

THE PERFORMANCE OF MUTUAL FUNDS MANAGED BY HBL & MCB



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Abstract

Lot of research has been done on mutual funds performance internationally and locally. A small effort has done to evaluate the performance of mutual funds managed by HBL and MCB. The motive of the work done is to provide a small knowledge about the management of portfolios. Methodology used in this study is most common and accurate for the performance evaluation of mutual funds i.e. Sharpe Ratio, Jensen's Alpha and Treynor's Ratio. More over this study also focuses on the other attributes of the selected portfolios like Beta, standard deviation and Covariance, risk profile, management fee and asset allocation of the funds. Monthly data has been collected from monthly reports managed by mutual fund managers for the year 2008-2011. The results indicate the actual performance, risk analysis and returns of the funds they also show the contribution of risky and risk free funds in a portfolio. The results are compared with the benchmarks and a mutual comparison of both companies has also been done.

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