



## NIT GOVERNMENT BOND FUND



FUND MANAGER REPORT - OCTOBER 2018

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><b>Profile of Investment Managers</b></p> <p>National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 92 billion assets under management as on 31 October 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, no other Mutual Fund in Pakistan has such a vast 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 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.</p> <p><b>Fund Performance Review</b></p> <p>The Fund posted an annualized return of 6.91% p.a for the month of October against its benchmark return of 9.00% p.a. The YTD return for FY19 stood at 6.27% p.a. against the benchmark return of 8.07% p.a.</p> <p>The Consumer Price Index (CPI) for the month of October increased to 7.00% versus 5.12% over the previous month. The 4MFY19 average CPI inflation now stands at 5.95% compared to 3.50% during the previous fiscal year.</p> <p>As at October 31 2018, the Fund had an exposure of about 80% 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 55 days.</p>
Category	Income Fund	
Launch Date	18 <sup>th</sup> November 2009	
Listing	PSX	
Stability Rating	AA (f) (PACRA) 30-June-18	
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	A.F. Ferguson & Co.	
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) 8-Dec-17	
Risk Profile	Low	
Fund Manager	Shoab Ahmad Khan	
Total Expense Ratio (Annualized)	1.37% (This includes 0.31% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.)	
Total Expense Ratio (Absolute)	0.46% (This includes 0.11% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.)	

Benchmark	Asset Quality as of 31 October 2018 (% of TA)	Asset Allocation (% of TA)		
Average of 6M PKRV		Sep-18	Oct-18	
<b>Technical Information</b>		T-Bills	69.28%	80.44%
Net Assets	PKR 3.77 Bln	PIBs	0.00%	0.00%
NAV per Unit (October 31, 2018)	10.1415	Cash	28.31%	17.35%
Weighted Avg. Maturity (Days)	55	Others	2.42%	2.20%
Leveraging	Nil			
Standard Deviation of Return	0.009			

Fund's Return v/s Benchmark			NIT GBF Year to Date Return v/s Benchmark					
October-18	NIT-GBF	Benchmark						
Year to Date	6.91%	9.00%	Performance Period	FY18	FY17	FY16	FY15	FY14
12 M Trailing	6.27%	8.07%	NIT-GBF	5.06%	5.28%	5.78%	13.86%	7.64%
3 Years **	5.49%	6.89%	Benchmark	6.20%	5.80%	5.78%	8.17%	8.80%
5 Years **	5.63%	6.15%						
Since Inception	8.67%	6.94%						
	12.20%	8.33%						

**Members of the Investment Committee**

Manzoor Ahmed, COO/Managing Director	Aamir Amin, Head of Finance	Ali Kamal, Head of Research
Shoab A. Khan, SVP/ Fund Manager	Syed Ali Raza Bukhari, Head of Marketing	Faisal Aslam, Head of Compliance
Ammar Habib, Incharge/Manager 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 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.

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