

## NIT INCOME FUND



FUND MANAGER REPORT - APRIL 2018

### Fund's Basic Information

Fund Type	Open-End
Category	Income Fund
Launch Date	19 <sup>th</sup> February 2010
Listing	PSX
Stability Rating	A+ (f) (PACRA) 12-July-17
Management Fee	10% of Gross Earnings, subject to 0.50% p.a. minimum and 1.25% p.a. maximum of Average Annual Net Assets
Front End Load*	1.00%
Back End Load	Nil
Cutt-off timing	3:30 PM
Par Value	PKR 10.00
Min Subscription	Growth Unit PKR 5,000 Income Unit PKR 100,000
Trustee	Central Depository Co. (CDC)
Auditors	KPMG Taseer Hadi
Registrar	National Investment Trust Ltd.
Pricing Mechanism	Forward Day Pricing
Valuation Days	Daily (Monday to Friday) except public holiday
Redemption Days	Daily (Monday to Friday) except public holiday
Subscription Days	Each valuation day
AMC Rating	AM2++ (PACRA) 08-Dec-17
Risk Profile	Moderate
Benchmark	Average 6-Month KIBOR
Fund Manager	Shoaib Ahmad Khan

\*Varies as per policy.

### Technical Information

Net Assets	Rs. 5.63 Bln
NAV per Unit (Apr 30, 2018)	10.7345
Weighted Avg. Maturity(Days)	323
Leveraging	Nil
Standard Deviation of Return	0.022
Total Expense Ratio*	1.19%
*This includes 0.28% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.	

### Fund Returns v/s Benchmark

	NIT-IF	Benchmark
April-18	4.40%	6.51%
Year to Date	5.07%	6.27%
Trailing 12M Avg.	5.06%	6.25%
3 Years*	5.62%	6.34%
5 Years*	8.78%	7.65%
Since Inception	12.53%	9.38%

\* Simple annualized return

(Returns are calculated inclusive of dividends)

### Asset Allocation (% of Total Assets)

	Apr-18	Mar-18
T-Bills	25.83%	12.89%
PIBs	0.00%	0.00%
TFCs	17.63%	17.40%
TDRs	0.00%	0.00%
COI	3.49%	3.70%
MTS	3.46%	6.37%
Cash	47.44%	57.43%
Others	2.15%	2.22%

### Objective of the fund

The objective of NIT Income Fund is to generate competitive stream of return with moderate level of risk for its unit holders, by investing primarily in fixed income securities/instruments.

### Profile of Investment Managers

National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 107 billion assets under management as on 30 April 2018, the family of Funds of NIT comprises of ten funds including 4 equity funds, 2 fixed income funds, 1 money market fund, 1 Islamic income 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 NITL managed Funds and day to day inquiries/issues of their 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 a nominee of Govt. of Pakistan. The Company has been assigned an Asset Manager rating of "AM2++" by PACRA, which reflects the company's high investment management industry standards and benchmarks with noted strengths in several of the rating factors. All Investment decisions are taken by the Investment Committee of the respective fund.

### Fund Performance Review

NIT Income Fund posted a YTD annualized return for FY18 of 5.07% p.a. against the benchmark return of 6.27% p.a. The Fund posted an annualized return of 4.40% p.a for the month of April while its benchmark return was 6.51% p.a.

The Consumer Price Index (CPI) for the month of April increased to 3.7% versus 3.2% over the previous month. The 10MFY18 average CPI inflation now stands at 3.77% compared to 4.09% during the previous fiscal year.

Asset allocation of NIT IF by the end of month reveals that NIT IF had exposure of about 26% in Treasury Bills, around 18% of its total assets in TFCs, 3% in COI, about 3% was invested in MTS and the remaining was in the form of cash and other assets. At the end of the month, weighted average time to maturity of the portfolio stood at 323 days.

TFC / Sukuk Holdings (% of TA)	Asset Quality of the Portfolio (% of TA)
BANK ALFALAH LTD-V	4.38%
MCB BANK LTD.	3.05%
BANK AL-HABIB LTD.	2.41%
DAWOOD HERC - SUKUK II	2.18%
HABIB BANK LTD.	2.16%
SUMMIT BANK LTD.	1.75%
JS BANK LTD.	1.03%
GHANI GASES LTD. - SUKUK	0.41%
FATIMA FERTILIZER - SUKUK	0.26%
	17.63%

Other Assets, 5.62%

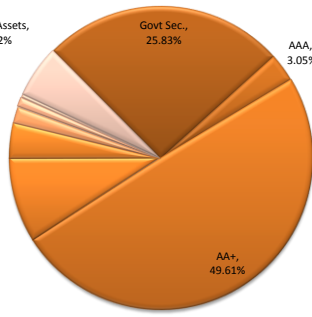
A+, 1.03%

A, 0.41%

A-, 1.75%

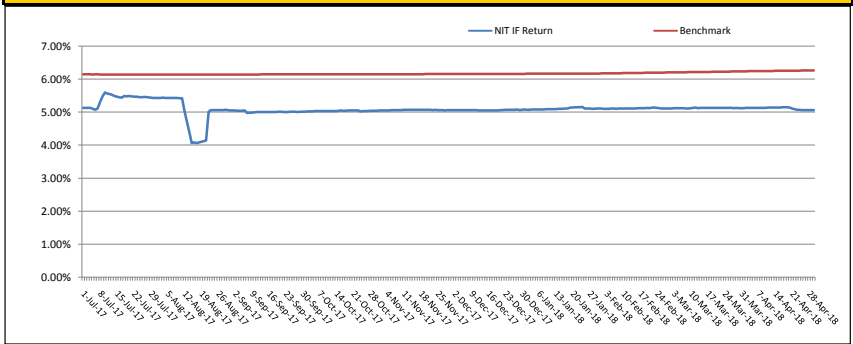
AA-, 3.75%

AA, 8.97%



Performance Period	FY17	FY16	FY15	FY14	FY13
NIT-IF	5.37%	5.87%	14.09%	7.06%	9.56%
Benchmark	6.10%	6.53%	9.01%	9.82%	9.92%

### NIT IF Year to Date Return v/s Benchmark



**SINDH-WWF Disclosure:** The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 12.21m. If the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0233/ 0.27%. For details investors are advised to read the latest financial statement of the scheme.

### Members of the Investment Committee

Manzoor Ahmed, COO/Managing Director	Aamir Amin, Head of Finance	Ali Kamal, Head of Research
Shoaib A. Khan, SVP/ Fund Manager	Syed Ali Raza Bukhari, Head of Marketing	Faisal Aslam, Head of Compliance
Ammar Habib, Incharge/Manager Risk Mgmt.		

### 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.

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