



# NIT GOVERNMENT BOND FUND FUND MANAGER REPORT -October 2015



# Fund's Basic Informations

#### 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. 90 billion assets under management as on 30 October 2015, the family of Funds of NIT comprises of eight funds including 4 equity funds, 2 fixed income funds, 1 conventional pension fund and 1 islamic pension fund. NIT's tally of nationwide branches is 23, 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 "ANZ" 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 6.60% p.a. against the benchmark return of 6.11% p.a. The Fund posted an annualized return of 5.84% p.a for the month of October against its benchmark return of 5.80% p.a.

The Consumer Price Index (CPI) for the month of October stood at 1.6% increasing from 1.3% over the previous month. The average 4 month CPI inflation now stands at 1.65% while SBP has targeted a rate of 4.5% to 5.5% for the FY16

As at October 30, 2015, the Fund had an exposure of about 19.71% of total assets in PIBs, 54.35% 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 170 days.

# Income Fund Holders, by investing primar

18th November 2009 Launch Date KSE, LSE & ISE Listing Stability Rating AA- (f) (PACRA) 19-Mar-15 1.25% 1.00% Front End Load\* Back End Load Nil 3:30 PM Cutt-off timing PKR 10.00 Par Value Growth Unit PKR 5,000 Min Subscription Income Unit PKR 100,000 Central Depositary Co. (CDC) KPMG Taseer Hadi National Investment Trust Ltd. Registrar Pricing Mechanism Forward Day Pricing Daily (Monday to Friday) except Valuation Days public holiday Daily (Monday to Friday) except Redemption Days public holiday Each valuation day ubscription Days AMC Rating AM2 (PACRA) 14-Apr-15 Risk Profile

Open-End

Fund Manager

\* Varies as per policy

Fund Type

Category

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%

Shoaib Ahmad Khan

Technical Information				
Net Assets	PKR 5.14Bln			
NAV per Unit (October 30, 2015)	10.3456			
Weighted Avg. Maturity (Days)	169.58			
Leveraging	Nil			
Standard Deviation of Return	0.03			

# NIT-GBF Benchmark October-15 5.84% 5.80% Year to Date 6.60% 6.11% 12 M Trailing 11.49% 7.16% 3 Years \*\* 10.74% 8.20%

13.27%

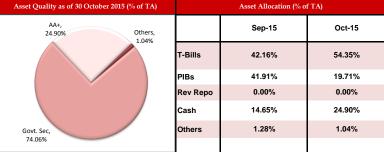
9.44%

Fund's Return v/s Benchmark

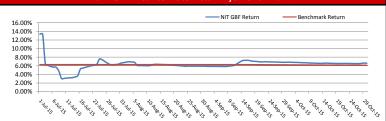
\* Last updated deposit rates of few banks.

\*\* Simple annualized return

Since Inception



## 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. 0.0788/ 2.33%. 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 Aamir Amin, Head of Finance Manzoor Ahmed, Chief Operating Officer
M. Imran Rafiq, CFA, Head of Research
Ammar Habib, Incharge/Manager Risk Mgmt.

Shahid Anwar, Head of MD's Sectt. & Personnel
Zubair Ahmed, Controller of Branches/Comp. Secretary

Syed Aqib Hussian, Incharge Compliance

# Shoaib. A. Khan, SVP/ Fund Manager 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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