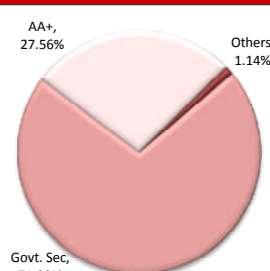


## NIT GOVERNMENT BOND FUND

FUND MANAGER REPORT - November 2015

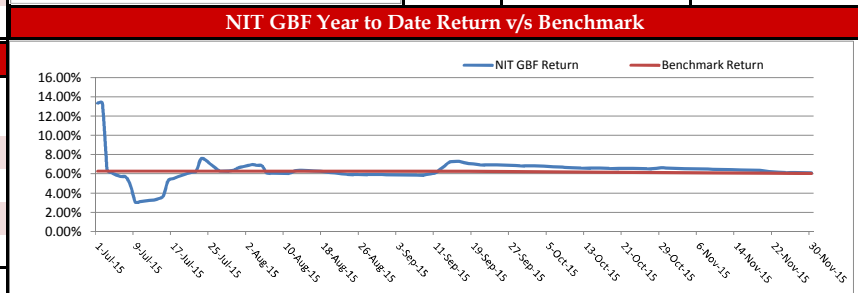
| Fund's Basic Informations |  | Objective of the fund   |
|---------------------------|--|---|
| Fund Type                 | Open-End   | <p>The objective of NIT Government Bond Fund is to generate best possible return with minimum risk, for its Unit Holders, by investing primarily in the Government Securities.</p> <p><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. 86 billion assets under management as on 30 November 2015, the family of Funds of NIT comprises of eight funds including 4 equity funds, 2 fixed income funds, 1 conventional pension fund and 1 Islamic pension fund. NIT's tally of nationwide branches is 23, 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 NITL.</p> <p><b>Fund Performance Review</b></p> <p>The YTD return for FY16 stood at 6.10% p.a. against the benchmark return of 6.03% p.a. The Fund posted an annualized return of 4.02% p.a for the month of November against its benchmark return of 5.70% p.a.</p> <p>The Consumer Price Index (CPI) for the month of November stood at 2.7% increasing from 1.6% over the previous month. The average 5 month CPI inflation now stands at 1.86% while SBP has targeted a rate of 4.5% to 5.5% for the FY16.</p> <p>As at November 30, 2015, the Fund had an exposure of about 15.40% of total assets in PIBs, 55.90% 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 166 days.</p> |
| Category                  | Income Fund                                      |   |
| Launch Date               | 18 <sup>th</sup> November 2009                   |   |
| Listing                   | KSE, LSE & ISE                                   |   |
| Stability Rating          | AA- (f) (PACRA) 19-Mar-15                        |   |
| 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<br>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) 14-Apr-15                            |   |
| Risk Profile              | Low  |   |
| Fund Manager              | Shoab Ahmad Khan                                 |   |
| * Varies as per policy    |  |   |

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

| Asset Quality as of 30 November 2015 (% of TA)                                      | Asset Allocation (% of TA) |               |
|---|----------------------------|---------------|
|  |                            |               |
|   | <b>Oct-15</b>              | <b>Nov-15</b> |
| T-Bills   | 54.35%                     | 55.90%        |
| PIBs  | 19.71%                     | 15.40%        |
| Rev Repo  | 0.00%                      | 0.00%         |
| Cash  | 24.90%                     | 27.56%        |
| Others  | 1.04%                      | 1.14%         |

| Technical Information            |             |
|----------------------------------|-------------|
| Net Assets                       | PKR 4.63Bln |
| NAV per Unit (November 30, 2015) | 10.3809     |
| Weighted Avg. Maturity (Days)    | 165.71      |
| Leveraging                       | Nil         |
| Standard Deviation of Return     | 0.02        |

| Fund's Return v/s Benchmark |                |                   |
|-----------------------------|----------------|-------------------|
|                             | <b>NIT-GBF</b> | <b>Benchmark*</b> |
| November-15                 | 4.02%          | 5.70%             |
| Year to Date                | 6.10%          | 6.03%             |
| 12 M Trailing               | 10.05%         | 6.88%             |
| 3 Years **                  | 10.66%         | 8.12%             |
| Since Inception             | 13.18%         | 9.38%             |



\* Last updated deposit rates of few banks.

\*\* Simple annualized return

| Performance Period | FY15   | FY14  | FY13  | FY12   | FY11   |
|--------------------|--------|-------|-------|--------|--------|
| NIT-GBF            | 13.86% | 7.64% | 9.93% | 9.76%  | 11.19% |
| Benchmark          | 8.17%  | 8.80% | 8.80% | 10.64% | 11.33% |

**WWF Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 39.15m up to 30-June-2015 and thereafter has stopped further provisioning, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0878/ 2.07%. For details investors are advised to read the Note 19 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 |
| Shoab A. Khan, SVP/ Fund Manager  | Ammar Habib, Incharge/Manager Risk Mgmt. | Syed Aqib Hussian, Incharge 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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