

NIT INCOME FUND



FUND MANAGER REPORT - NOVEMBER 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
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)
Risk Profile	Moderate
Benchmark	6-Month KIBOR
Fund Manager	Khurram Aftab Ahmed

* Varies as per policy

Technical Information	
Net Assets	Rs. 3.4 Bln
NAV per Unit (Nov 29 2013)	10.4824
Weighted Avg. Maturity(Days)	257
Leveraging	Nil
Standard Deviation of Return	0.04

Fund Returns v/s Benchmark		
	NIT-IF	Benchmark
November-13	3.15%	9.76%
Year to Date	6.28%	9.35%
Trailing 12M Avg.	7.52%	9.43%

Asset Allocation (% of Total Assets)		
	Nov-13	Oct-13
T-Bills	77.89%	83.51%
PIBs	0.74%	0.73%
TFCs	10.73%	11.92%
LOP	9.67%	0.00%
COI	0.00%	0.00%
Cash	0.55%	3.30%
Others	0.42%	0.55%

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. 83 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 is 23, 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

State Bank of Pakistan in its latest Monetary Policy Statement increased discount rate by 50 basis points to 10% p.a. State Bank of Pakistan highlighted rising inflation, pressure on external and fiscal front and persistently deteriorating SBP reserves are the key factors behind Discount Rate increase.

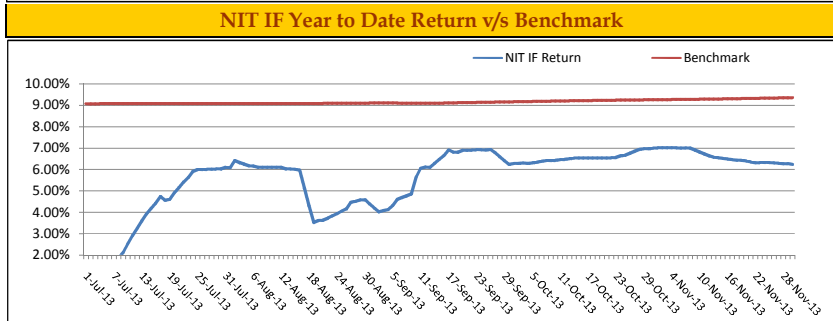
NIT Income Fund annualized return for the current fiscal year was 6.28% against its benchmark return of 9.35 while the return for the month of November stood at 3.15% against its benchmark return of 9.76%.

NIT IF's asset allocation at the end of the month has around 11% of its total assets in TFCs while more than 78% of total assets are invested in Government Securities with an exposure of around 10% in letter of placement and the remaining is in the form of cash and other assets.

TFC Holdings (% of TA)		Credit Quality of the Portfolio (% of TA)	
Summit Bank Ltd	2.79%	AA- 11.01%	A+ 0.00%
Askari Bank Ltd. III	2.35%	A 1.04%	A- 2.79%
Bank Al-Falah Ltd. IV	1.92%	AA 3.05%	
Bank Al-Habib Ltd. III	1.53%	AA+ 3.48%	
Bank Al-Habib Ltd. IV	1.10%		
Engro Fertilizer Ltd. TFC IV	1.04%		
	10.73%	Govt. Securities	78.63%

Disclosure of Non Compliant Investment as on November 29, 2013

The TFC of Summit Bank has been classified as a Non Performing Debt Security by MUFAP as per its methodology. Subsequent to its classification the overdue installment for this TFC has been received. The matter of its classification has been taken up with MUFAP.



WWF Disclosure - The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 20.812m, if the same were not made the NAV per unit/ current year to date return of the Scheme would be higher by Rs. 0.0646/ 1.52%. 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-IF's 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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