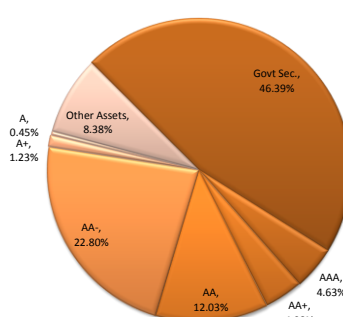


## NIT INCOME FUND



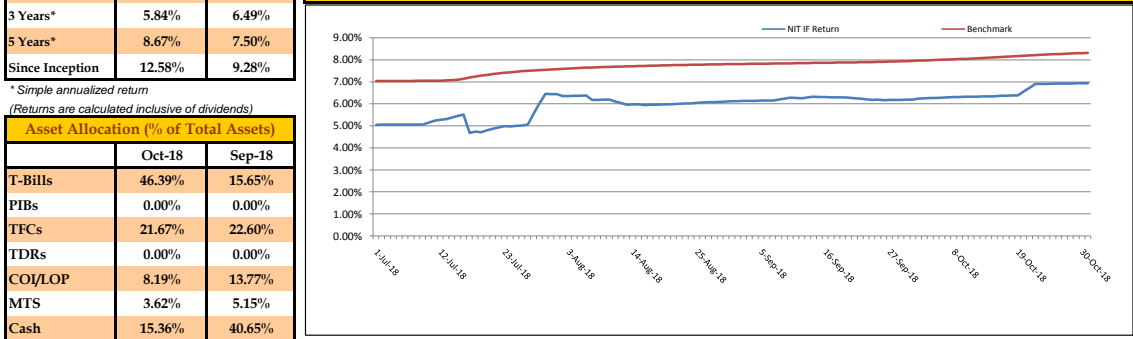
FUND MANAGER REPORT - OCTOBER 2018

Fund's Basic Information		Objective of the fund
<b>Fund Type</b>	Open-End	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.
<b>Category</b>	Income Fund	
<b>Launch Date</b>	19 <sup>th</sup> February 2010	
<b>Listing</b>	PSX	
<b>Stability Rating</b>	A+ (i) (PACRA) 30-June-18	
<b>Management Fee</b>	10% of Gross Earnings, subject to 0.50% p.a. minimum and 1.25% p.a. maximum of Average Annual Net Assets	
<b>Front End Load*</b>	1.00%	
<b>Back End Load</b>	Nil	
<b>Cut-off timing</b>	3:30 PM	
<b>Par Value</b>	PKR 10.00	
<b>Min Subscription</b>	Growth Unit PKR 5,000 Income Unit PKR 100,000	<b>Profile of Investment Managers</b>
<b>Trustee</b>	Central Depository Co. (CDC)	National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 92 billion assets under management as on 31 October 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.
<b>Auditors</b>	A.F. Ferguson & Co.	
<b>Registrar</b>	National Investment Trust Ltd.	
<b>Pricing Mechanism</b>	Forward Day Pricing	
<b>Valuation Days</b>	Daily (Monday to Friday) except public holiday	
<b>Redemption Days</b>	Daily (Monday to Friday) except public holiday	
<b>Subscription Days</b>	Each valuation day	
<b>AMC Rating</b>	AM2++ (PACRA) 08-Dec-17	
<b>Risk Profile</b>	Moderate	
<b>Benchmark</b>	Average 6-Month KIBOR	
<b>Fund Manager</b>	Shoab Ahmad Khan	<b>Fund Performance Review</b>
<b>Total Expense Ratio (Annualized)</b>	1.44% (This includes 0.32% representing Gov. Levy, Sindh Workers Welfare Fund & SECP Fee.)	The Fund posted an annualized return of 8.99% p.a for the month of October against its benchmark return of 9.44% p.a. The YTD return for FY19 stood at 6.93% p.a. against the benchmark return of 8.32% p.a.  The Consumer Price Index (CPI) for the month of October increased to 7.00% versus 5.12% over the previous month. The 4MFY19 average CPI inflation now stands at 5.95% compared to 3.50% during the previous fiscal year.  Asset allocation of NIT IF by the end of month reveals that NIT IF had exposure of about 46% in Treasury Bills, around 22% of its total assets in TFCs, 8% in COIs/LOP, about 4% 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 402 days.
<b>Total Expense Ratio (Absolute)</b>	0.48% (This includes 0.11% representing Gov. Levy, Sindh Workers Welfare Fund & SECP Fee.)	
*Varies as per policy.		

TFC / Sukuk Holdings (% of TA)		Asset Quality of the Portfolio (% of TA)	
BANK ALFALAH LTD-V	5.32%		
MCB BANK LTD.	4.63%		
DAWOOD HERC - SUKUK II	3.58%		
BANK AL-HABIB LTD.	3.13%		
HABIB BANK LTD.	3.07%		
JS BANK LTD.	1.23%		
GHANI GASES LTD. - SUKUK	0.45%		
FATIMA FERTILIZER - SUKUK	0.27%		
	21.67%		

Fund Returns v/s Benchmark		Performance Period					
	NIT-IF	Benchmark	FY18	FY17	FY16	FY15	FY14
October-18	8.99%	9.44%	5.22%	5.37%	5.87%	14.09%	7.06%
Year to Date	6.93%	8.32%	6.35%	6.10%	6.53%	9.01%	9.82%
Trailing 12M Avg.	5.89%	7.08%					
3 Years*	5.84%	6.49%					
5 Years*	8.67%	7.50%					
Since Inception	12.58%	9.28%					

### 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. 15.44m, if the same were not made the NAV per unit/current year to date return of the Scheme would be higher by Rs. 0.0336/0.98%. For details investors are advised to read the latest financial statement of the scheme.

Asset Allocation (% of Total Assets)		
	Oct-18	Sep-18
T-Bills	46.39%	15.65%
PIBs	0.00%	0.00%
TFCs	21.67%	22.60%
TDRs	0.00%	0.00%
COI/LOP	8.19%	13.77%
MTS	3.62%	5.15%
Cash	15.36%	40.65%
Others	4.76%	2.18%

Members of the Investment Committee		
Manzoor Ahmed, COO/Managing Director	Aamir Amin, Head of Finance	Ali Kamal, Head of Research
Shoab 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.

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