

THE PAKISTAN CREDIT RATING AGENCY LIMITED

# Performance Ranking Report

## NBP Sarmaya Izafa Fund

[Category: Asset Allocation]

Review Period: Jun'21

Sr. No.	Period	Ranking	
		Jun'21	Dec'20
1	1-Year	4-Star	4-Star
2	3-Year	3-Star	3-Star
3	5-Year	3-Star	4-Star



## STAR RANKING REPORT

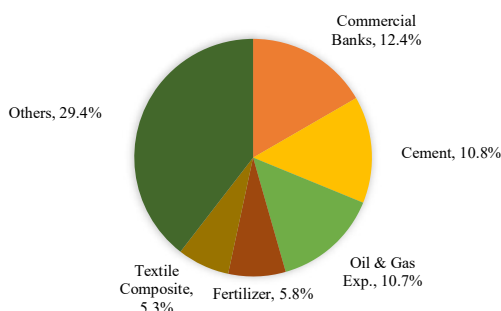
Jun'21

### NBP Sarmaya Izafa Fund

Fund Facts	
<b>Fund</b>	NBP Sarmaya Izafa Fund
<b>Fund Category</b>	Asset Allocation
<b>Launch Date</b>	20-Aug-10
<b>Trustee</b>	CDC
<b>Fund Size</b>	PKR 1,454mln
<b>AMC</b>	NBP Fund Management Limited
<b>AMC Rating</b>	AM1 (PACRA)
<b>Fund Manager</b>	Mr. Asim Wahab Khan, CFA
<b>Peer Universe</b>	Asset Allocation Category

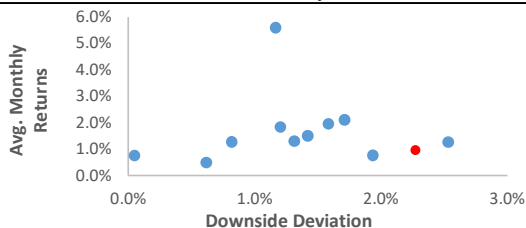
Asset Allocation		
	Jun'21	Dec'20
<b>Equities</b>	74.4%	45.6%
<b>Bank Placements</b>	-	-
<b>Cash</b>	18.9%	50.3%
<b>Others</b>	1.7%	1.0%
<b>TFC/Sukuk</b>	5.0%	3.1%

#### Sector-wise Portfolio (Jun'21)

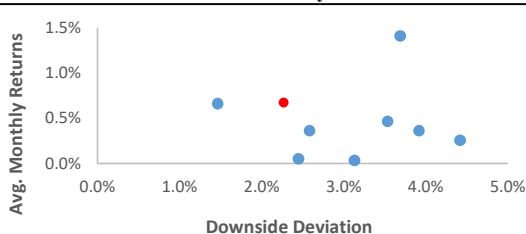


#### Risk

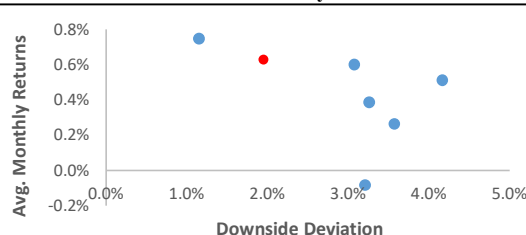
##### Return - Downside Deviation Analysis - 1 Year



##### Return - Downside Deviation Analysis - 3 Years



##### Return - Downside Deviation Analysis - 5 Years



History	June'21	Dec'20	Jun'20	Dec'19
<b>Fund Ranking 1Yr</b>	4-Star	4-Star	4-Star	3-Star
<b>Fund Ranking 3Yrs</b>	3-Star	3-Star	3-Star	3-Star
<b>Fund Ranking 5Yrs</b>	3-Star	4-Star	3-Star	4-Star
<b>Fund Size (PKR 'mln)</b>	1,454	1,579	1,258	1,436
<b>Category Size (PKR 'mln)</b>	9,363	14,490	10,059	8,157
<b>Fund NAV (PKR/Unit)</b>	16.9	16.8	14.6	17.0
<b>Fund Dividend (PKR/Unit)</b>	0.60	-	1.02	-

#### Fund's Objective

To generate income by investing in Debt & Money Market securities and to generate capital appreciation by investing in equity and equity related securities.

