

"ANALYSIS OF GROWTH FUND IN PAKISTAN MUTUAL FUND INDUSTRY"

(2006-2010)

Supervised By:

Sir Omar Safdar

Submitted By:

Hassan Iqbal 01-220082-024

Junaid Ishaq 01-220082-030

Kudrat Sher 01-120082-090

Omer Rafique Paracha 01-220082-051

Department of Management Sciences
Bahria Institute of Management & Computer Sciences

TABLE OF CONTENT

1. INTRODUCTION	1
1.1 Background of the research	1
1.2. RESEARCH QUESTION:	5
1.3. RATIONALE OF THE STUDY	5
1.4. OBJECTIVE OF THE STUDY:	7
2. CONTEMPORARY RESEARCH	8
2.1. Literature Review:	8
3. RESEARCH DESIGN	12
3.1. The Sample	12
3.2. Sources of data and Procedure:	12
4. METHODOLOGY	13
4.1. Sharpe ratio Model	13
4.2. Jenson Differential Measure Model:	14
4.3. Trey nor Measure	15
5. GROWTH FUND ANALYSIS	16
5.1. First Capital Fund (CPMFI):	16
5.2. JS growth fund (JSGF):	25
5.3. PICIC Growth Fund (PGF):	35
6. CONCLUSION AND RECOMMENDATIONS	46
APPENDICES	47

BIBLIOGRAPHY

ERROR! BOOKMARK NOT DEFINED.

Abstract

Information about Mutual Funds allows investors to evaluate the performance of actively managed portfolios. In the current economic situations the normal investor has very limited avenues to invest their money. Numerous options are available but factors related to risk and return are the most effecting factors for decision.

In the last few years mutual fund industry has shown significant progress with reference to saving mobilization and important part of the overall financial markets. But still we are far behind the developed countries mutual fund industry. we mobilize savings from masses which may be laying an idle money at present. By doing so we would be able to improve the living standard of our countrymen through economic prosperity. This can be achieved through the introduction of different species of mutual funds and their performance. The success of this sector depends on the performance and the role of regulatory bodies. Excellent performance and stringent regulations will increase the popularity of mutual funds in Pakistan. To conclude some solid results for the investor decision we have selected some Growth funds and analyze their performances over the 5 year of time period. In the analysis, financial performance was measured using each fund's annualized five year return. Relative risk was year standard deviation. measured using a five Standard deviation measured the amount a fund deviates from expected Funds that have a history of volatile financial performance will demonstrate higher standard deviations and thus have higher financial risk. All statistics were gathered from Different companies' websites, their offices and some other second hand resources like regulatory bodies i.e. SECP, KSE.