

## NIT GOVERNMENT BOND FUND



### FUND MANAGER REPORT - JANURAY 2019

### **Fund's Basic Informations** Fund Type Open-End Income Fund

### 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.

### aunch Date 18th November 2009 Listing PSX

Category

### AA (f) (PACRA) 31-Dec-18 ability Rating 10% of Gross Earnings, subject to minimum 0.50% p.a. and maximum 1% p.a of Average Annual Net Aanagement Fee Assets

### ront End Load\* 1.00% Nil Back End Load

3:30 PM Cut-off timing PKR 10.00 Par Value Growth Unit PKR 5,000 Income Unit PKR 100,000

Central Depositary Co. (CDC) uditors A.F. Ferguson & Co.

National Investment Trust Ltd. ricing Mechanism Forward Day Pricing

Daily (Monday to Friday) except oublic holiday Daily (Monday to Friday) except edemption Days oublic holiday

bscription Days Each valuation day AM2++ (PACRA) 5-Nov-18 AMC Rating

isk Profile Low Shoaib Ahmad Khan und Manager

Total Expense Ratio

0.86% (This includes 0.20% representing Govt. Levy, Sindh Workers Welfare Fund & Absolute) Varies as per policy

### 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. 90 billion assets under management as on 31 January 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.

### Fund Performance Review

The Fund posted an annualized return of 8.53% p.a for the month of January against its benchmark return of 10.51% p.a. The YTD return for FY19 stood at 6.95% p.a. against the benchmark return of 8.99% p.a.

State Bank of Pakistan announced its Monetary Policy during the month and decided to increase Policy Rates by 25 bps to 10.25%. In its statement, the SBP highlighted need to continue with monetary tightening amidst the fiscal and current account deficit and inflationary concerns.

The Consumer Price Index (CPI) for the month of January increased to 7.19% versus 6.17% over the previous month. The 7MFY19 average CPI inflation now stands at 6.21% compared to 3.85% during the previous fiscal

As at January 31 2019, the Fund had an exposure of about 83% 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 24

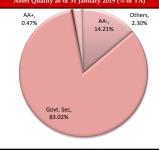
# Benchmark

SECP Fee.)

Average of 6M PKRV

1.46% (This includes 0.33% representing Govt. Levy, Sindh Workers Welfare Fund &

Technical Information			
Net Assets	PKR 3.74 BI		
NAV per Unit (January 31, 2019)	10.3381		
Weighted Avg. Maturity (Days)	24		
Leveraging	Nil		
Standard Deviation of Return	0.009		



Asset Anotation (70 of 114)				
	Dec-18	Jan-19		
T-Bills	50.63%	83.02%		
PIBs	0.00%	0.00%		
Cash	47.10%	14.68%		
Others	2.27%	2.30%		

### NIT GBF Year to Date Return v/s Benchmark

Fund's Return v/s Benchmark					
	NIT-GBF	Benchmark			
January-19	8.53%	10.51%			
Year to Date	6.95%	8.99%			
12 M Trailing	6.22%	7.95%			
3 Years **	5.91%	6.53%			
5 Years **	8.70%	7.00%			
Since Inception	12.30%	8.38%			

Simple annualized return

Returns are calculated inclusive of dividends)

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		── NIT GBF Return ── Benchmark Return
	10.00% -	
	9.00% -	
	8.00% -	
	7.00% -	
	6.00% -	
	5.00% -	
	4.00% -	
	3.00% -	
		<u>~%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%%</u>
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Performance Period	FY18	FY17	FY16	FY15	FY14
NIT-GBF	5.06%	5.28%	5.78%	13.86%	7.64%
Benchmark	6.20%	5.80%	5.78%	8.17%	8.80%

NDH-WWF Disclosure- The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.16.38m, If the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0453/ 0.77%. For details

Manzoor Ahmed, COO/Managing Director

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.

**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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