



# NIT ISLAMIC EQUITY FUND



## FUND MANAGER REPORT - December 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.

### Fund's Information

<b>Fund Type</b>	Open-End	<b>Trustee</b>	Central Depository Company
<b>Category</b>	Islamic Equity	<b>Auditors</b>	KPMG Taseer Hadi & Co.
<b>Launch Date</b>	18th May 2015	<b>Pricing Mechanism</b>	Forward Pricing
<b>Management Fee</b>	3.00%	<b>Dealing Days*</b>	Daily (Monday to Friday)
<b>Front End Load</b>	2.00%	<b>Valuation Days*</b>	Daily (Monday to Friday)
<b>Back End Load</b>	0.00%	<b>AMC Rating</b>	AM2 (PACRA) (14-04-2015)
<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>Cutt-off timing</b>	9.00 AM to 3.30 PM (Mon to Fri)

\*except public holiday \*\*

### 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. 88 billion as of December 31, 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 Commentary & Performance Review

During the month of December 2015, the KSE-100 index posted a return of 1.74% to close at 32,816 levels taking the calendar year return to 2.1%. Daily average trading volumes decreased by 18% MoM to 140mn shares from an average of 171mn shares traded during last month. Outflow from the foreign investors remained the concern for the market participants as Federal Reserve decided to raise the benchmark rate by 0.25% for the first time after 2006. Moreover, OPEC's indecision on oil output kept the international prices in check.

During the month of December 2015, the benchmark KMI-30 index increased by 3.97% whereas your Fund's NAV appreciated by 2.82% during the same period thus giving an underperformance of 1.15%. On a YTD basis (July 15 to Dec 15), the KMI-30 index declined by 2.91% whereas the NAV of your Fund depreciated by 3.99%, thus, showing an under performance of 1.08%.

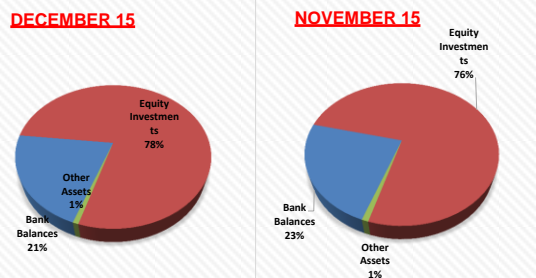
### Future Outlook

Future outlook of the market seems encouraging due to prevailing low interest rate regime and scarcity of yield on the alternative fixed income instruments, progress on China-Pakistan economic corridor, higher GDP growth and strong corporate earnings growth is expected to fuel the equity market over the long-term.

### Fund Returns

	NIT-IEF	KMI-30
<b>December, 2015</b>	2.82%	3.97%
<b>Since Inception</b>	-1.40%	3.46%
<b>YTD</b>	-3.99%	-2.91%
<b>5 yrs</b>	N/A	N/A
<b>Leverage</b>	Nil	

### Fund's Asset Allocation



### Technical Information 31-12-2015

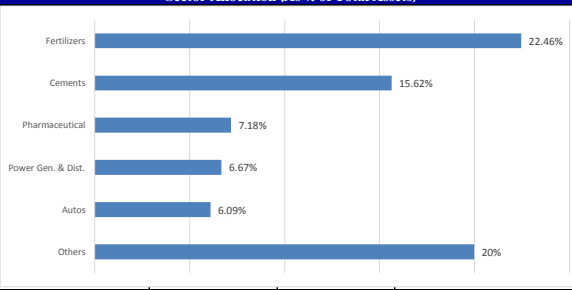
<b>Net Assets NIT-IEF (PKR Million)</b>	5,088
<b>Nav per Unit NIT-IEF (PKR)</b>	9.86

### Top Ten Holdings

(As % of Total Assets)

Lucky Cement	10.44%
Engro Corporation	8.28%
Fauji Fertilizer Co. Ltd.	5.94%
Pakistan State Oil	5.63%
Engro Foods	4.18%
Engro Fertilizer	4.01%
Ferozsons (Labs)	3.61%
Hub Power Company Limited	3.45%
Fauji Fertilizer Bin Qasim	3.35%
Fauji Cement Limited	3.34%

### 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

<b>Shahid Ghaffar - Managing Director</b>	<b>Manzoor Ahmed - Chief Operating Officer</b>	<b>S. Zubair Ahmed - Controller of Branches</b>	<b>Amir Amin - Head of Finance</b>
<b>Shahid Anwer - Head of MD's Sectt. &amp; Personnel</b>	<b>M. Imran Rafiq, CFA - Head of Research</b>	<b>Raza Abbas Jaffery - Head of Trading</b>	
<b>Ammar Habib - Manager / Incharge Risk Mngmnt</b>	<b>Syed Aqib Hussain - Incharge / Manager Compliance</b>	<b>Wasim Akram - Fund Manager</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 etc.