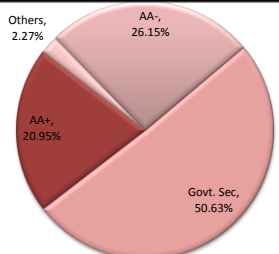


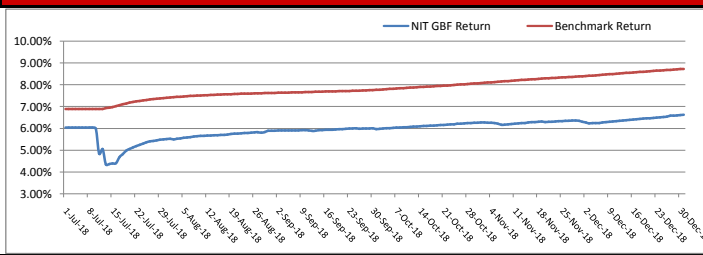
## NIT GOVERNMENT BOND FUND



FUND MANAGER REPORT - DECEMBER 2018

Fund's Basic Informations		Objective of the fund
<b>Fund Type</b>	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. 85 billion assets under management as on 31 December 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 24, 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 7.81% p.a for the month of December against its benchmark return of 10.44% p.a. The YTD return for FY19 stood at 6.63% p.a. against the benchmark return of 8.73% p.a.</p> <p>The Consumer Price Index (CPI) for the month of December decreased to 6.17% versus 6.50% over the previous month. The 6MFY19 average CPI inflation now stands at 6.05% compared to 3.75% during the previous fiscal year.</p> <p>As at December 31 2018, the Fund had an exposure of about 51% 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 25 days.</p>
<b>Category</b>	Income Fund	
<b>Launch Date</b>	18 <sup>th</sup> November 2009	
<b>Listing</b>	PSX	
<b>Stability Rating</b>	AA (f) (PACRA) 31-Dec-18	
<b>Management Fee</b>	10% of Gross Earnings, subject to minimum 0.50% p.a. and maximum 1% p.a. of Average Annual Net Assets	
<b>Front End Load*</b>	1.00%	
<b>Back End Load</b>	Nil	
<b>Cut-off timing</b>	3:30 PM	
<b>Par Value</b>	PKR 10.00	
<b>Min Subscription</b>	Growth Unit PKR 5,000 Income Unit PKR 100,000	
<b>Trustee</b>	Central Depository Co. (CDC)	
<b>Auditors</b>	A.F. Ferguson & Co.	
<b>Registrar</b>	National Investment Trust Ltd.	
<b>Pricing Mechanism</b>	Forward Day Pricing	
<b>Valuation Days</b>	Daily (Monday to Friday) except public holiday	
<b>Redemption Days</b>	Daily (Monday to Friday) except public holiday	
<b>Subscription Days</b>	Each valuation day	
<b>AMC Rating</b>	AM2++ (PACRA) 5-Nov-18	
<b>Risk Profile</b>	Low	
<b>Fund Manager</b>	Shoab Ahmad Khan	
<b>Total Expense Ratio (Annualized)</b>	1.42% (This includes 0.33% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.)	
<b>Total Expense Ratio (Absolute)</b>	0.71% (This includes 0.16% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.)	

Benchmark	Asset Quality as of 31 December 2018 (% of TA)	Asset Allocation (% of TA)		
Average of 6M PKRV		Nov-18	Dec-18	
<b>Technical Information</b>		T-Bills	80.56%	50.63%
<b>Net Assets</b>	PKR 3.80 Bln	PIBs	0.00%	0.00%
<b>NAV per Unit (December 31, 2018)</b>	10.2637	Cash	17.28%	47.10%
<b>Weighted Avg. Maturity (Days)</b>	25	Others	2.16%	2.27%
<b>Leveraging</b>	Nil			
<b>Standard Deviation of Return</b>	0.028			

Fund's Return v/s Benchmark			NIT GBF Year to Date Return v/s Benchmark																						
<b>December-18</b>	<b>NIT-GBF</b>	<b>Benchmark</b>																							
<b>Year to Date</b>	7.81%	10.44%																							
<b>12 M Trailing</b>	6.63%	8.73%																							
<b>3 Years **</b>	5.89%	7.57%																							
<b>5 Years **</b>	5.81%	6.39%																							
<b>Since Inception</b>	8.68%	6.98%																							
<b>Since Inception</b>	12.25%	8.36%																							
** Simple annualized return (Returns are calculated inclusive of dividends)			<table border="1"> <thead> <tr> <th>Performance Period</th> <th>FY18</th> <th>FY17</th> <th>FY16</th> <th>FY15</th> <th>FY14</th> </tr> </thead> <tbody> <tr> <td>NIT-GBF</td> <td>5.06%</td> <td>5.28%</td> <td>5.78%</td> <td>13.86%</td> <td>7.64%</td> </tr> <tr> <td>Benchmark</td> <td>6.20%</td> <td>5.80%</td> <td>5.78%</td> <td>8.17%</td> <td>8.80%</td> </tr> </tbody> </table>					Performance Period	FY18	FY17	FY16	FY15	FY14	NIT-GBF	5.06%	5.28%	5.78%	13.86%	7.64%	Benchmark	6.20%	5.80%	5.78%	8.17%	8.80%
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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.		
<p><b>MUFAP's Recommended Format.</b></p> <p><b>Disclaimer:</b> 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.</p> <p><b>Note:</b> Performance data does not include the cost incurred directly by an investor in the form of sales load etc.</p>		
<p>National Investment Trust Ltd, National Bank Building, (6th Floor) I.I. Chundrigar Road, P.O Box # 5671. Karachi - 74000, Pakistan Tel: 111-648-648</p>		