THE PERFORMANCE OF MUTUAL FUNDS MANAGED BY HBL & MCB

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Bahria University,Islamabad 2012

Acknowledgment

We are thankful to Allah Almighty who has given us the abilities to do sheer hard work and enthusiasm to perform well. We owe a special debt of gratitude to our generous teacher.

We are also grateful to **Mr. Ahmed Nauman Aness** who motivate us for writing a report which groomed us in art of identification and statement of issues, problems and concerns; determination of the parameters for purposes of in depth inquiry; drawling of a blowup of all the reluctant knowledge in order to reach a synthesis or reasoned out point of view at the end. We are thankful to our teacher who taught us such a zeal and vigor to enable us to present our thoughts and ideas in an arranged manner. We are also thankful to our parents

And special thanks to **Mr.Nadeem Ishtiaq** and many others who have helped each in their own way to make this project come alive.

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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