



# NIT ISLAMIC INCOME FUND



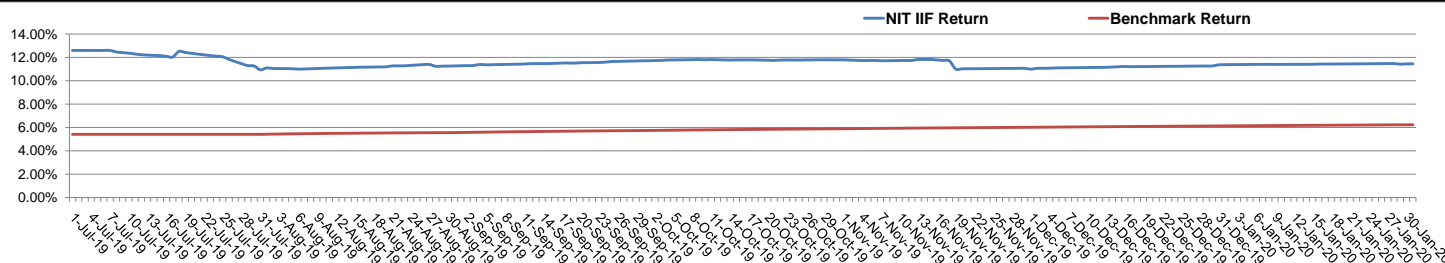
## FUND MANAGER REPORT - JANUARY 2020

### Performance %

Performance Period	FY19	FY18	FY17	FY16	FY15
NIT-IIF	8.17%	4.41%	4.61%	Launched on 4th July, 2016	
Benchmark	3.69%	2.44%	3.11%		

SINDH-WWF Disclosure- The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 2.87m. If the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0386/ 0.67%. For details investors are advised to read the latest financial statement of the scheme.

### NIT IIF Year to Date Return v/s Benchmark



### Fund's Basic Information

<b>Fund Type</b>	Open-End
<b>Category</b>	Shariah Compliant (Islamic) Income
<b>Launch Date</b>	4 <sup>th</sup> July 2016
<b>Listing</b>	PSX
<b>Stability Rating</b>	AA- (f) (PACRA) 11-Oct-19
<b>Management Fee</b>	7.5% of Gross Earnings, subject to a minimum fee of 0.25% p.a. and maximum fee of 1% p.a. of Average Annual Net Assets
<b>Front End Load*</b>	Nil
<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 1,000 Income Unit PKR 100,000
<b>Trustee</b>	Central Depository Co. (CDC)
<b>Auditors</b>	EY Ford Rhodes
<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-19
<b>Risk Profile</b>	Medium
<b>Benchmark</b>	6-Mth avg. deposit rates of three A rated Islamic Bank or Islamic windows of Conventional Banks as selected by MUFAP.

### Objective of the fund

The objective of the NIT Islamic Income Fund is to generate a stable Shariah compliant income stream, while seeking maximum possible preservation of capital, over the medium to long-term period, by investing in a diversified portfolio of Shariah Compliant fixed income and money market instruments.

### Fund Performance Review

The Fund posted an annualized return of 11.29% p.a for the month of January against its benchmark return of 6.80% p.a. The YTD return for FY20 stood at 11.45% p.a. against the benchmark return of 6.22% p.a.

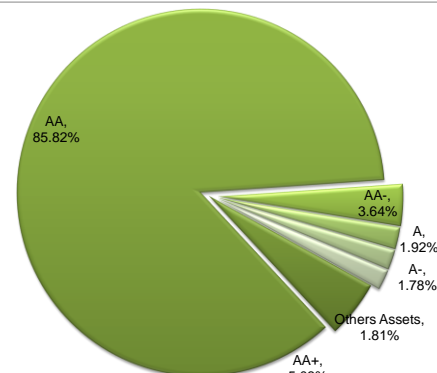
Consumer Price Index (CPI) for the month of January increased to 14.56% versus 12.63% over the previous month. The 7MFY20 average CPI inflation now stands at 11.60% compared to 5.90% during the previous fiscal year.

As at January 31, 2020, the Fund had an exposure of about 74% of total assets in cash at bank, about 6% in Commercial paper and around 18% in corporate sukuk while the remaining was in the form of other assets. The weighted average time to maturity of the portfolio stood at 276 days.

<b>Min Subscription</b>	Growth Unit PKR 1,000 Income Unit PKR 100,000
<b>Trustee</b>	Central Depository Co. (CDC)
<b>Auditors</b>	EY Ford Rhodes
<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-19
<b>Risk Profile</b>	Medium
<b>Benchmark</b>	6-Mth avg. deposit rates of three A rated Islamic Bank or Islamic windows of Conventional Banks as selected by MUFAP.
<b>Fund Manager</b>	Shoaib Ahmad Khan
<b>Total Expense Ratio (Annualized)</b>	1.71% (This includes 0.39% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.)
<b>Total Expense Ratio (Absolute)</b>	1.01% (This includes 0.23% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.)

TFC / Sukuk Holdings (% of TA)	
DAWOOD HERC - SUKUK II	4.58%
HUBCO SUKUK II	3.85%
DUBAI ISLAMIC BANK	3.20%
DAWOOD HERC - SUKUK I	2.55%
MASOOD TEXTILE MILL - SUKUK	1.92%
GHANI GASES LTD. - SUKUK	1.78%
FATIMA FERTILIZER - SUKUK	0.44%
<b>Total</b>	<b>18.32%</b>

### Asset Quality of the Portfolio (% of TA)



### Fund's Return v/s Benchmark

	NIT-IIF	Benchmark
<b>January-20</b>	<b>11.29%</b>	<b>6.80%</b>
<b>Year to Date</b>	<b>11.45%</b>	<b>6.22%</b>
<b>12 M Trailing</b>	<b>11.11%</b>	<b>5.60%</b>
<b>3 Years</b>	<b>7.55%</b>	<b>3.62%</b>
<b>Since Inception</b>	<b>7.45%</b>	<b>3.60%</b>

(Returns are calculated inclusive of dividends)

### Asset Allocation (% of Total Assets)

	Dec-19	Jan-20
<b>Cash</b>	<b>69.19%</b>	<b>73.55%</b>
<b>Sukuk</b>	<b>19.52%</b>	<b>18.32%</b>
<b>TDRs</b>	<b>0.00%</b>	<b>0.00%</b>
<b>CP</b>	<b>10.04%</b>	<b>6.33%</b>
<b>Others</b>	<b>1.26%</b>	<b>1.81%</b>

### Technical Information

<b>Net Assets</b>	PKR 776 Min
<b>NAV per Unit (January 31, 2020)</b>	10.4423
<b>Weighted Avg. Maturity (Days)</b>	276
<b>Leveraging</b>	Nil
<b>Standard Deviation of Return</b>	0.023

### Members of the Investment Committee

Adnan Afridi, Managing Director	Manzoor Ahmed, Chief Operating Officer	Aamir Amin, Head of Finance
Ali Kamal, Head of Research	Shoaib. A. Khan, EVP/ Fund Manager	Faisal Aslam, Head of Compliance
Attique-ur-Rehman Shaikh, Manager Risk Mgt.		

### 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**