



NIT GOVERNMENT BOND FUND



FUND MANAGER REPORT - February 2018

Fund's Basic Informations		Objective of the fund
Fund Type	Open-End	The objective of NIT Government Bond Fund is to generate best possible return with minimum risk, for its Unit Holders, by investing primarily in the Government Securities.
Category	Income Fund	
Launch Date	18 th November 2009	Profile of Investment Managers
Listing	PSX	National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 102 billion assets under management as on 28 February 2018, the family of Funds of NIT comprises of ten funds including 4 equity funds, 2 fixed income funds, 1 money market fund, 1 islamic income fund, 1 conventional pension fund and 1 islamic pension fund. NIT's tally of nationwide branches is 23 and sales desk is also available in financial hub at Abbotabad, yet another milestone as no Asset Management Company in Pakistan has such a big network of branches. Further to cater to the matters relating to investments in NITL managed Funds and day to day inquiries/issues of their unit holders, a state of the art Investors' Facilitation Centre is also in place. The Board of Directors of NITL consists of representatives of leading financial institutions, prominent industrialists and a nominee of Govt. of Pakistan. The Company has been assigned an Asset Manager rating of "AM2++" by PACRA, which reflects the company's high investment management industry standards and benchmarks with noted strengths in several of the rating factors. All Investment decisions are taken by the Investment Committee of the respective fund.
Stability Rating	AA (f) (PACRA) 12-Dec-17	
Management Fee	10% of Gross Earnings, subject to minimum 0.50% p.a. and maximum 1% p.a. of Average Annual Net Assets	
Front End Load*	1.00%	
Back End Load	Nil	
Cut-off timing	3:30 PM	
Par Value	PKR 10.00	
Min Subscription	Growth Unit PKR 5,000 Income Unit PKR 100,000	
Trustee	Central Depository Co. (CDC)	
Auditors	KPMG Taseer Hadi	
Registrar	National Investment Trust Ltd.	Fund Performance Review
Pricing Mechanism	Forward Day Pricing	The YTD return for FY18 stood at 5.03% p.a. against the benchmark return of 6.04% p.a. The Fund posted an annualized return of 5.07% p.a for the month of February against its benchmark return of 6.24% p.a.
Valuation Days	Daily (Monday to Friday) except public holiday	The Consumer Price Index (CPI) for the month of February reduced to 3.80% versus 4.40% over the previous month. The 8MFY18 average CPI inflation now stands at 3.84% compared to 3.90% during the previous fiscal year.
Redemption Days	Daily (Monday to Friday) except public holiday	As at February 28 2018, the Fund had an exposure of about 18% of total assets in PIBs, about 55% of total assets in T-bills and the remaining was in the form of cash at bank and other assets. The weighted average time to maturity of the portfolio stood at 33 days.
Subscription Days	Each valuation day	
AMC Rating	AM2++ (PACRA) 8-Dec-17	
Risk Profile	Low	
Fund Manager	Shoaib Ahmad Khan	
*Varies as per policy.		

Benchmark	Asset Quality as of 28 February 2018 (% of TA)	Asset Allocation (% of TA)		
Average of 6M PKRV				
		Jan-18	Feb-18	
Technical Information		T-Bills	53.58%	55.46%
Net Assets	PKR 4.44 Bn	PIBs	18.39%	17.86%
NAV per Unit (Feb 28, 2018)	10.2962	Cash	26.96%	25.55%
Weighted Avg. Maturity (Days)	33	Others	1.07%	1.13%
Leveraging	Nil			
Standard Deviation of Return	0.004			
Total Expense Ratio*	1.11%			

*This includes 0.27% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.

Fund's Return v/s Benchmark			NIT GBF Year to Date Return v/s Benchmark					
February-18	NIT-GBF 5.07%	Benchmark 6.24%						
Year to Date	5.03%	6.04%						
12 M Trailing	5.06%	6.02%						
3 Years **	6.14%	5.96%						
5 Years **	8.97%	7.08%						
Since Inception	12.26%	8.42%						
** Simple annualized return			Performance Period					
(Returns are calculated inclusive of dividends)				FY17	FY16	FY15	FY14	FY13
			NIT-GBF	5.28%	5.78%	13.86%	7.64%	9.93%
			Benchmark	5.80%	5.78%	8.17%	8.80%	8.80%

SINDH-WWF Disclosure: The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.11.91M, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0276/ 0.42%.

Members of the Investment Committee		
Manzoor Ahmed, COO/Managing Director	Aamir Amin, Head of Finance	Ali Kamal, Head of Research
Shoaib A. Khan, SVP/ Fund Manager	Ammar Habib, Incharge/Manager Risk Mgmt.	Faisal Aslam, Head of Compliance

MUFAP's Recommended Format.

Disclaimer: This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

Note: Performance data does not include the cost incurred directly by an investor in the form of sales load etc.

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