



NIT ISLAMIC EQUITY FUND



FUND MANAGER REPORT - July 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. 69 billion as of July 31, 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	0.08% per annum	*except public holiday **Ramzan 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 -6.56% during July, 2019. The month of July marked the sixth consecutive negative return for the benchmark KMI-30 index. Declining trend continued in the market amidst continuing macroeconomic adjustments. The much awaited Extended Finance Facility of USD 6 billion was approved by the IMF and the first tranche was also released. However, investors remained concerned regarding the conditionalities attached with the IMF Program. Fears of rising inflation coupled with further hike in the discount rate by SBP by 100 bps during the month also triggered negative sentiment in the market. Rising interest rates continue to make fixed income investments more attractive for investors causing selling in the stock market as investors switch to safer investment avenues offering decent returns. Average volumes dropped drastically, and stood at 76 million shares, down 43% MoM. Foreign investors remained net buyers during the month with net buying to the tune of USD 30 million. NIT IEF posted a return of -7.22% during the month of July, 2019 as against a benchmark return of -6.56% showing an under performance of 0.66%.

Future Outlook

Improvements on the external front have been encouraging, and the MPC's recent statements suggest that the major monetary adjustment have already been undertaken by SBP. However, continuing CAD improvement in the coming months, coupled with inflation numbers will give a more clear indication of economic stability.

Technical Information 31-07-2019

Net Assets NIT-IEF (PKR Million)	2,722
Nav per Unit NIT-IEF (PKR)	6.68
Total Expense Ratio (Incl. Govt Levy)*	2.69%

*This includes 0.30% representing Govt. levy, Sind Worker's Welfare Fund and SECP Fee

Top Ten Holdings

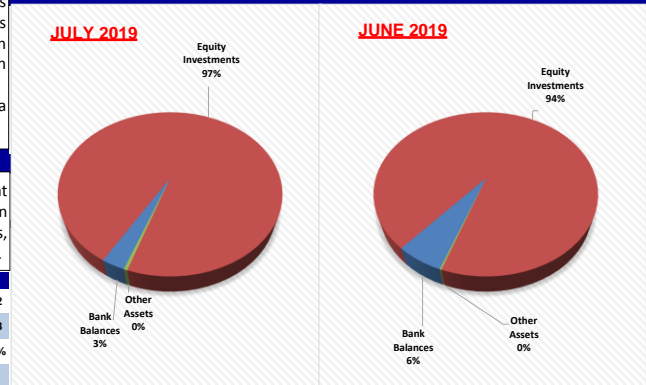
(As % of Total Assets)	
Oil & Gas Development Company Ltd.	12.01%
Pakistan Petroleum Limited.	9.98%
Lucky Cement Limited.	8.20%
Hub Power Company Limited.	7.02%
Pakistan Oilfields Limited.	6.72%
Engro Corporation Limited.	5.55%
Indus Motor Company Ltd.	3.97%
Mari Petroleum Company Ltd.	3.61%
Engro Fertilizers Limited.	3.47%
Pakistan State Oil Co Ltd.	2.67%

Fund Returns*

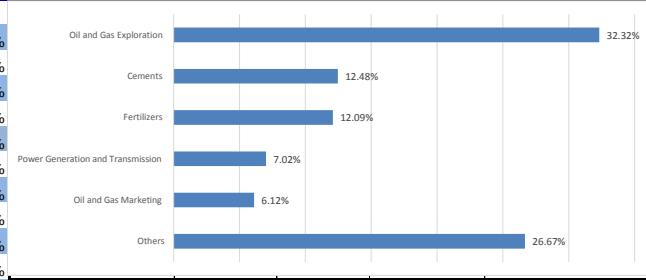
	NIT-IEF	KMI-30
Jul-19	-7.22%	-6.56%
Since Inception	-25.83%	-6.56%
YTD	-7.22%	-6.56%
5 yrs	N/A	N/A
Leverage	Nil	N/A

*The returns are calculated inclusive of dividend.

Fund's Asset Allocation



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/ 0.38%. 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***
N/A	-25.43%	-16.37%	18.38%	5.78%	2.70%
NIT-IEF 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.