



NIT GOVERNMENT BOND FUND FUND MANAGER REPORT - January 2016



Fund's Basic Informations Ob

Objective of the fund

The objective of NIT Government Bond Fund is to generate best possible return with minimum risk, for its Unit Holders, by investing primarily in the Government Securities.

Profile of Investment Managers

National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 87 billion assets under management as on 29 January 2016, the family of Funds of NIT comprises of nine funds including 4 equity funds, 2 fixed income funds, 1 money market 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.

Fund Performance Review

The YTD return for FY16 stood at 5.88% p.a. against the benchmark return of 5.94% p.a. The Fund posted an annualized return of 5.81% p.a for the month of January against its benchmark return of 5.67% p.a.

State Bank of Pakistan announced it latest Monetary Policy Statement and kept policy rate uchanged at the current level of 6.00% p.a. The Consumer Price Index (CPI) for the month of January stood at 3.3% increasing from 3.2% over the previous month. The average 7 months CPI inflation now stands at 2.3% while SBP has revised the inflation target rate between 4% to 5% for the FY16.

As at January 29, 2016, the Fund had an exposure of about 57% of total assets in PIBs, 31% of total assets in T-bills and the remaining was in the form of cash at bank and other assets. The weighted average time to maturity of the portfolio stood at 193 days.

Varies as per policy

Fund Type

Category

Launch Date Listing

Stability Rating

Front End Load*

Back End Load

Cutt-off timing

Min Subscription

Pricing Mechanism

Valuation Days

Redemption Days

Subscription Days

AMC Rating

Risk Profile

Fund Manager

Par Value

Registrar

Open-End

1.25%

1.00%

3:30 PM

PKR 10.00

Growth Unit PKR 5,000

Income Unit PKR 100,000

Central Depositary Co. (CDC)

KPMG Taseer Hadi

National Investment Trust Ltd.

Daily (Monday to Friday) except

Daily (Monday to Friday) except

AM2 (PACRA) 14-Apr-15

Shoaib Ahmad Khan

Forward Day Pricing

public holiday

public holiday Each valuation day

Nil

Income Fund

18th November 2009

AA- (f) (PACRA) 12-Jan-16

KSE, LSE & ISE

Benchmark	
Average of weighted average yield of 6 month T-Bill auctions held during the period	70%
1 month average deposit rate of A and above rated scheduled banks	30%

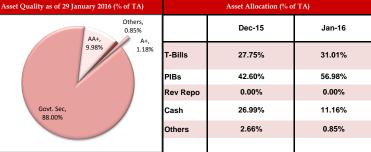
Technical Information				
Net Assets	PKR 4.15Bln			
NAV per Unit (January 29, 2016)	10.4698			
Weighted Avg. Maturity (Days)	193.06			
Leveraging	Nil			
Standard Deviation of Return	0.03			

Fund's Return v/s Benchmark

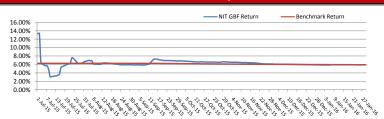
	NIT-GBF	Benchmark	
January-16	5.81%	5.67%	
Year to Date	5.88%	5.94%	
12 M Trailing	7.47%	6.39%	
3 Years **	10.27%	7.98%	
Since Inception	13.08%	9.29%	

* Last updated deposit rates of few banks.

** Simple annualized return



NIT GBF Year to Date Return v/s Benchmark



Performance Period	FY15	FY14	FY13	FY12	FY11
NIT-GBF	13.86%	7.64%	9.93%	9.76%	11.19%
Benchmark	8.17%	8.80%	8.80%	10.64%	11.33%

WWF Disclosure- The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 39.15m up to 30-June-2015 and thereafter has stopped further provisioning, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0988/ 1.68%. For details investors are advised to read the Note 19 of the latest Financial Statement of the Scheme.

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.

a National Investment Trust Ltd, Se National Bank Building, (6th Floor) I.I. Chundrigar Road, P.O Box # 5671. Karachi - 74000, Pakistan Tel: 111-648-648