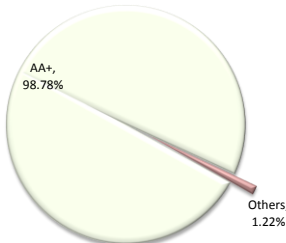


NIT ISLAMIC INCOME FUND



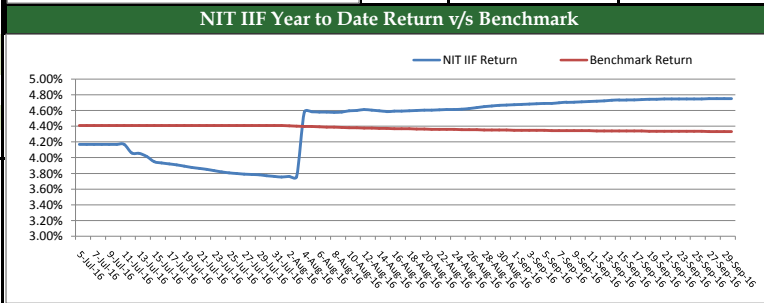
FUND MANAGER REPORT - September 2016

Fund's Basic Informations		Objective of the fund
Fund Type	Open-End	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.
Category	Shariah Compliant (Islamic) Income	
Launch Date	4th July 2016	Profile of Investment Managers
Listing	Applied for listing	
Stability Rating	N/A	National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 100 billion assets under management as on 30 September 2016, 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 NITL.
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)	
Auditors	KPMG Taseer Hadi	
Registrar	National Investment Trust Ltd.	
Pricing Mechanism	Forward Day Pricing	Fund Performance Review
Valuation Days	Daily (Monday to Friday) except public holiday	
Redemption Days	Daily (Monday to Friday) except public holiday	The YTD return for FY16 stood at 4.75% p.a. against the benchmark return of 4.33% p.a. The Fund posted an annualized return of 4.88% p.a for the month of September against its benchmark return of 4.30% p.a.
Subscription Days	Each valuation day	State Bank of Pakistan announced its Monetary Policy during the month and decided to maintain Policy Rates at 5.75%. In its statement, the SBP highlighted the improvements in current and expected economic conditions as CPEC related projects are gathering momentum.
AMC Rating	AM2+ (PACRA) 18-Aug-16	The Consumer Price Index (CPI) for the month of September stood at 3.9% increasing from 3.6% over the previous month. The average 3 months CPI inflation now stands at 3.90% compared to 1.70% in 3 months FY16.
Risk Profile	Medium	As at September 30, 2016, the Fund had an exposure of about 99% of total assets in cash at bank and the remaining was in the form of other assets.
Benchmark	Average of 6 month deposit rates of three Islamic Banks (or Islamic windows) Rated A and above.	

Technical Information		Asset Quality as of 30 September 2016 (% of TA)	Asset Allocation (% of TA)		
Net Assets	PKR 327 Mn				
NAV per Unit (September 30, 2016)	10.1146		Cash	Aug-16	Sep-16
Weighted Avg. Maturity (Days)	1		Others	99.23%	98.78%
Leveraging	Nil			0.77%	1.22%
Standard Deviation of Return	0.002				
Expense Ratio with Govt. Levy	1.06%				
Expense Ratio without Govt. Levy	0.91%				

Fund's Return v/s Benchmark		
	NIT-IIF	Benchmark*
September-16	4.88%	4.30%
Year to Date	4.75%	4.33%
12 M Trailing	-	-
3 Years	-	-
Since Inception	4.75%	4.33%

* Last updated deposit rates of few banks.



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

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	Zubair Ahmed, Controller of Branches/Comp. Secretary
Shoaib. 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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