

PRESS RELEASE

NIT rules out the possibility of any huge selling

Mr.Wazir Ali Khoja, Chairman & Managing Director NIT said in a press release that the Government of Pakistan and all stakeholders are interested that the NIT-State Enterprise Fund should continue to play its role to support the stock market. In this regard Government of Pakistan has shown its willingness to extend the period of guarantee to the lending institutions who have already given their consent for the extension of period of financing to NITL He ruled out the possibility of any huge selling by NIT to pay off the loans obtained for launching of NIT-SEF.

He said that NIT-SEF was launched in January 2009 to support the stock market by investing into stocks of eight listed state enterprises where GOP has substantial shareholding. The Fund was launched to support the stock market at a time when the market was passing through unprecedented crises and the KSE-100 Index was hovering around 6,000 levels. After the launch of this Fund the stock market started a fast recovery and reached 7200 level as on 30.06.2009, within a period of just 5 months. Since then the Fund has been playing a significant role in stabilizing the stock market whenever the need for support was felt. The Fund succeeded in achieving its objective and today the KSE-100 is trading around 11,500. Besides this, the Fund due to its timely and prudent investment decisions has managed to achieve a splendid return of 136% (since inception till 9th Dec. 2011), thereby outperforming its benchmark by a significant margin of 46%.

Mr.Khoja said that at present the stock market is going through a difficult time amid low volumes which indicate that the reasons for which the Fund was launched still exist. Therefore all the stakeholders including the GOP have reposed their confidence in NIT and are interested to see the Fund functioning normally to support the stock market.
