



## NIT GOVERNMENT BOND FUND



FUND MANAGER REPORT - AUGUST 2018

| Fund's Basic Informations |   | Objective of the fund   |
|---------------------------|---|---|
| Fund Type                 | Open-End  | 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.   |
| Category                  | Income Fund   |   |
| Launch Date               | 18 <sup>th</sup> November 2009  |   |
| Listing                   | PSX   | <b>Profile of Investment Managers</b><br>National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 96 billion assets under management as on 31 August 2018, 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, 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. |
| Stability Rating          | AA (f) (PACRA) 30-June-18   |   |
| Management Fee            | 10% of Gross Earnings, subject to minimum 0.50% p.a. and maximum 1% p.a. of Average Annual Net Assets |   |
| Front End Load*           | 1.00%   |   |
| Back End Load             | Nil   |   |
| Cut-off timing            | 3:30 PM   |   |
| Par Value                 | PKR 10.00   |   |
| Min Subscription          | Growth Unit PKR 5,000<br>Income Unit PKR 100,000  |   |
| Trustee                   | Central Depository 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) 8-Dec-17  |   |
| Risk Profile              | Low   |   |
| Fund Manager              | Shoib Ahmad Khan  |   |
| *Varies as per policy.    |   |   |

| Benchmark  | Asset Quality as of 31 August 2018 (% of TA) | Asset Allocation (% of TA) |        |        |
|--|--|----------------------------|--------|--------|
| Average of 6M PKRV   |  |                            |        |        |
| <b>Technical Information</b><br>Net Assets: PKR 3.95 Bn<br>NAV per Unit (August 31, 2018): 10.0312<br>Weighted Avg. Maturity (Days): 33<br>Leveraging: Nil<br>Standard Deviation of Return: 0.008<br>Total Expense Ratio*: 1.34% |  |                            |        |        |
|  |  |                            |        |        |
|  |  |                            |        |        |
|  |  |                            |        |        |
|  |  | Jul-18                     | Aug-18 |        |
|  |  | T-Bills                    | 79.46% | 68.73% |
|  |  | PIBs                       | 0.00%  | 0.00%  |
|  |  | Cash                       | 18.46% | 29.30% |
|  |  | Others                     | 2.08%  | 1.97%  |

| Fund's Return v/s Benchmark                     |                |                  | NIT GBF Year to Date Return v/s Benchmark |       |       |       |        |       |
|---|----------------|------------------|---|-------|-------|-------|--------|-------|
| August-18                                       | NIT-GBF: 6.25% | Benchmark: 7.85% |   |       |       |       |        |       |
| Year to Date                                    | 5.90%          | 7.63%            |   |       |       |       |        |       |
| 12 M Trailing                                   | 5.21%          | 6.48%            |   |       |       |       |        |       |
| 3 Years **                                      | 5.67%          | 6.00%            |   |       |       |       |        |       |
| 5 Years **                                      | 8.68%          | 6.93%            |   |       |       |       |        |       |
| Since Inception                                 | 12.17%         | 8.33%            |   |       |       |       |        |       |
| ** Simple annualized return                     |                |                  |   |       |       |       |        |       |
| (Returns are calculated inclusive of dividends) |                |                  |   |       |       |       |        |       |
|   |                |                  | 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% |

**SINDH-WWF Disclosure:** The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.14.02m, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0356/ 2.11%. For details investors are advised to read the latest financial statement of the scheme.

| Members of the Investment Committee      |  |                                  |
|--|--|----------------------------------|
| Manzoor Ahmed, COO/Managing Director     | Aamir Amin, Head of Finance              | Ali Kamal, Head of Research      |
| Shoib A. Khan, SVP/ Fund Manager         | Syed Ali Raza Bukhari, Head of Marketing | Faisal Aslam, Head of Compliance |
| Ammar Habib, Incharge/Manager Risk Mgmt. |  |                                  |

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

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