

## NIT INCOME FUND



### FUND MANAGER REPORT - MAY 2013

Fund's Basic Information		Objective of the fund
Fund Type	Open-End	The objective of NIT Income Fund is to generate competitive stream of return with moderate level of risk for its unit holders, by investing primarily in fixed income securities/instruments.
Category	Income Fund	
Launch Date	19 <sup>th</sup> February 2010	<b>Profile of Investment Managers</b> 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. 82 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 tally of nationwide branches has gone to 24, yet another milestone as no Mutual Fund in Pakistan has such a big network of nationwide branches. NIT's distribution network also comprises of various Authorized bank branches all over Pakistan and in Dubai (UAE) through Arab Emirates Investment Bank (AEIB). Further to cater to the matters relating to investments in NIT and day to day inquiries/issues of its 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.
Listing	KSE, LSE & ISE	
Stability Rating	A+ (f) (PACRA)	
Management Fee	1.25%	
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.	<b>Fund Performance Review</b> NIT IF annualized return for the current year stands at 9.49% while its benchmark return was 9.97%. The fund yielded an annualized return of 6.42% during the month of May 2013. The benchmark six month KIBOR averaged at 9.60% during the month of May.  The Consumer Price Index (CPI) for the month of May was recorded at 5.13%. Secondary market rates for longer tenors securities eased as market expectations were that CPI would be lower than 5%, this led to anticipation for a cut in discount rates during the next Monetary Policy statement announcement.  NIT IF's asset allocation at the end of the month has around 15% of its total assets in TFCs while around 76% of total assets are invested in Government Securities and about 8% of its exposure is in COIs and LOP. The remaining assets are in the form of cash and other assets.
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	Moderate	
Benchmark	6-Month KIBOR	
Fund Manager	Khurram Aftab Ahmed	

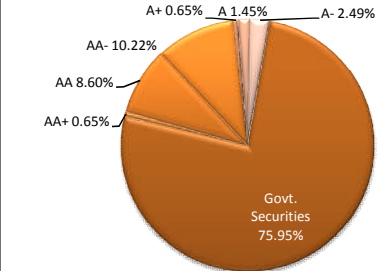
\* Varies as per policy

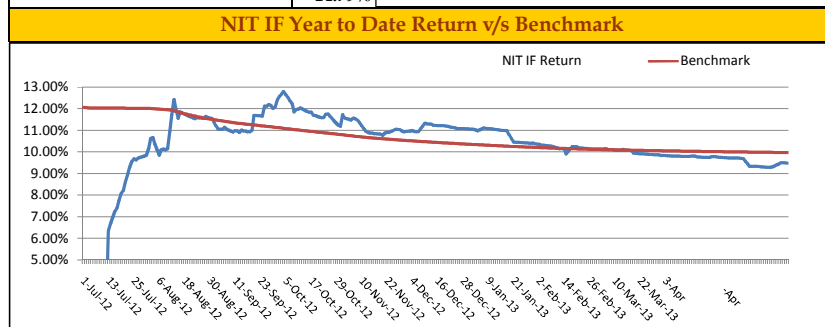
Technical Information	
Net Assets	Rs. 3.8 Bln
NAV per Unit (May 31 2013)	11.1860
Weighted Avg. Maturity(Days)	369
Leveraging	Nil
Standard Deviation of Return	0.12

Fund Returns v/s Benchmark		
	NIT-IF	Benchmark
May-13	6.42%	9.60%
Year to Date	9.49%	9.97%
Trailing12M Avg.	9.69%	10.15%

Asset Allocation (% of Total Assets)		
	May-13	Apr-13
Govt. Sec	75.95%	76.01%
TFCs/Sukuks	14.79%	14.91%
TDR	0.00%	0.00%
LOP	0.00%	1.30%
COI	7.81%	6.50%
Cash	0.67%	0.56%
Others	0.78%	0.71%

TFC Holdings (% of TA)	Credit Quality of the Portfolio (% of TA)
Bank Al-Habib Ltd. IV	2.91%
Bank Al-falah Ltd. IV	2.88%
Summit Bank Ltd	2.49%
Askari Bank Ltd. III	2.10%
Engro Fertilizer Ltd. TFC IV	1.45%
Bank Al-Habib Ltd. III	1.39%
United Bank Ltd. IV	0.92%
NIB Bank TFC	0.65%
	14.79%





**WWF Disclosure** - The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 18,545M, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0544/ 0.57%. For details investors are advised to read the Note 16 of the latest Financial Statement of the Scheme.

### Members of the Investment Committee

Manzoor Ahmed - COO / Managing Director	Shahid Anwar - Head of MD's Sectt. & Personnel	Aamir Amin - Head of Finance
Aamir Amin - Head of Finance	Zubair Ahmed - Controller of Branches/Comp. Secretary	Khurram Aftab - 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-IFs unit price is neither guaranteed nor administered/managed. It is based on Net Asset Value (NAV) and the NAV of NIT-IF Units may go up or down depending upon the factors and forces affecting the Market. Past performance is not indicative of future results.

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