Total Return Index)Fund Manager:Asim Wahab Khan, CFAMinimum Subscription:Growth Unit: Rs. 100,000/-	Launch Date:	February 14, 2018
Dealing Days: Dealing Time:Daily – Monday to Friday (Mon-Thr) 9:00 A.M to 3:00 P.MSettlement: Pricing Mechanism: Load:(Friday) 9:00 A.M to 4:00 P.M 2-3 business days Forward Pricing Front end: 3% (Nil if amount greater than Rs. 50 million), Back end: 0%Management Fee: Total Expense Ratio:1.5% per annum (w.e.f 12-Jul-19) 4.74% p.a (including 0.24% government levies)Selling & Marketing Expenses: erosion: Listing:2.05% per annum (w.e.f 12-Jul-19) High / Principal at high risk erosion: Listing:Listing: Dakitan Stock Exchange Custodian & Trustee: Fund Manager: Minimum Subscription:Pakistan Stock Exchange Cortal Return Index) Axim Wahab Khan, CFA Minimum Subscription:	Fund Size:	Rs. 470 million
Dealing Time:(Mon-Thr) 9:00 A.M to 3:00 P.MSettlement:2-3 business daysPricing Mechanism:Forward PricingLoad:Forward PricingLoad:Fort end: 3% (Nil if amount greater than Rs. 50 million), Back end: 0%Management Fee:1.5% per annum (w.e.f 12-Jul-19)Total Expense Ratio:4.74% p.a (including 0.24% government levies)Selling & Marketing Expenses:2.05% per annum (w.e.f 12-Jul-19)Risk Profile / Risk of principal erosion:Pakistan Stock ExchangeListing:Pakistan Stock ExchangeCustodian & Trustee:Central Depository Company (CDC)Auditors:A. F. Ferguson & Co., Chartered AccountantsBenchmark:KSE 30 Index (Total Return Index)Fund Manager:Asim Wahab Khan, CFAMinimum Subscription:Growth Unit: Rs. 100,000/-	Туре:	Open Ended Equity Scheme
Settlement:(Friday) 9:00 A.M to 4:00 P.MSettlement:2-3 business daysPricing Mechanism:Forward PricingLoad:Front end: 3% (Nil if amount greater than Rs. 50 million), Back end: 0%Management Fee:1.5% per annum (w.e.f 12-Jul-19)Total Expense Ratio:4.74% p.a (including 0.24% government levies)Selling & Marketing Expenses:2.05% per annum (w.e.f 12-Jul-19)Risk Profile / Risk of principal erosion:High / Principal at high riskListing:Pakistan Stock ExchangeCustodian & Trustee:Central Depository Company (CDC)Auditors:A. F. Ferguson & Co., Chartered AccountantsBenchmark:KSE 30 Index (Total Return Index)Fund Manager:Asim Wahab Khan, CFAMinimum Subscription:Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	Dealing Days:	Daily – Monday to Friday
Settlement:2-3 business daysPricing Mechanism:Forward PricingLoad:Fornt end: 3% (Nil if amount greater than Rs. 50 million), Back end: 0%Management Fee:1.5% per annum (w.e.f 12-Jul-19)Total Expense Ratio:4.74% p.a (including 0.24% government levies)Selling & Marketing Expenses:2.05% per annum (w.e.f 12-Jul-19)Risk Profile / Risk of principal erosion:High / Principal at high riskListing:Pakistan Stock ExchangeCustodian & Trustee:Central Depository Company (CDC)Auditors:A. F. Ferguson & Co., Chartered AccountantsBenchmark:KSE 30 Index (Total Return Index)Fund Manager:Asim Wahab Khan, CFAMinimum Subscription:Growth Unit: Rs. 100,000/-	Dealing Time:	(Mon-Thr) 9:00 A.M to 3:00 P.M
Total Expense Ratio:4.74% p.a (including 0.24% government levies)Selling & Marketing Expenses:2.05% per annum (w.e.f 12-Jul-19)Risk Profile / Risk of principal erosion:High / Principal at high riskListing:Pakistan Stock ExchangeCustodian & Trustee:Central Depository Company (CDC)Auditors:A. F. Ferguson & Co., Chartered AccountantsBenchmark:KSE 30 Index (Total Return Index)Fund Manager:Growth Unit: Rs. 10,000/-Inimum Subscription:Growth Unit: Rs. 100,000/-	Pricing Mechanism:	2-3 business days Forward Pricing Front end: 3% (Nil if amount greater than Rs. 50 million),
Risk Profile / Risk of principal erosion: High / Principal at high risk   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/-		
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/-	Risk Profile / Risk of principal	
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/-	Listing:	Pakistan Stock Exchange
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/-	Custodian & Trustee:	Central Depository Company (CDC)
Fund Manager: Asim Wahab Khan, CFA   Minimum Subscription: Growth Unit: Rs. 10,000/-   Income Unit: Rs. 100,000/-	Auditors:	A. F. Ferguson & Co., Chartered Accountants
Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	Benchmark:	KSE 30 Index (Total Return Index)
Income Unit: Rs. 100,000/-	Fund Manager:	Asim Wahab Khan, CFA
	Minimum Subscription:	
	Asset Manager Rating:	

Asset Allocation (% of Total Assets)	28-Feb-22	31-Jan-22
Equities / Stocks	89.7%	96.5%
Cash Equivalents	8.8%	2.7%
Others including Receivables	1.5%	0.8%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characterstics of Equity Portfolio**				
	PER	PBV	DY	
NFSF	4.8	0.7	9.5%	
KSE-30	4.6	0.8	7.9%	
** Based on NBP Funds estimates				

Top Sectors (% of Total Assets) (as on February 28 ,2022)			
Commercial Banks	79.3 %		
Insurance	10.4 %		
Sindh Workers' Welfare Fund (SWWF)			

During the month of August 2021, provisioning against Sindh Workers' Welfare Fund by NBP FINANCIAL SECTOR FUND amounting to Rs. 2.90 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the NBP FINANCIAL SECTOR FUND by 0.65% on August 13, 2021. This is one-off event and is not likely to be repeated in the future.

#### 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 97% in equities, which was decreased to around 90% towards the end of the month. NFSF performed inline the Benchmark in February. During the month, the allocation was primarily decreased in Commercial Banks and Insurance sector.

Top Ten Holdings (as on February 28 , 2022)			
Name	% of Total Assets		
Habib Bank Limited	14.8%		
Bank AL-Habib Limited	13.7%		
United Bank Limited	13.2%		
Bank Alfalah Limited	10.5%		
Meezan Bank Limited	8.3%		
Faysal Bank Limited	6.9%		
Adamjee Insurance Co Limited	6.2%		
IGI Holdings Limited	4.1%		
Habib Metropolitan Bank	3.9%		
Allied Bank Limited	2.5%		

#### Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA 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

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. NBP Funds or any of its sales representative cannot guarantee preservation / protection of capital and / or expected returns / profit on investments. The use of the name and logo of National Bank of Pakistan does not mean that it is responsible for the liabilities/ obligations of the Company (NBP Fund Management Limited) or any investment scheme managed by it.