

NIT INCOME FUND



FUND MANAGER REPORT - AUGUST 2013

Fund's Basic Information	
Fund Type	Open-End
Category	Income Fund
Launch Date	19 th February 2010
Listing	KSE, LSE & ISE
Stability Rating	A+ (f) (PACRA)
Management Fee	1.25%
Front End Load*	1.00%
Back End Load	Nil
Cut-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 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)
Risk Profile	Moderate
Benchmark	6-Month KIBOR
Fund Manager	Khurram Aftab Ahmed

* Varies as per policy

Technical Information	
Net Assets	Rs. 3.5 Bln
NAV per Unit (August 30 2013)	10.2936
Weighted Avg. Maturity(Days)	392
Leveraging	Nil
Standard Deviation of Return	0.13

Fund Returns v/s Benchmark		
	NIT-IF	Benchmark
August-13	3.01%	9.12%
Year to Date	4.59%	9.12%
Trailing 12M Avg.	8.29%	9.52%

Asset Allocation (% of Total Assets)		
	Aug-13	Jul-13
Govt. Sec	83.78%	79.26%
TFCs/Sukuks	14.72%	15.39%
TDR	0.00%	0.00%
LOP	0.00%	1.36%
COI	0.00%	1.36%
Cash	0.87%	2.15%
Others	0.62%	0.49%

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. 80 billion assets under management. The family of Funds of NIT comprises of five funds including 3 equity Funds and 2 fixed income nature Funds. NIT's tally of nationwide branches has gone to 24, yet another milestone as no Mutual Fund in Pakistan has such a big 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.

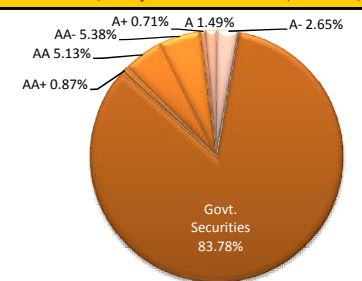
Fund Performance Review

NIT Income Fund annualized return for the current year stands at 4.59% against its benchmark return of 9.10%. The return for the month of August was 3.01% against its benchmark return, six month KIBOR which averaged 9.12%.

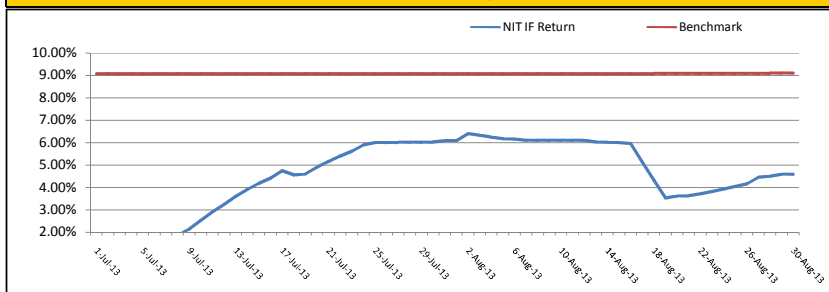
The Consumer Price Index (CPI) for the month of August increased from 8.26% year on year to 8.55% year on year. Secondary market rates for longer tenor securities have remained on the higher side in anticipation of a hike in discount rate. Prices of TFCs also declined as trade volumes remained low during the month.

NIT IF's asset allocation at the end of the month has around 15% of its total assets in TFCs while around 84% of total assets are invested in Government Securities while the remaining is in the form of cash and other assets.

TFC Holdings (% of TA)	Credit Quality of the Portfolio (% of TA)
Bank Al-Falah Ltd. IV	3.14%
Bank Al-Habib Ltd. IV	2.99%
Summit Bank Ltd	2.65%
Askari Bank Ltd. III	2.23%
Bank Al-Habib Ltd. III	1.52%
Engro Fertilizer Ltd. TFC IV	1.49%
NIB Bank TFC	0.71%
	14.72%



NIT IF Year to Date Return v/s Benchmark



WWF Disclosure - The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 19.619m, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0579/ 3.39%. For details investors are advised to read the Note 16 of the latest Financial Statement of the Scheme.

Members of the Investment Committee

Manzoor Ahmed - COO / Managing Director	Shahid Anwar - Head of MD's Sectt. & Personnel	Aamir Amin - Head of Finance
M. Imran Rafiq, CFA - Head of Research	Zubair Ahmed - Controller of Branches/Comp. Secretary	Khurram Aftab - Fund Manager
M. Atif Khan - Manager Compliance and 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 and Securities are subject to Market Risks. Our target return/dividend range can not be guaranteed. NIT-IFs unit price is neither guaranteed nor administered/managed. It is based on Net Asset Value (NAV) and the NAV of NIT-IF Units may go up or down depending upon the factors and forces affecting the Market. Past performance is not indicative of future results.

National Investment Trust Ltd,
National Bank Building, (6th Floor)
I.I. Chundrigar Road, P.O Box # 5671.
Karachi - 74000, Pakistan
Tel: 111-648-648