

NIT ISLAMIC INCOME FUND



FUND MANAGER REPORT - APRIL 2019

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. 81 billion assets under management as on 30 April 2019, 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>																		
Category	Shariah Compliant (Islamic) Income																			
Launch Date	4th July 2016																			
Listing	PSX																			
Stability Rating	AA- (I) (PACRA) 12-Apr-19																			
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	EY Ford Rhodes	<p>The Fund posted an annualized return of 9.14% p.a for the month of April against its benchmark return of 4.65% p.a. The YTD return for FY19 stood at 7.43% p.a. against the benchmark return of 3.40% p.a.</p> <p>The Consumer Price Index (CPI) for the month of April was recorded at 8.82% versus 9.42% over the previous month. The 10MFY19 average CPI inflation now stands at 7.00% compared to 3.77% during the previous fiscal year.</p> <p>As at April 30, 2019, the Fund had an exposure of about 61% of total assets in cash at bank, about 29% in corporate sukuk, 9% in Commercial Paper and the remaining was in the form of other assets. The weighted average time to maturity of the portfolio stood at 369 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) 05-Nov-18																			
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	Shoaib Ahmad Khan																			
Total Expense Ratio (Annualized)	1.53% (This includes 0.33% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.)																			
Total Expense Ratio (Absolute)	1.28% (This includes 0.28% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.)																			
Technical Information		TFC / Sukuk Holdings (% of TA)																		
Net Assets	PKR 568 Mn	HUBCO SUKUK 8.74%																		
NAV per Unit (April 30, 2019)	10.4984	DAWOOD HERC - SUKUK II 6.89%																		
Weighted Avg. Maturity (Days)	369	DUBAI ISLAMIC BANK 4.45%																		
Leveraging	Nil	DAWOOD HERC - SUKUK I 4.35%																		
Standard Deviation of Return	0.065	GHANI GASES LTD. - SUKUK 3.32%																		
		FATIMA FERTILIZER - SUKUK 0.91%																		
		28.66%																		
Fund's Return v/s Benchmark		Asset Quality as of 30 April 2019 (% of TA)																		
April-19	NIT-IIF: 9.14% Benchmark: 4.65%																			
Year to Date	7.43% vs 3.40%																			
12 M Trailing	6.99% vs 3.23%																			
3 Years	- vs -																			
Since Inception	5.81% vs 2.96%																			
<i>(Returns are calculated inclusive of dividends)</i>		NIT IIF Year to Date Return v/s Benchmark																		
Asset Allocation (% of TA)		<p>SINDH-WWF Disclosure: The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1.57m, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0291/ 0.35%. For details investors are advised to read the latest financial statement of the scheme.</p>																		
Cash	Mar-19: 60.05% Apr-19: 61.10%																			
Sukuk	29.67% vs 28.66%																			
TDRs	0.00% vs 0.00%																			
CP	0.00% vs 8.53%																			
Others	1.54% vs 1.72%																			
		<table border="1"> <thead> <tr> <th>Performance Period</th> <th>FY18</th> <th>FY17</th> <th>FY15</th> <th>FY14</th> <th>FY13</th> </tr> </thead> <tbody> <tr> <td>NIT-IIF</td> <td>4.41%</td> <td>4.61%</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Benchmark</td> <td>2.44%</td> <td>3.11%</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>Launched on 4th July, 2016</p>	Performance Period	FY18	FY17	FY15	FY14	FY13	NIT-IIF	4.41%	4.61%				Benchmark	2.44%	3.11%			
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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	Syed Ali Raza Bukhari, Head of Marketing																		
Faisal Aslam, Head of Compliance	Salman H. Chawala, Incharge Risk Mgmt.																			
MUFAP's Recommended Format.																				
<p>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.</p> <p>Note: 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>																		