#### Asset Manager (Jun'21)

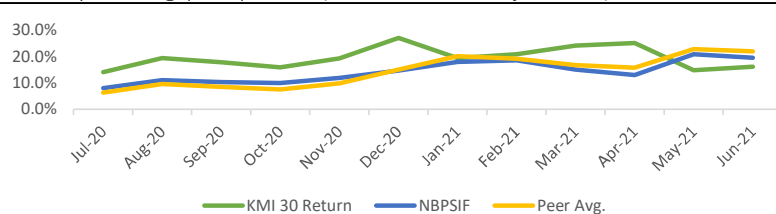
<b>Year of Incorporation</b>	2005
<b>Conventional Funds</b>	12
<b>Shariah-Compliant Funds</b>	15
<b>Voluntary Pension Schemes</b>	2
<b>Exchange Traded Fund</b>	1
<b>CEO</b>	Dr. Amjad Waheed, CFA
<b>CIO</b>	Mr. Sajjad Anwar, CFA
<b>AUM's</b>	PKR 168,074mln

#### Return Summary

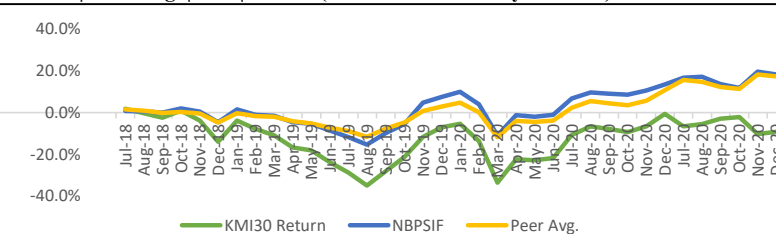
Period	NBPSIF	Peer Avg	Fund SD.	Peer SD.
<b>1QFY21</b>	10.2%	8.6%	4.3%	4.2%
<b>2QFY21</b>	4.1%	5.9%	1.5%	3.5%
<b>3QFY21</b>	0.2%	1.5%	2.9%	3.9%
<b>4QFY21</b>	4.0%	4.5%	4.9%	3.9%
<b>FY21</b>	19.6%	22.0%	3.4%	3.9%

#### Performance

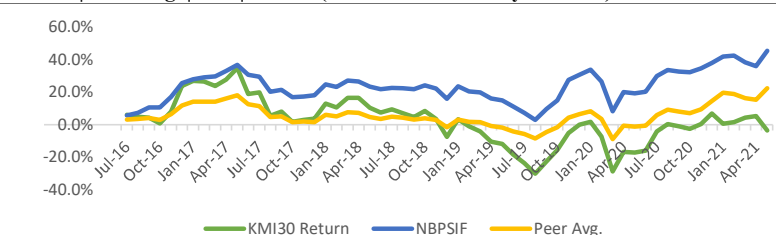
##### NBPSIF | Peer Avg. | 1Yr | Jun'21 (Cumulative Monthly Returns)



##### NBPSIF | Peer Avg. | 3Yr | Jun'21 (Cumulative Monthly Returns)



##### NBPSIF | Peer Avg. | 5Yr | Jun'21 (Cumulative Monthly Returns)





# Rankings Explained

Categorize Funds

Measure Absolute Returns (R)

Measure Risk adjusted Return (RAR)

Equal Weigh to R & RAR

Plot along Normal Distribution

Final Ranking

• Ranking is a purely quantitative measure, avoiding any biases. It is based on historical returns of a fund relative to other funds in similar category. PACRA mainly follows SECP guidelines (Circular No. 7 of 2009) for defining fund categories – each having distinct characteristics – and rankings of funds are comparable only in their respective category.

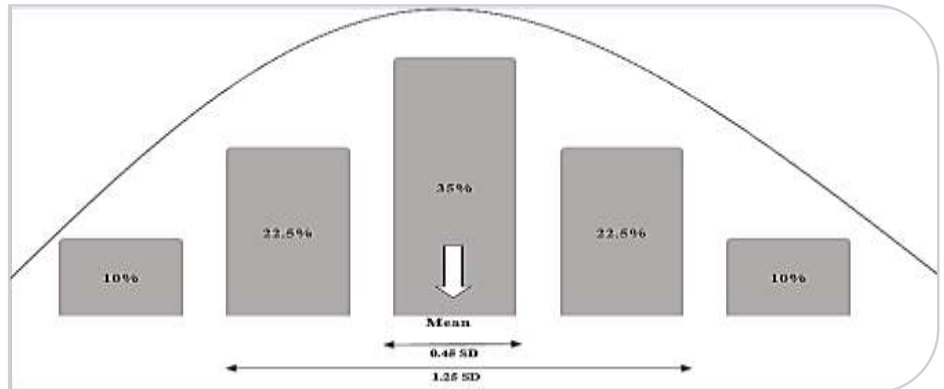
$$R = \frac{PE - PB}{PB} \pm A$$

- R = Total return for the month
- PE = End of month NAV (net assets value) per share/certificate
- PB = Beginning of month NAV per share/certificate
- A = Adjustments on account of cash dividend, bonus issue addition to capital.

