



NIT ISLAMIC EQUITY FUND



FUND MANAGER REPORT - September 2015

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 2 new Funds namely **NIT Pension Fund** & **NIT Islamic Pension Fund** the size of total Funds under management by NITL is approximately Rs. 86 billion as of September 30, 2015. The family of Funds of NIT comprises of 8 funds including 4 equity Funds 2 fixed income nature Funds, 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	3.00%	Dealing Days*	Daily (Monday to Friday)
Front End Load	2.00%	Valuation Days*	Daily (Monday to Friday)
Back End Load	0.00%	AMC Rating	AM2 (PACRA) (14-04-2015)
Benchmark	KMI-30	Risk Profile	Moderate / High
Par Value	PKR 10.00	Fund Manager	Wasim Akram
Minimum Investment	PKR 5,000	Cutt-off timing	9.00 AM to 3.30 PM (Mon to Fri)
*except public holiday **			

Fund Commentary & Performance Review

During the month of September '15, the KSE-100 index declined by 7.02% to close at a level of 32,287. Average daily trading volumes dropped to 183mn shares/day. Weak performance of the market during the period is mainly attributable to the slowdown in global economies, fall in international commodity prices and weakening of emerging currencies which prompted a selloff in international markets. Anticipations about Fed interest rate hike also led to foreign investors reducing their emerging market equity exposures. Even the decision by SBP to reduce the policy rate by 50 bps failed to revive the market momentum. SBP stated in its monetary policy statement that implementation of infrastructure development and energy projects under China Pakistan Economic Corridor would further enhance the improving investment environment. Therefore, there is anticipation of higher economic activity in FY16 which is expected to boost credit uptake. Considering the favorable macroeconomic conditions and benign inflation outlook, the central board of Directors of SBP has decided to reduce the SBP policy rate by 50bps from 6.5 percent to 6.0 percent.

During the month of September 2015, the benchmark KMI-30 index decreased by -6.48% whereas your Fund's NAV decreased by -4.95% during the same period thus giving an outperformance of 1.53%.

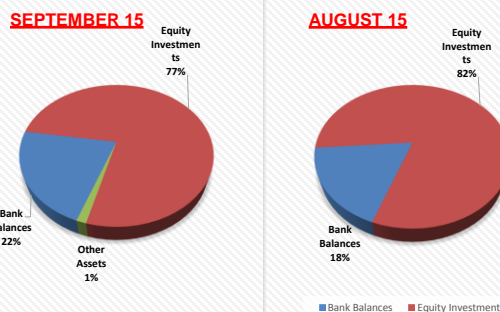
Future Outlook

Despite short term pressures on the market emanating from volatility in global oil prices, currency wars, the US rate hike and heightened local political noise, the overall direction is expected to remain positive on the back of attractive valuations, low inflation, easy monetary policy, lower oil prices and release of next IMF tranche and issuance of Eurobonds.

Fund Returns

	NIT-IEF	KMI-30
September, 2015	-4.95%	-6.48%
Since Inception	-2.10%	0.63%
YTD	-4.67%	-5.56%
5 yrs	N/A	N/A
Leverage	Nil	N/A

Fund's Asset Allocation



Technical Information 30-09-2015

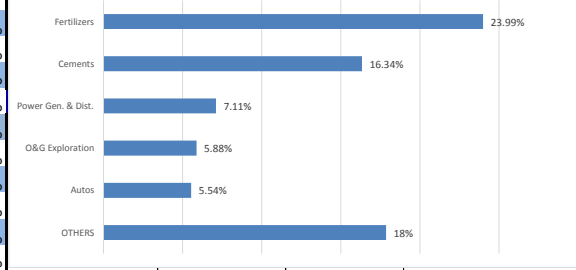
Net Assets NIT-IEF (PKR Million)	4,841
Nav per Unit NIT-IEF (PKR)	9.79

Top Ten Holdings

(As % of Total Assets)

Lucky Cement	11.09%
Engro Corporation	8.52%
Fauji Fertilizer Co. Ltd.	6.26%
Pakistan State Oil	5.34%
Engro Foods	4.42%
Engro Fertilizers	4.41%
Fauji Fertilizer Bin Qasim	3.82%
Kot Adu Power Company Ltd.	3.64%
Fauji Cement Co. Ltd	3.40%
Hub Power Company Ltd.	3.47%

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 Mngmnt	Syed Aqib Hussain - Incharge / Manager 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.

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