

**Fund's Basic Informations**

Fund Type	Open-End
Category	Income Fund
Launch Date	19 <sup>th</sup> February, 2010
Listing	KSE, LSE & ISE
Stability Rating	N/A
Management Fee	1.25%
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	A.F Ferguson & Co.
Registrar	National Investment Trust Ltd.
Pricing Mechanism	Forward 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)
Risk Profile	Moderate
Benchmark	6-Month KIBOR
Fund Manager	Khurram Aftab Ahmed

**Technical Information**

Net Assets	PKR 2.3 Bln
Nav per Unit (31 May 2010)	10.3438
Weighted Average Maturity (Day)	579
Leveraging	Nil
Standard Deviation	0.07

**Return History**

	NIT-IF*	Benchmark
May-10	9.31%	12.24%
June-10	8.15%	12.35%
Year to Date	9.88%	12.35%
Since Inception	9.88%	12.35%

\* Morning Star Method

**Asset Allocation (% of Total Assets)**

	May-10	June-10
Govt. Sec	85.73%	81.09%
TFCs	12.01%	16.04%
Cash	1.47%	2.37%
Others	0.79%	0.51%

**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 Asset Management Company of Pakistan, formed in 1962. NITL is the largest asset management company of Pakistan with approximately Rs. 66 billion assets under management. NIT's distribution network comprises of 19 NIT branches, various Authorized bank branches all over Pakistan and Arab Emirates Investment Bank (AEIB) in Dubai(UAE). 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 Pakistan Credit Rating Agency (PACRA), which denotes very strong capacity to manage risks inherent in asset management 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 Performance Review**

NIT Income Fund (NIT IF) yielded an annualized return of 8.15% during the month of June 2010, while its return since inception stands at 9.88%. The returns were lower than the expectations due to the contribution towards Workers Welfare Funds (WWF) drawn by the judgment of Sindh High Court. The benchmark six month KIBOR increased by 11 bps to 12.35% from its previous 12.24% mainly due to liquidity shortage in the banking system and also as the half year end approached for Commercial Banks.

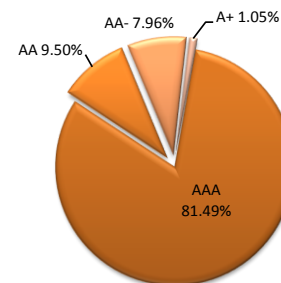
During the month, the TFC portfolio increased from 12.01% to 16.04% of Net Assets, while the fund remains invested 81% of its Net Assets in Treasury bills. The remaining 3% is in the form of cash with banks.

Since NIT IF's inception, majority of the corporate debt securities have not been classified as traded securities by MUFAP. NIT IF has gradually built a TFC portfolio by investing in high quality TFCs while keeping a high exposure in Treasury Bills. The fund will continue to seek opportunities and enhance on diversifying its portfolio to provide stable and healthy returns for its unit holders in coming months.

**TFC Holdings**

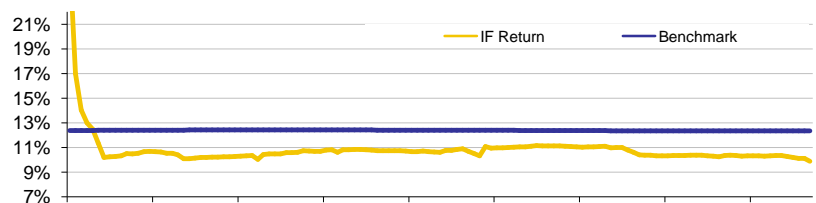
Bank Al-falah Ltd. IV  
Askari Bank Ltd. III  
Engro Fertilizer Ltd. TFC IV  
Bank Al-Habib Ltd. III  
United Bank Ltd. IV  
NIB Bank TFC

**Credit Quality of Portfolio**



16.04%

**NIT-IF Return v/s Benchmark**



**Members of the Investment Committee**

Wazir Ali Khoja - Managing Director	Manzoor Ahmed - Chief Operating Officer	Amir Amin - Head of Finance
Shahid Anwer - Head of MD's Sectt. & Personnel	Zubair Ahmed - Controller of Branches	Khurram Aftab - Fund Manager

**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 and Securities are subject to Market Risks. Our target return/dividend range can not be guaranteed. NIT-GBFs unit price is neither guaranteed nor administered/managed. It is based on Net Asset Value (NAV) and the NAV of NIT-GBF Units may go up or down depending upon the factors and forces affecting the Market. Past performance is not indicative of future results.

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