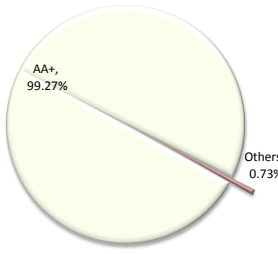
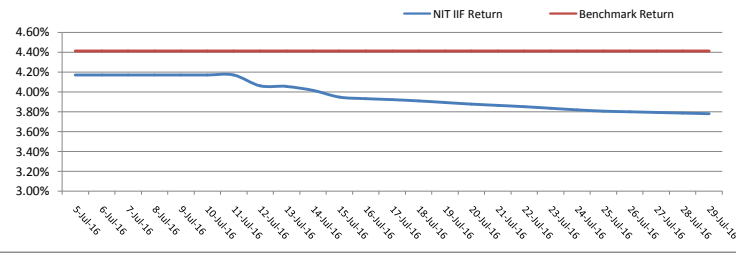


NIT ISLAMIC INCOME FUND



FUND MANAGER REPORT - July 2016

Fund's Basic Informations		Objective of the fund					
Fund Type	Open-End	<p>The objective of the NIT Islamic Income Fund is to generate a stable Shariah compliant income stream, while seeking maximum possible preservation of capital, over the medium to long-term period, by investing in a diversified portfolio of Shariah Compliant fixed income and money market instruments.</p> <p>Profile of Investment Managers</p> <p>National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 95 billion assets under management as on 29 July 2016, 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 and sales desk is also available in financial hub at Abbottabad, yet another milestone as no Asset Management Company in Pakistan has such a big network of 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 NITL.</p>					
Category	Shariah Compliant (Islamic) Income						
Launch Date	4th July 2016						
Listing	-						
Stability Rating	N/A						
Management Fee	7.5% of Gross Earnings, subject to a minimum fee of 0.25% p.a. and maximum fee of 1% p.a. of Average Annual Net Assets.						
Front End Load	Nil						
Back End Load	Nil						
Cutt-off timing	3:30 PM						
Par Value	PKR 10.00						
Min Subscription	Growth Unit PKR 1,000 Income Unit PKR 100,000						
Fund Performance Review							
Trustee	Central Depository Co. (CDC)	<p>Fund Performance Review</p> <p>The YTD return for FY16 stood at 3.78% p.a. against the benchmark return of 4.41% p.a. The Fund posted an annualized return of 3.78% p.a for the month of June against its benchmark return of 4.41% p.a.</p> <p>State Bank of Pakistan announced its Monetary Policy during the month and decided to maintain Policy Rates at 5.75%. The central bank also forecasts average CPI in the range of 4.50% to 5.50% for FY17. However, the Consumer Price Index (CPI) for the month of July stood at 4.1% increasing from 3.2% over the previous month. The 1 month period average CPI inflation now stands at 4.10% compared to 1.90% in same month last year.</p> <p>As at July 29, 2016, the Fund had an exposure of about 99% of total assets in cash at bank and the remaining was in the form of other assets.</p>					
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) 08-Jun-16						
Risk Profile	Medium						
Benchmark	Average of 6 month deposit rates of three Islamic Banks (or Islamic windows) Rated A and above.						
Technical Information			Asset Quality as of 29 July 2016 (% of TA)	Asset Allocation (% of TA)			
Net Assets	PKR 233 Mn						
NAV per Unit (July 29, 2016)	10.0259		Cash	0.00%	99.27%		
Weighted Avg. Maturity (Days)	1		Others	0.00%	0.73%		
Leveraging	Nil						
Standard Deviation of Return	0.003						
Expense Ratio with Govt. Levy	0.89%						
Expense Ratio without Govt. Levy	0.75%						
Fund's Return v/s Benchmark			NIT IIF Year to Date Return v/s Benchmark				
	NIT-IIF	Benchmark*					
July-16	3.78%	4.41%					
Year to Date	3.78%	4.41%					
12 M Trailing	-	-					
3 Years	-	-					
Since Inception	3.78%	4.41%					
							
Performance Period			FY16	FY15	FY14	FY13	FY12
NIT-IIF			Launched on 4th July, 2016				
Benchmark							
Members of the Investment Committee							
Shahid Ghaffar, Managing Director		Manzoor Ahmed, Chief Operating Officer		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			
Shoaib. A. Khan, SVP/ Fund Manager		Ammar Habib, Incharge/Manager Risk Mgmt.		Adamjee Yakoob, FCA, FCCA, Head of Compliance			
MUFAP's Recommended Format.							
<p>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.</p> <p>Note: Performance data does not include the cost incurred directly by an investor in the form of sales load etc.</p>				<p>National Investment Trust Ltd, National Bank Building, (6th Floor) I.I. Chundrigar Road, P.O Box # 5671. Karachi - 74000, Pakistan Tel: 111-648-648</p>			