

NIT ISLAMIC INCOME FUND



FUND MANAGER REPORT - April 2017

Fund's Basic Informations		Objective of the fund
Fund Type	Open-End	<p>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.</p> <p>Profile of Investment Managers</p> <p>National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 123 billion assets under management as on 28 April 2017, 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 23 and sales desk is also available in financial hub at Abbotabad, 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 the respective fund.</p>
Category	Shariah Compliant (Islamic) Income	
Launch Date	4th July 2016	
Listing	Applied for listing	
Stability Rating	N/A	
Management Fee	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.	
Front End Load	Nil	
Back End Load	Nil	
Cutt-off timing	3:30 PM	
Par Value	PKR 10.00	
Min Subscription	Growth Unit PKR 1,000 Income Unit PKR 100,000	
Trustee	Central Depository Co. (CDC)	Fund Performance Review
Auditors	KPMG Taseer Hadi	<p>The YTD return for FY17 stood at 4.70% p.a. against the benchmark return of 3.26% p.a. The Fund posted an annualized return of 4.28% p.a for the month of April against its benchmark return of 2.74% p.a.</p> <p>The Consumer Price Index (CPI) for the month of April stood at 4.78% reducing from 4.94% over the previous month. The average 10 months CPI inflation now stands at 4.09% compared to 2.79% during the same period of last fiscal year.</p> <p>As at April 28, 2017, the Fund had an exposure of around 97% of total assets in cash at bank, around 1% in corporate sukuk and the remaining was in the form of other assets. The weighted average time to maturity of the portfolio stood at 21 days.</p>
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) 18-Aug-16	
Risk Profile	Medium	
Benchmark	6-Mth avg. deposit rates of three A rated Islamic Bank or Islamic windows of Conventional Banks as selected by MUFAP.	
Fund Manager	Shoab Ahmad Khan	

Technical Information		Asset Quality as of 28 April 2017 (% of TA)		Asset Allocation (% of TA)											
Net Assets	PKR 738 Mln		<table border="1"> <thead> <tr> <th></th> <th>Mar-17</th> <th>Apr-17</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>96.21%</td> <td>96.96%</td> </tr> <tr> <td>Others</td> <td>2.62%</td> <td>1.84%</td> </tr> <tr> <td>Sukuk</td> <td>0.00%</td> <td>1.20%</td> </tr> </tbody> </table>		Mar-17	Apr-17	Cash	96.21%	96.96%	Others	2.62%	1.84%	Sukuk	0.00%	1.20%
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Cash	96.21%			96.96%											
Others	2.62%			1.84%											
Sukuk	0.00%			1.20%											
NAV per Unit (April 28, 2017)	10.3840														
Weighted Avg. Maturity (Days)	21														
Leveraging	Nil														
Standard Deviation of Return	0.005														
Total Expense Ratio *	1.10%	*This includes 0.28% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.													
Fund's Return v/s Benchmark		NIT IIF Year to Date Return v/s Benchmark													
April-17	NIT-IIF	Benchmark													
Year to Date	4.28%	2.74%													
12 M Trailing	4.70%	3.26%													
3 Years	-	-													
Since Inception	4.70%	3.26%													

SINDH-WWF Disclosure- The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.52m, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0072/ 0.09%.

Performance Period	FY16	FY15	FY14	FY13	FY12
NIT-IIF	Launched on 4th July, 2016				
Benchmark					

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	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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