NATIONAL INVESTMENT TRUST LIMITED

NIT GOVERNMENT BOND FUND

NIT GBF
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FUND MANAGER REPORT -February 2016

Fund's Basic Informations

Fund Type	Open-End
Category	Income Fund
Launch Date	18th November 2009
Listing	KSE, LSE & ISE
Stability Rating	AA- (f) (PACRA) 12-Jan-16
Management Fee	1.25%
Front End Load*	1.00%
Back End Load	Nil
Cutt-off timing	3:30 PM
Par Value	PKR 10.00
Min Subscription	Growth Unit PKR 5,000 Income Unit PKR 100,000
Trustee	Central Depositary Co. (CDC)
Auditors	KPMG Taseer Hadi
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) 14-Apr-15
Risk Profile	Low
Fund Manager	Shoaib Ahmad Khan

* Varies as per policy

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. 85 billion assets under management as on 29 February 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 5.87% p.a. against the benchmark return of 5.90% p.a. The Fund posted an annualized return of 5.57% p.a for the month of February against its benchmark return of 5.63% p.a.

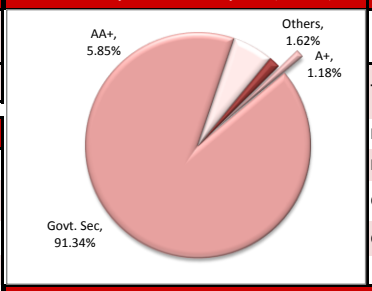
The Consumer Price Index (CPI) for the month of February stood at 4.0% increasing from 3.3% over the previous month. The average 8 months CPI inflation now stands at 2.5% while SBP has revised the inflation target rate between 4% to 5% for the FY16.

As at February 29, 2016, the Fund had an exposure of about 67% of total assets in PIBs, 24% 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 382 days.

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%

Asset Quality as of 29 February 2016 (% of TA)



Asset Allocation (% of TA)

	Jan-16	Feb-16
T-Bills	31.01%	24.19%
PIBs	56.98%	67.15%
Rev Repo	0.00%	0.00%
Cash	11.16%	7.03%
Others	0.85%	1.62%

Technical Information

Net Assets	**PKR 4.15Bln**
NAV per Unit (February 29, 2016)	**10.5193**
Weighted Avg. Maturity (Days)	**382**
Leveraging	**Nil**
Standard Deviation of Return	**0.04**

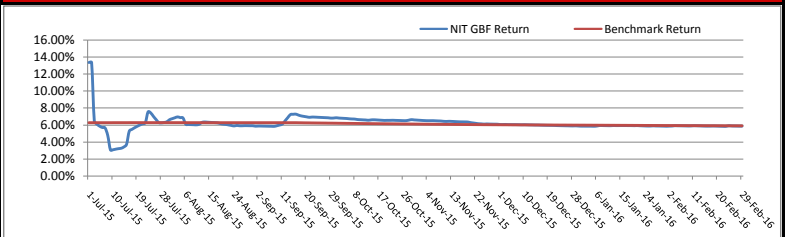
Fund's Return v/s Benchmark

	NIT-GBF	Benchmark*
February-16	5.57%	5.63%
Year to Date	5.87%	5.90%
12 M Trailing	6.90%	6.22%
3 Years **	10.26%	7.90%
Since Inception	13.04%	9.24%

** 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. 0.0993/ 1.47%. For details investors are advised to read the Note 10.1 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.*

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