

**FUND MANAGER REPORT - October 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. 72 billion as of October 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**

<b>Fund Type</b>	Open-End	<b>Trustee</b>	Central Depository Company
<b>Category</b>	Islamic Equity	<b>Auditors</b>	A.F. Ferguson & Co. Chartered Accountants
<b>Launch Date</b>	18th May 2015	<b>Pricing Mechanism</b>	Forward Pricing
<b>Management Fee</b>	2.00%	<b>Dealing Days*</b>	Daily (Monday to Friday)
<b>Front End Load</b>	0%-3%	<b>Valuation Days*</b>	Daily (Monday to Friday)
<b>Back End Load</b>	0.00%	<b>AMC Rating</b>	AM2++ (PACRA)
<b>Benchmark</b>	KMI-30	<b>Risk Profile</b>	Moderate / High
<b>Par Value</b>	PKR 10.00	<b>Fund Manager</b>	Wasim Akram
<b>Minimum Investment</b>	PKR 5,000	<b>Cut-off timing**</b>	9.00 AM to 3.30 PM (Mon to Fri)
<b>Selling and Marketing Expenses</b>	0.12% 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 KMI-30 index increased by 9.17% during the month of October, 2019. The month marked the second consecutive positive closing for the benchmark index. The positive sentiment primarily emanated from Pakistan having retained its place in the FATF grey list. Continuous reduction in fixed income yields coupled with reducing current account deficit numbers further bolstered market sentiment. Average volumes during the month stood at 190 million shares, an impressive rise of 67% on a MoM basis. Foreign investors however, continue to remain net sellers, with net selling worth USD 12.93 million.

NIT IEF posted a return of 8.07% during the month of October, 2019 as against a benchmark return of 9.17% showing an under performance of 1.10%.

**Future Outlook**

Developing political situation coupled with economic indicators including inflation numbers and current account deficit will determine the future direction of the market.

**Technical Information 31-10-2019**

<b>Net Assets NIT-IEF (PKR Million)</b>	2,957
<b>Nav per Unit NIT-IEF (PKR)</b>	7.23
<b>Total Expense Ratio (Incl. Govt Levy)^</b>	2.84%

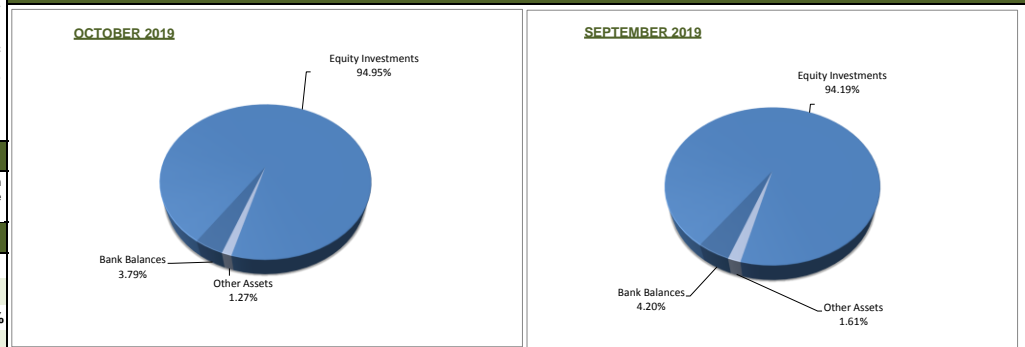
^This includes 0.38% representing Govt. levy, Sind Worker's Welfare Fund and SECP Fee

**Fund Returns\***

	NIT-IEF	KMI-30
<b>Oct-19</b>	8.07%	9.17%
<b>Since Inception</b>	-19.72%	-14.58%
<b>YTD</b>	0.42%	3.18%
<b>5 yrs</b>	N/A	N/A
<b>Leverage</b>	Nil	

\*The returns are calculated inclusive of dividend.

**Fund's Asset Allocation**

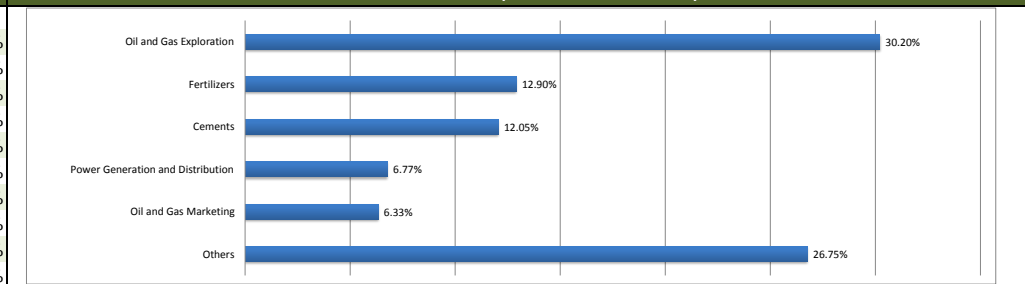


**Top Ten Holdings**

(As % of Total Assets)

Oil & Gas Development Company Ltd.	11.03%
Pakistan Petroleum Limited.	9.20%
Lucky Cement Limited.	7.38%
Hub Power Company Limited.	6.77%
Engro Corporation Limited.	6.04%
Pakistan Oilfields Limited.	5.68%
Engro Fertilizers Limited.	4.39%
Mari Petroleum Company Ltd.	4.29%
Indus Motor Company Ltd.	3.08%
Pakistan State Oil Co Ltd.	2.99%

**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. 11.14 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	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, 2015

**Members of the Investment Committee**

<b>Adnan Afridi - Managing Director</b>	<b>Manzoor Ahmed - Chief Operating Officer</b>	<b>Amir Amin - Head of Finance</b>
<b>Wasim Akram - Fund Manager</b>	<b>Faisal Aslam - Head of Compliance</b>	<b>Raza Abbas Jaffery - Head of Equities and Trading</b>
<b>Attique-ur-Rehman Shaikh - Manager Risk</b>	<b>Ali Kamal - Head of Research</b>	

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 currently under Full Year Audit review.