



NIT ISLAMIC EQUITY FUND

FUND MANAGER REPORT - May 2019

NIT-IEF Objective

The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities.

Fund's Information

Fund Type	Open-End	Trustee	Central Depository Company
Category	Islamic Equity	Auditors	A.F. Ferguson & Co. Chartered Accountants
Launch Date	18th May 2015	Pricing Mechanism	Forward Pricing
Management Fee	2.00%	Dealing Days*	Daily (Monday to Friday)
Front End Load	0% - 3%	Valuation Days*	Daily (Monday to Friday)
Back End Load	0.00%	AMC Rating	AM2++ (PACRA)
Benchmark	KMI-30	Risk Profile	Moderate / High
Par Value	PKR 10.00	Fund Manager	Wasim Akram
Minimum Investment	PKR 5,000	Cut-off timing**	9.00 AM to 3.30 PM (Mon to Fri)
Selling and Marketing Expenses	0.10% per annum	*except public holiday ** Ramadan Timing 10.00 AM to 2.00 PM (Mon to Thur), 9.00 AM to 12.00 Noon (Fri)	

Fund Commentary & Performance Review

The benchmark KMI-30 index posted a return of -1.65% during May, 2019. The market benchmark KSE-100 index fell by almost 7% during the first fortnight of the month amidst negative sentiment particularly with reference to conditionalities associated with the IMF program. PKR remained under pressure as it touched the level of 150 against the USD for the first time in history. Expectations of further raise in interest rates coupled with expectations of high inflation number for the month further dampened market sentiment. The second half of the month however, witnessed some recovery whereby news regarding the Finance Minister meeting with market participants and announcing market stabilization measures including market support fund caused a minor rally as the market recovered most of its losses of the first half of the month. Ramadan effect caused volumes to remain lower which stood at 123 million shares during the month, a decline of 13% MoM. Foreign investors remained net buyers for the second consecutive month with net buying of USD 18.42 million.

On 20th May 2019, SPB issued its monetary policy statement which stated that there is a need to address underlying inflationary pressures from higher recent month-on-month headline and core inflation outturns; recent exchange rate depreciation; an elevated fiscal deficit and its increased monetization, and potential adjustments in utility tariffs. In this context, the MPC decided to increase the policy rate by 150 bps to 12.25 percent.

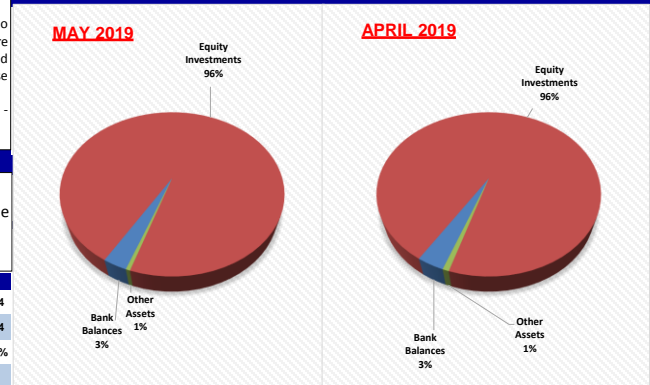
NIT IEF posted a return of -2.97% during the month of May, 2019 as against a benchmark return of -1.65% showing an underperformance of 1.32%.

Fund Returns*

	NIT-IEF	KMI-30
May-19	-2.97%	-1.65%
Since Inception	-15.19%	7.61%
YTD	-20.89%	-18.05%
5 yrs	N/A	N/A
Leverage	Nil	

* The returns are calculated inclusive of dividend.

Fund's Asset Allocation



Future Outlook

Budget announcement will have a major bearing on the future direction of the market.

Technical Information 31-05-2019

Net Assets NIT-IEF (PKR Million)	3,164
Nav per Unit NIT-IEF (PKR)	7.84
Total Expense Ratio (Incl. Govt Levy)*	2.78%

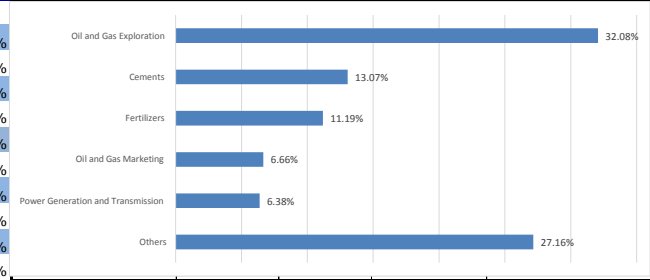
*This includes 0.37% representing Govt. levy, Sind Worker's Welfare Fund and SECP Fee

Top Ten Holdings

(As % of Total Assets)

Oil & Gas Development Company Ltd.	11.24%
Pakistan Petroleum Limited.	10.63%
Lucky Cement Limited.	8.10%
Pakistan Oilfields Limited.	6.37%
Hub Power Company Limited.	6.13%
Engro Corporation Limited.	5.32%
Mari Petroleum Company Ltd.	3.83%
Indus Motor Company Ltd.	3.47%
Engro Fertilizers Limited.	3.22%
Pakistan State Oil Co Ltd.	3.09%

Sector Allocation (As % of Total Assets)



WWF Disclosure:

The Scheme has maintained provisions against Sind Workers' Welfare Fund's liability to the tune of Rs. 8.79 million, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by Rs. 0.02/ 0.28%. For details investors are advised to read the latest Financial Statement of the Scheme.

Compliance with Circular # 16 of 2010 / Non-compliant Investments

N/A

Performance Period	FY18	FY17	FY16	FY15***
NIT-IEF	-16.37%	18.38%	5.78%	2.70%
Benchmark	-9.59%	18.80%	15.53%	1.98%

***Launched on May 18, 2015

Members of the Investment Committee

Adnan Afridi - Managing Director	Manzoor Ahmed - Chief Operating Officer	Amir Amin - Head of Finance
Wasim Akram - Fund Manager	Faisal Aslam - Head of Compliance	Raza Abbas Jaffery - Head of Trading
Salman H. Chawala - Manager / Incharge Risk	Ali Kamal - Head of Research	Syed Ali Raza Bukhari - Head of Marketing

MUFAP's Recommended Format.

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

Note: All the figures given in the report are being under Full Year Audit review.