



FUND MANAGER REPORT - DECEMBER 2023

NIT-IEF Objective	Fund's Information			
The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities.	Fund Type	Open-End	Trustee	Central Depository Company
	Launch Date	18th May 2015		
	Management Fee	2.00%	Auditors	BDO Ebrahim & Co.
Front End Load	0%-3%			
<p>Equity Market Review</p> <p>Last month of the calendar year 2023 witnessed yet another glittering performance as KMI-30 registering a gain of 2.98% to close at 62,451, up 3,028pts during the month. Pakistan's stock market emerged as 5th best performing stock market in CY23.</p> <p>The first half of CY23 saw Pakistan's stock market facing challenges. Economic difficulties and political uncertainty were key contributors to the subdued market conditions. The delay in resuming the IMF program was a significant factor affecting economic and market dynamics. Moreover, the policy rate also witnessed a significant 600bps increase, reaching a historic high of 22.0%, making equities less attractive.</p> <p>However, Standby Arrangement with the IMF in Jun'23 proved to be the turning point for the equity markets leading to a resurgence of flows into the market and rebounded the sentiment of the investors. Following the IMF support, the SBP received significant inflows/rollovers from friendly countries, boosting the country's forex reserves level to USD 8.2bn by Jul'23 end. Moreover, developments like establishment of the SIFC to attract foreign direct investment and administrative measures by the authorities aimed at curbing illegal foreign currency and preventing further depreciation of PKR played a significant role in maintaining strong momentum.</p>	Back End Load	0.00%	Pricing Mechanism	Forward Pricing
	Benchmark	KMI-30	Dealing Days*	Daily (Monday to Friday)
	Par Value	PKR 10.00		
	Minimum Investment	PKR 5,000	Valuation Days*	Daily (Monday to Friday)
	Selling and Marketing Expenses	0.83% per annum		
	Category	Islamic Equity	AMC Rating	AM1 PACRA (24-05-23) AM1 (VIS) (28-12-23)
	Risk Profile	High		
	Risk of Principal Erosion	Principal at High Risk	Fund Manager	Farrukh Yaseen
			Cut-off timing	Monday to Friday till 03:30 PM

*except public holiday

Fund Returns*

	NIT-IEF	KMI-30
Dec-23	3.58%	2.98%
Since Inception	29.41%	93.52%
YTD	48.42%	48.03%
Trailing 12-months	47.89%	53.39%
Leverage	Nil	

* The returns are calculated inclusive of dividend.

Future Outlook	Fund's Asset Allocation	
<p>In the last 2 years Pakistan economic condition remain volatile with higher policy rate also played its part in the muted performance of the equity market but after the market's turnaround post Standby Arrangement with the IMF the equity market's outlook has started to look promising.</p> <p>Market will frame its outlook on how economic and political condition will remain in CY24. The much needed long term IMF program and policies of new elected Govt. will set the direction of CY24.</p>	<p>DEC 2023</p>	<p>NOV 2023</p>
Technical Information 31-12-2023		
Net Assets NIT-IEF (PKR Million)	2,816	
Nav per Unit NIT-IEF (PKR)	9.84	
Total Expense Ratio (YTD)*	3.59%	
Total Expense Ratio (MTD, Incl. Govt Levy)**	3.38%	
*This includes 0.37% representing Govt. levy, Sind Worker's Welfare Fund and SECP Fee		
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Top Ten Holdings (As % of Total Assets)	Sector Allocation (As % of Total Assets)																				
<table border="1"> <tr><td>HUB POWER COMPANY LIMITED</td><td>9.60%</td></tr> <tr><td>ENGRO CORPORATION LIMITED</td><td>8.05%</td></tr> <tr><td>LUCKY CEMENT LIMITED</td><td>7.40%</td></tr> <tr><td>SYSTEM LIMITED</td><td>6.91%</td></tr> <tr><td>PAKISTAN PETROLEUM LIMITED</td><td>6.81%</td></tr> <tr><td>MARI PETROLEUM COMPANY LIMITED</td><td>6.69%</td></tr> <tr><td>OIL AND GAS DEVELOPMENT COMPANY</td><td>6.60%</td></tr> <tr><td>MEEZAN BANK LIMITED</td><td>6.37%</td></tr> <tr><td>ENGRO FERTILIZER LIMITED</td><td>5.81%</td></tr> <tr><td>PAKISTAN STATE OIL COMPANY LIMITED</td><td>3.43%</td></tr> </table>	HUB POWER COMPANY LIMITED	9.60%	ENGRO CORPORATION LIMITED	8.05%	LUCKY CEMENT LIMITED	7.40%	SYSTEM LIMITED	6.91%	PAKISTAN PETROLEUM LIMITED	6.81%	MARI PETROLEUM COMPANY LIMITED	6.69%	OIL AND GAS DEVELOPMENT COMPANY	6.60%	MEEZAN BANK LIMITED	6.37%	ENGRO FERTILIZER LIMITED	5.81%	PAKISTAN STATE OIL COMPANY LIMITED	3.43%	
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Compliance with Circular # 16 of 2010 / Non-compliant Investments	Performance Period	FY23	FY22	FY21	FY20	FY19
N/A	NIT-IEF	-2.66%	-18.31%	33.33%	2.78%	-25.43%
	Benchmark	2.88%	-10.25%	39.32%	1.62%	-23.84%

Members of the Investment Committee		
Adnan Afridi - Managing Director	Manzoor Ahmed - Chief Operating Officer	Amir Amin - Head of Finance
Farrukh Yaseen/ Fund Manager (NIT IEF)	Faisal Aslam - Head of Compliance	Raza Abbas Jaffery - Head of Equities and Trading
Salman H. Chawala-In-charge Risk Management	Ali Kamal - Head of Research	

MUFAP's Recommended Format.

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Note: Performance data does not include the cost incurred directly by an investor in the form of sales load.

DISPUTE RESOLUTION/ COMPLAINTS HANDLING

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