

NIT ISLAMIC EQUITY FUND



FUND MANAGER REPORT - August 2016

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. With the recent launch of 1 new Funds namely NIT Islamic Income Fund the size of total Funds under management by NITL is approximately Rs. 96 billion as of August 31, 2016. 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 23, 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	KPMG Taseer Hadi & Co.
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)

*except public holiday **Ramzan Timing 8.00 AM to 2.00 PM (Mon to Thur), 8.00 AM to 12.30 Noon (Fri)

Fund Commentary & Performance Review

The benchmark KMI-30 declined by 0.99% during the month of August, 2016. The market failed to build further on the bullish momentum prevalent since the beginning of the current financial year. Major drag to the market emanated from substantial net selling by foreign investors, amounting to USD 20 million for the month of August, 2016. Some turbulence on the political front coupled with negative sector specific news flow regarding expansion plans announced by Cement manufacturers and high inventory levels and consequent further discount in prices by Fertilizer manufacturers kept the market subdued. Volumes, however remained strong with 258 million shares traded in the market against 189 million shares last month showing a MoM increase of 37%. This was mainly due to active trading in second and third tier scrips. The month was also significant as the KSE-100 index surpassed the 40,000 level for the first time during the current financial year.

NIT IEF posted a return of -1.18% for the month of August, 2016 as against a benchmark return of -0.99% showing an under performance of 0.19%.

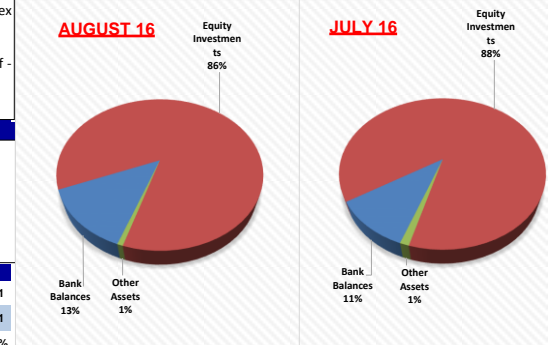
Future Outlook

Foreign selling and political noise will determine the future direction of the market.

Fund Returns

	NIT-IEF	KMI-30
Aug-16	-1.18%	-0.99%
Since Inception	13.27%	28.25%
YTD	4.60%	4.90%
5 yrs	N/A	N/A
Leverage	Nil	

Fund's Asset Allocation



Technical Information 31-08-2016

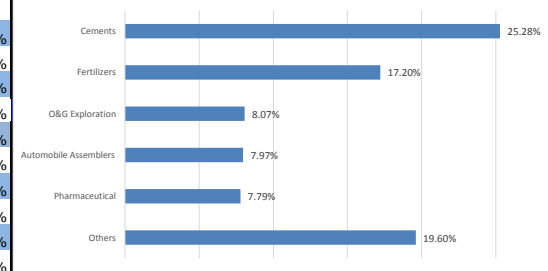
Net Assets NIT-IEF (PKR Million)	4,701
Nav per Unit NIT-IEF (PKR)	10.91
Total Expense Ratio (Incl. Govt Levy)	2.64%
Total Expense Ratio (Excl. Govt Levy)	2.27%

Top Ten Holdings

(As % of Total Assets)

Lucky Cement	11.21%
DG Khan Cement	7.84%
HUB Power Company Limited	6.94%
Fauji Fertilizer Company Limited	5.14%
Engro Corporation Limited	4.84%
Engro Fertilizer	4.34%
Pakistan State Oil	4.12%
Cherat Cement Limited	3.69%
Indus Motors Limited	3.55%
The Searie Company Limited	3.54%

Sector Allocation (As % of Total Assets)



WWF Disclosure:

The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of **Rs. 134,000**, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by **Rs. 0.00 / 0.00%**. 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

Members of the Investment Committee

Shahid Ghaffar - Managing Director	Manzoor Ahmed - Chief Operating Officer	S. Zubair Ahmed - Controller of Branches	Amir Amin - Head of Finance
Shahid Anwer - Head of MD's Sectt. & Personnel	M. Imran Rafiq, CFA - Head of Research	Raza Abbas Jaffery - Head of Trading	
Ammar Habib - Manager / Incharge Risk Mngmn	Aqib Hussain - Incharge Compliance	Wasim Akram - 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.
Note: All the figures given in the report are being under Full Year Audit review.