

NIT GOVERNMENT BOND FUND

FUND MANAGER REPORT - June 2014

Fund's Basic Informations

Fund Type	Open-End
Category	Income Fund
Launch Date	18 th November 2009
Listing	KSE, LSE & ISE
Stability Rating	AA- (f) (PACRA)
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)
Risk Profile	Low
Fund Manager	Shoab Ahmad Khan

Objective of the fund

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.

Profile of Investment Managers

National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 86 billion assets under management as on 30 June 2014, the family of Funds of NIT comprises of five funds including 3 equity funds and 2 fixed income nature Funds. NIT's tally of nationwide branches is 23, yet another milestone as no Mutual Fund in Pakistan has such a big network of nationwide 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 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 the 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.

Fund Performance Review

NIT Government Bond Fund posted an annualized return of 8.34% p.a. for the month of June against the benchmark return of 9.16% while the return for FY14 stood at 7.64% against the benchmark return of 8.80%.

The fund remained invested in Government Securities by about 94% of total assets out of which around 48% were allocated in Treasury Bills and 47% in PIBs, while the remaining is in the form of cash and other assets. At the end of the month, weighted average time to maturity of the portfolio stood at 577 days.

The Fund has declared an interim payout at the rate of Rs. 0.75 per unit for the year ending June 30, 2014.

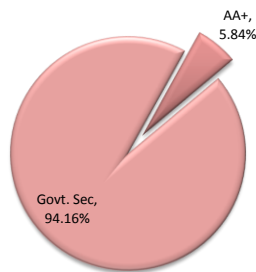
Going forward, the fund will closely monitor various economic indicators and re-structure the portfolio in order to earn better returns.

* Varies as per policy

Benchmark

Average of weighted average yield of 6 month T-Bill auctions held during the period	70%
1 month average deposit rate of A and above rated scheduled banks	30%

Credit Rating as of June 30, 2014 (% of TA)



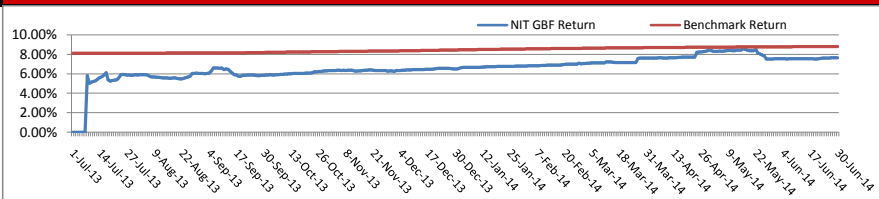
Asset Allocation (% of TA)

	May-14	Jun-14
T-Bills	41.24%	47.57%
PIBs	43.27%	46.59%
Rev Repo	6.41%	0.00%
Cash	6.86%	2.97%
Others	2.22%	2.87%

Technical Information

Net Assets	PKR 4.2 Bln
NAV per Unit (June 30, 2014)	10.8539
Ex-Dividend Nav	10.1039
Weighted Avg. Maturity (Days)	577
Leveraging	Nil
Standard Deviation of Return	0.04

NIT GBF Year to Date Return v/s Benchmark



Fund's Return v/s Benchmark

	NIT-GBF	Benchmark*
June-14	8.34%	9.16%
Year to Date	7.64%	8.80%
Since Inception	11.65%	9.95%
12 M Trailing	7.64%	8.80%

WWF Disclosure: The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 31.04m, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0753/ 0.80%. For details investors are advised to read the Note 10 of the latest Financial Statement of the Scheme.

* Last updated deposit rates of few banks.

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
Shoab. A. Khan - SVP/ Fund Manager	M. Atif Khan - Manager Compliance and Risk Mgmt	

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 and Securities are subject to Market Risks. Our target return/dividend range can not be guaranteed. NIT-GBFs unit price is neither guaranteed nor administered/managed. It is based on Net Asset Value (NAV) and the NAV of NIT-GBF Units may go up or down depending upon the factors and forces affecting the Market. Past performance is not indicative of future results.

National Investment Trust Ltd,
National Bank Building, (6th Floor)
I.I. Chundrigar Road, P.O Box # 5671.
Karachi - 74000, Pakistan
Tel: 111-648-648