



NIT ISLAMIC EQUITY FUND



FUND MANAGER REPORT - June 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.

Profile of Investment Managers

National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. The size of total Funds under management by NITL is approximately Rs. 76 billion as of June 30, 2019. The family of Funds of NIT comprises of 10 funds including 4 equity Funds 2 fixed income nature Funds, 1 Islamic Income Fund, 1 Money Market Fund, 1 conventional Pension Fund and 1 Islamic Pension Fund. NIT's tally of nationwide branches is 24, no other Mutual Fund in Pakistan has such a vast network of nationwide branches. Further to cater to the matters relating to investments in NIT and day to day inquiries/issues of its 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 nominee of Govt. of Pakistan. The Company has been assigned an Asset Manager rating of "AM2++" by PACRA, which reflects the company's very strong capacity to manage the risks inherent in the asset management business and the asset manager meets very high investment management industry standards and benchmarks. All Investment decisions are taken by the Investment Committee of NITL.

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	0.09% per annum	*except public holiday **Ramzan Timing 10.00 AM to 2.00 PM (Mon to Thu), 9.00 AM to 12.00 Noon (Fri)	

Fund Commentary & Performance Review

The benchmark KMI-30 index posted a return of -7.07% during June, 2019. The month marked the end of FY19 with the KSE-100 return standing at -19.11% for the year, its worst performance since FY09. During the month fresh round of depreciation in the PKR was recorded. Moreover, the FY20 Federal Budget was also laden with removal of tax concessions and was followed by 30-190% increase in gas tariff and PKR1.5/kwh hike in power tariff. Market therefore anticipated that the tough period of economic adjustment can potentially extend across the next few months. Average volumes stood at 134 million shares during the month, a rise of 10% MoM. Foreign investors turned net sellers during the month with net selling of USD 4.94 million. The FY19 marked as one of the most challenging year in stock market history, economy grew at lowest rate not seen in many years, PKR devalued against USD and other currencies, interest rates hiked by SBP, FX reserves shrank to lowest level, current and fiscal deficit peaked at historical high levels, weak corporate Earnings and high inflation numbers pushed by higher energy prices and PKR devaluation. NIT IEF posted a return of -5.74% during the month of June, 2019 as against a benchmark return of -7.07% showing an outperformance of 1.33%.

Future Outlook

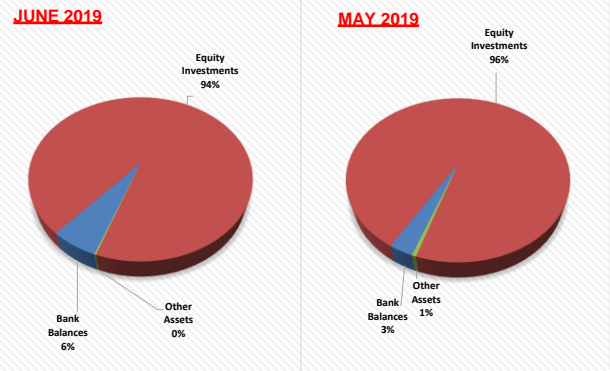
Market is likely to determine its direction from expected IMF board approval of US\$6.6bn EFF facility to Pakistan, Jun'19 inflation announcement and monetary policy for the month of July 2019.

Fund Returns*

	NIT-IEF	KMI-30
Jun-19	-5.74%	-7.07%
Since Inception	-20.06%	0.00%
YTD	-25.43%	-23.84%
5 yrs	N/A	N/A
Leverage	Nil	

* The returns are calculated inclusive of dividend.

Fund's Asset Allocation



Technical Information 30-06-2019

Net Assets NIT-IEF (PKR Million)	3,046
Nav per Unit NIT-IEF (PKR)	7.39
Total Expense Ratio (Incl. Govt Levy)*	2.82%

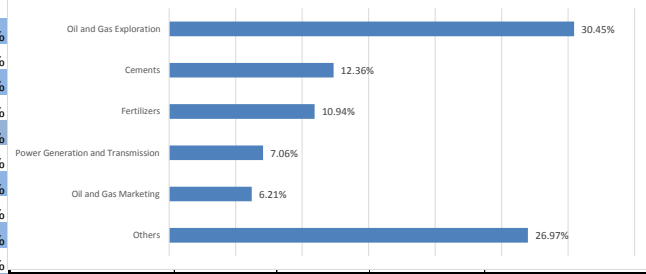
*This includes 0.42% representing Govt. levy, Sind Worker's Welfare Fund and SECP Fee

Top Ten Holdings

(As % of Total Assets)

Oil & Gas Development Company Ltd.	11.21%
Pakistan Petroleum Limited.	9.70%
Lucky Cement Limited.	7.54%
Hub Power Company Limited.	7.06%
Pakistan Oilfields Limited.	6.03%
Engro Corporation Limited.	5.17%
Indus Motor Company Ltd.	3.79%
Mari Petroleum Company Ltd.	3.51%
Engro Fertilizers Limited.	3.10%
D. G. Khan Cement Co. Ltd.	2.91%

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. 10.38 million, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by Rs. 0.03/ 0.34%. For details investors are advised to read the latest Financial Statement of the Scheme.

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

Performance Period	FY19	FY18	FY17	FY16	FY15***
NIT-IEF	-25.43%	-16.37%	18.38%	5.78%	2.70%
Benchmark	-23.84%	-9.59%	18.80%	15.53%	1.98%

***Launched on May 18,

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

MUEAP'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.

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