MARKET TIMING PERFORMANCE OF SHARIAH-BASED MUTUAL FUNDS IN PAKISTAN: FAMA FRENCH THREE FACTOR MODEL APPROACH

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A Project submitted to Department of Management Studies, Bahria Business School, Bahria University – Karachi Campus, in partial fulfillment of the requirement for BS A&F Degree

BS (ACCOUNTING & FINANCE)

SPRING-2022
Bahria University Karachi Campus

PROJECT APPROVAL STATEMENT

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To the best of my knowledge, the aforementioned candidate's thesis has been finished to my satisfaction and is of sufficient quality to be presented at an examination. An HEC-recommended plagiarism check of this thesis revealed an index of similarity of _12%_ which is well within the allowed limit for a Bachelor thesis defined by the HEC. A format that is acceptable to Management Sciences has also been found.

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DECLARATION OF AUTHENTICATION

All of the components of this project have not been submitted to this university or any other educational institution as part of an application for a degree or certification.

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ACKNOWLEDGMENT

ABSTRACT

Mutual funds are increasingly being chosen as an investment vehicle in Pakistan by those who lack the knowledge necessary to effectively manage their wealth and minimize associated tax obligations. Businesses purchase mutual funds to lower both their corporate and individual tax obligations. Investors purchase mutual funds to preserve their money's value against inflation and receive tax benefits. Mutual funds are essential to a nation's economic growth. Its running engagement is seen from the fixed income's predominant position as well as the overall monetary marketplaces. By actively participating in the stock market and promoting stability, mutual funds are a source of substantial funds through consistent consumption of floating stocks. In this study, the data is collected from 19 Sharia Compliant Equity (Absolute Return) Mutual Funds. The period is from 2016-2021. The data is collected from MUFAP (Mutual Funds Association of Pakistan) and the Fund managers' reports from the Fund's website. This study aims to examine the market timing of Sharia-based mutual funds in Pakistan using the multi-factor model to see which factors influence the performance of Fund manager and hence the overall fund. The regression results show that the Fund managers do not possess the ability of Market timing for Shariah complaint mutual funds in Pakistan.