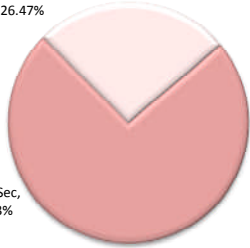


NIT GOVERNMENT BOND FUND

FUND MANAGER REPORT -February 2015

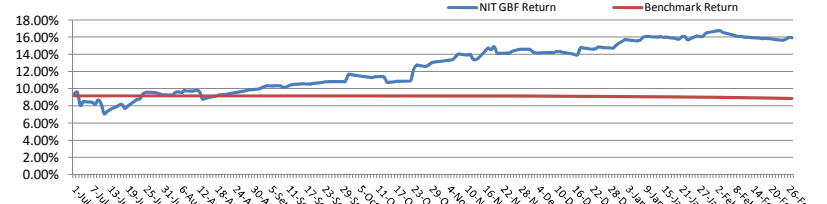
Fund's Basic Informations		Objective of the fund
Fund Type	Open-End	<p>The objective of NIT Government Bond Fund is to generate best possible return with minimum risk, for its Unit Holders, by investing primarily in the Government Securities.</p> <p>Profile of Investment Managers</p> <p>National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 97 billion assets under management as on 27 February 2015, the family of Funds of NIT comprises of five funds including 3 equity funds and 2 fixed income Funds. NIT's tally of nationwide branches is 23, yet another milestone as no Mutual Fund 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 very strong capacity to manage risks inherent in the asset management business and the asset manager meets very high investment management industry standards and benchmarks. All Investment decisions are taken by the Investment Committee of NITL.</p> <p>Fund Performance Review</p> <p>NIT Government Bond Fund generated an annualized return of 10.23% for the month of February and outperformed its benchmark return of 7.76% p.a. by 2.47%. The YTD return for FY15 stood at 15.92% p.a. against the benchmark return of 8.86% p.a., thus out-performing its benchmark by 7.06%.</p> <p>In the recent PIB auction held in the month of February, the government raised PKR. 60.8bn against the hefty participation of PKR. 240bn. The cut-off yields of 3, 5 and 10 years declined to 8.50%, 9.14% and 9.80% as compared to last PIB auction's cut-off yields at 8.88%, 9.75% and 10.00% respectively.</p> <p>The Consumer Price Index (CPI) for the month of February dipped to 3.24% from 3.9% year on year over the previous month. Overall inflation for the period July-February 2015 stood at 5.45% which is in-line with the SBP full year target of 4.5%-5.5% for FY15. Decrease in inflation was expected, led by decrease in food prices and transportation.</p> <p>As at February 27, 2015, the Fund had an exposure of about 74% in PIBs, 25% in Cash at Bank and the remaining was in the form of other assets, whereas the weighted average time to maturity of the portfolio stood at 711 days.</p>
Category	Income Fund	
Launch Date	18 th November 2009	
Listing	KSE, LSE & ISE	
Stability Rating	AA- (f) (PACRA) 11-Jun-14	
Management Fee	1.25%	
Front End Load*	1.00%	
Back End Load	Nil	
Cutt-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.	
Pricing Mechanism	Forward Day Pricing	
Valuation Days	Daily (Monday to Friday) except public holiday	
Redemption Days	Daily (Monday to Friday) except public holiday	
Subscription Days	Each valuation day	
AMC Rating	AM2- (PACRA) 21-Apr-14	
Risk Profile	Low	
Fund Manager	Shoaib Ahmad Khan	

* Varies as per policy

Benchmark		Asset Quality as of 27 February 2015 (% of TA)		Asset Allocation (% of TA)		
Average of weighted average yield of 6 month T-Bill auctions held during the period	70%	AA+, 26.47%				
1 month average deposit rate of A and above rated scheduled banks	30%	Govt. Sec, 73.53%				
					Jan-15	Feb-15
					T-Bills	6.96%
				PIBs	68.35%	73.53%
				Rev Repo	0.00%	0.00%
				Cash	24.07%	25.23%
				Others	0.63%	1.24%

NIT GBF Year to Date Return v/s Benchmark

Fund's Return v/s Benchmark		
	NIT-GBF	Benchmark*
Feb-15	10.23%	7.76%
Year to Date	15.92%	8.86%
12 M Trailing	13.73%	8.96%
3 Years	11.15%	8.97%
Since Inception	13.26%	9.81%



* Last updated deposit rates of few banks.

Performance Period	FY14	FY13	FY12	FY11	FY10*
NIT-GBF	7.64%	9.93%	9.76%	11.19%	10.72%
Benchmark	8.80%	8.80%	10.64%	11.33%	10.42%

* From Nov 18, 2009 to Jun30, 2010

WWF Disclosure- The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 40.68m, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0541/ 0.81%. For details investors are advised to read the Note 8.1 of the latest Financial Statement of the Scheme.

Members of the Investment Committee

Shahid Ghaffar, Managing Director	Manzoor Ahmed, Chief Operating Officer	Shahid Anwar, Head of MD's Sectt. & Personnel
Aamir Amin, Head of Finance	M. Imran Rafiq, CFA, Head of Research	Zubair Ahmed, Controller of Branches/ Comp. Secretary
Shoaib. A. Khan, SVP/ Fund Manager	Ammar Habib, Incharge/Manager Risk Mgmt.	Syed Aqib Hussian, Incharge Compliance

MUFAP's Recommended Format.

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

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