

NIT GOVERNMENT BOND FUND



FUND MANAGER REPORT - NOVEMBER 2012

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	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)
Risk Profile	Low
Fund Manager	Khurram Aftab Ahmed

* Varies as per policy

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 Asset Management Company of Pakistan, formed in 1962. NITL is the largest asset management company of Pakistan with approximately Rs. 75 billion assets under management. The family of Funds of NIT comprises of five funds including 3 equity Funds and 2 fixed income nature Funds. NIT's distribution network comprises of 23 NIT branches, various Authorized bank branches all over Pakistan and Arab Emirates Investment Bank (AEIB) in Dubai(UAE). NIT recently launched a state of the art Investors' Facilitation Centre to cater matters relating to investments in NIT and day to day inquiries/ issues of NIT's unit holders regarding NIT Funds. 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 Pakistan Credit Rating Agency, 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 yielded an annualized return of 6.11% for the month of November 2012 while its benchmark stood at 8.36%. The annualized return for the current year stood at 11.20% while its benchmark was 9.39%. The Consumer Price Index for the month of November was 6.93%, down from 7.7% in the previous month. This has now come down to almost a five year low. IMF recently concluded its report and showed concerns on macro-economic outlook on the back of persisting energy crises adversely impacting growth, high fiscal deficit supported by accommodating monetary policy, vulnerable external account position and a likely resurgence of inflation to double digits.

On the money market front, SBP conducted two T-Bill auctions during the month and cut-off yields at the end of the month stood at 9.3207%, 9.3401% and 9.3870% for 3, 6 and 12 months respectively, cut off yields increasing slightly over the previous months.

The fund remains invested in the tune of 99% of total assets in Govt. Securities, mainly comprising of Treasury Bills while the remaining is in the form of cash and other assets. NIT GBF continues with a weighted average time to maturity of its portfolio of 200 days.

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%

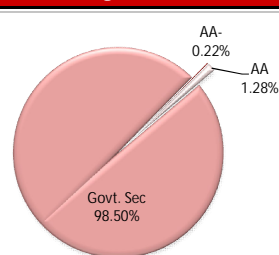
Technical Information

Net Assets	PKR 3.7 Bln
NAV per Unit (Nov 30 2012)	Rs. 10.4409
Weighted Avg. Maturity (Days)	200
Leveraging	Nil
Standard Deviation of Return	0.05

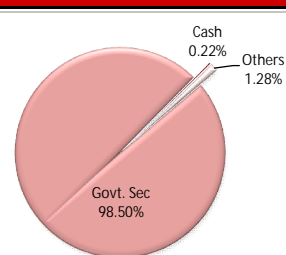
Fund's Return v/s Benchmark

	NIT-GBF	Benchmark
October-12	11.80%	8.73%
November-12	6.11%	8.36%
Year to Date	11.20%	9.39%
Since Inception	11.88%	10.65%
12 M Trailing	9.13%	9.89%

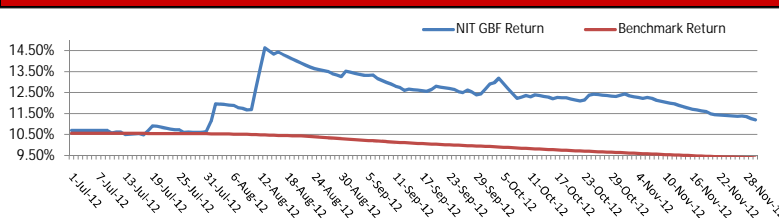
Credit Rating as of Nov 2012 (% of TA)



Asset Allocation as of Nov 2012 (% of TA)



NIT GBF Year to Date Return v/s Benchmark



WWF Disclosure- The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 19,862m, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0566/ 1.35%. For details investors are advised to read the Note 5 of the latest Financial Statement of the Scheme.

Members of the Investment Committee

Wazir Ali Khoja - Managing Director	Manzoor Ahmed - Chief Operating Officer	Aamir Amin - Head of Finance
Shahid Anwar - Head of MD's Sectt. & Personnel	Zubair Ahmed - Controller of Branches/ Comp. Secretary	Khurram Aftab - Fund Manager
M. Imran Rafiq, CFA - Head of Research	M. Atif Khan - Manager Compliance and Risk Mgmt	

MUFAP's Recommended Format.

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