$$RAR = \frac{R_n}{DD(R_f)}$$

- R<sub>n</sub> = Average monthly returns for the relevant period (trailing 12/36/60 monthly periods)
- DD = Downside Deviation of the monthly returns of the fund. DD is computed using the returns for the relevant period
- R<sub>f</sub> = Risk free rate: Monthly average of 6-Month T Bill Yield for the relevant period

- The fund's performance (measured by assigning 50 % weight each to the fund's return and risk adjusted return)



Weak	Below Average	Average	Good	Superior
★	★★	★★★	★★★★	★★★★★

- Rankings are calculated on the basis of performance during a particular period (12 months for 1-Year star ranking, 36 months for 3-Year star ranking and 60 months for 5-Year star ranking). For a particular fund the relevant period ranking will be disclosed.
- Only those funds are eligible for ranking that have remained operational throughout the given period.
- A month of a year is used as a reference period to calculate performance.
- Rankings are based on past performance of the fund. PACRA's opinion is not a recommendation to purchase, sell or hold a fund, in as much as it does not comment on the Fund's NAV or suitability for a particular investor.
- PACRA releases rankings twice a year; for the period ending in June and December.

## Disclosure

Name of Fund	NBP Sarmaya Izafa Fund
Sector	Mutual Fund
Type of Relationship	Solicited
Purpose of the Rating	Performance Ranking
Applicable Criteria	Performance Ranking Methodology – Jun’21
Related Research	Sector Study   Mutual Funds   Performance Ranking – Feb’21
Rating Analysts	Muhammad Junaid   <a href="mailto:muhammad.junaid@pacra.com">muhammad.junaid@pacra.com</a>

## Regulatory and Supplementary Disclosure

### Rating Team Statements

(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

### (2) Conflict of Interest

i. The Rating Team or any of their family members have no interest in this rating | Chapter III; 12-2-(j)

ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)

iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)]

Explanation: for the purpose of above clause, the term “family members” shall include only those family members who are dependent on the analyst and members of the rating committee Restrictions

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(6) PACRA fulfills its obligations in a fair, efficient, transparent and ethical manner and renders high standards of services in performing its functions and obligations; | Chapter III; 11-A-(a)

(7) PACRA uses due care in preparation of this Rating Report. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA does not, in every instance, independently verifies or validates information received in the rating process or in preparing this Rating Report |

(8) PACRA prohibits its employees and analysts from soliciting money, gifts or favors from anyone with whom PACRA conducts business | Chapter III; 11-A-(q)

(9) PACRA ensures before commencement of the rating process that an analyst or employee has not had a recent employment or other significant business or personal relationship with the rated entity that may cause or may be perceived as causing a conflict of interest; | Chapter III; 11-A-(r)

(10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)

(11) PACRA promptly investigates, in the event of a misconduct or a breach of the policies, procedures and controls, and takes appropriate steps to rectify any weaknesses to prevent any recurrence along with suitable punitive action against the responsible employee(s) | Chapter III; 11-B-(m)

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(12) PACRA receives compensation from the entity being rated or any third party for the rating services it offers. The receipt of this compensation has no influence on PACRA's opinions or other analytical processes. In all instances, PACRA is committed to preserving the objectivity, integrity and independence of its ratings. Our relationship is governed by two distinct mandates i) rating mandate - signed with the entity being rated or issuer of the debt instrument, and fee mandate - signed with the payer, which can be different from the entity

(13) PACRA does not provide consultancy/advisory services or other services to any of its customers or to any of its customers' associated companies and associated undertakings that is being rated or has been rated by it during the preceding three years unless it has adequate mechanism in place ensuring that provision of such services does not lead to a conflict of interest situation with its rating activities; | Chapter III; 12-2-(d)

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(19) PACRA reviews all outstanding ratings on semi-annual basis | Chapter III | 18-(b)

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