

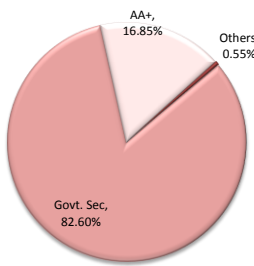
NIT GOVERNMENT BOND FUND



FUND MANAGER REPORT - September 2016

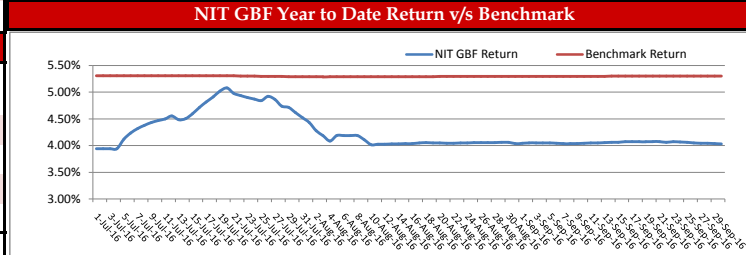
Fund's Basic Informations		Objective of the fund	
Fund Type	Open-End	The objective of NIT Government Bond Fund is to generate best possible return with minimum risk, for its Unit Holders, by investing primarily in the Government Securities.	
Category	Income Fund		
Launch Date	18 th November 2009	Profile of Investment Managers	
Listing	PSX	National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 100 billion assets under management as on 30 September 2016, 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 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.	
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 Depository Co. (CDC)		Fund Performance Review
Auditors	KPMG Taseer Hadi		The YTD return for FY17 stood at 4.03% p.a. against the benchmark return of 5.30% p.a. The Fund posted an annualized return of 3.99% p.a for the month of September against its benchmark return of 5.31% p.a.
Registrar	National Investment Trust Ltd.		
Pricing Mechanism	Forward Day Pricing	State Bank of Pakistan announced its Monetary Policy during the month and decided to maintain Policy Rates at 5.75%. In its statement, the SBP highlighted the improvements in current and expected economic conditions as CPEC related projects are gathering momentum.	
Valuation Days	Daily (Monday to Friday) except public holiday		
Redemption Days	Daily (Monday to Friday) except public holiday	The Consumer Price Index (CPI) for the month of September stood at 3.9% increasing from 3.6% over the previous month. The average 3 months CPI inflation now stands at 3.90% compared to 1.70% in 3 months FY16.	
Subscription Days	Each valuation day		
AMC Rating	AM2+ (PACRA) 18-Aug-16	As at September 30 2016, the Fund had an exposure of about 12% of total assets in PIBs, about 70% 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 176 days.	
Risk Profile	Low		
Fund Manager	Shoaib Ahmad Khan		
* Varies as per policy			

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 30 September 2016 (% of TA)	Asset Allocation (% of TA)	
		
	Aug-16	Sep-16
T-Bills	69.60%	70.18%
PIBs	12.41%	12.42%
Rev Repo	0.00%	0.00%
Cash	17.06%	16.85%
Others	0.93%	0.55%

Technical Information	
Net Assets	PKR 4.08 Bln
NAV per Unit (September 30, 2016)	10.0580
Weighted Avg. Maturity (Days)	176
Leveraging	Nil
Standard Deviation of Return	0.01
Expense Ratio with Govt. Levy	1.72%
Expense Ratio without Govt. Levy	1.47%

Fund's Return v/s Benchmark		
	NIT-GBF	Benchmark*
September-16	3.99%	5.31%
Year to Date	4.03%	5.30%
12 M Trailing	5.05%	5.55%
3 Years **	9.69%	7.34%
Since Inception	12.68%	8.91%



* Last updated deposit rates of few banks.
** Simple annualized return

Performance Period	FY16	FY15	FY14	FY13	FY12
NIT-GBF	5.78%	13.86%	7.64%	9.93%	9.76%
Benchmark	5.78%	8.17%	8.80%	8.80%	10.64%

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. 0.0965/ 3.84%. For details investors are advised to read the Note 11.1 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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