

## NIT INCOME FUND



FUND MANAGER REPORT - NOVEMBER 2012

### Fund's Basic Information

Fund Type	Open-End
Category	Income Fund
Launch Date	19 <sup>th</sup> February 2010
Listing	KSE, LSE & ISE
Stability Rating	A+ (f) (PACRA)
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 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

### 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. 75 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 distribution network comprises of 23 NIT branches, various Authorized bank branches all over Pakistan and Arab Emirates Investment Bank (AEIB) in Dubai(UAE). NIT recently launched a state of the art Investors' Facilitation Centre to cater matters relating to investments in NIT and day to day inquiries/ issues of NIT's unit holders regarding NIT Funds. 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, 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 IF yielded an annualized return of 9.49% during the month of November 2012. The benchmark six month KIBOR slightly increased from 9.51% in the previous month to 9.54% towards the end of November and averaged 9.44% during the current month. The annualized return for the current year stood at 10.93% while its benchmark return was 10.54%

Inflation has reached almost a five year low and was recorded at 6.93% for the month of November. Although money market yields remained on the high side throughout the month, it is anticipated that State Bank of Pakistan will continue to ease its monetary policy.

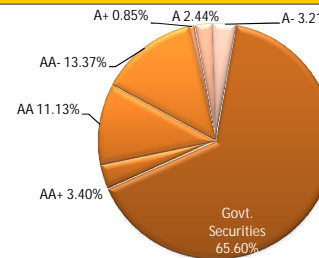
NIT IF's asset allocation at the end of the month has around 20% of its total assets in TFCs while around 64% of total assets are invested in Government Securities, 3% of its exposure is in Commercial paper and 10% of its exposure is in COIs. The remaining assets are in the form of cash and other assets.

### Technical Information

Net Assets	Rs. 2.9 Bln
NAV per Unit (Nov 30 2012)	Rs. 10.7615
Weighted Avg. Maturity(Days)	529
Leveraging	Nil
Standard Deviation of Return	0.15

TFC Holdings (% of TA)	
Bank Al-Habib Ltd. IV	3.70%
Bank Al-falah Ltd. IV	3.69%
Summit Bank Ltd	3.21%
Askari Bank Ltd. III	2.92%
Engro Fertilizer Ltd. TFC IV	1.93%
Bank Al-Habib Ltd. III	1.86%
United Bank Ltd. IV	1.21%
NIB Bank TFC	0.85%
	19.34%

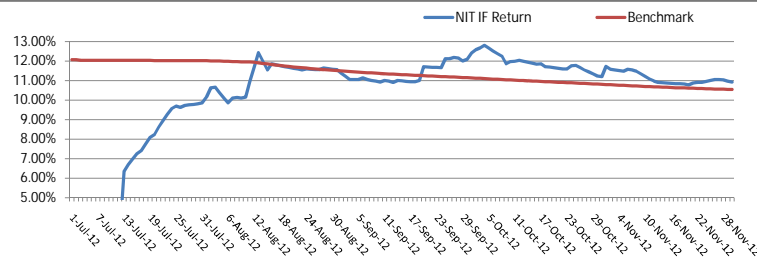
### Credit Quality of the Portfolio (% of TA)



### Fund Returns v/s Benchmark

	NIT-IF	Benchmark
November-12	9.49%	9.44%
Year to Date	10.93%	10.54%
Trailing 12M Avg.	11.04%	11.37%

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



### Asset Allocation (% of Total Assets)

	Nov-12	Oct-12
Govt. Sec	65.60%	63.94%
TFCs/Sukuks	19.34%	19.54%
LOP	0.00%	0.00%
CP	3.37%	3.43%
COI	9.76%	9.94%
Cash	0.65%	1.96%
Others	1.28%	1.19%

WWF Disclosure - The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 14.315m, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0523/ 1.21%. For details investors are advised to read the Note 6 of the latest Financial Statement of the Scheme.

### Members of the Investment Committee

Wazir Ali Khoja - Managing Director	Manzoor Ahmed - Chief Operating Officer	Aamir Amin - Head of Finance
Shahid Anwar - Head of MD's Sectt. & Personnel	Zubair Ahmed - Controller of Branches/Comp. Secretary	Khurram Aftab - Fund Manager
M. Imran Rafiq, CFA - Head of Research	M. Atif Khan - Manager Compliance & 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.

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