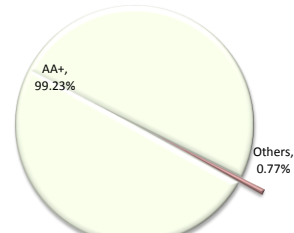
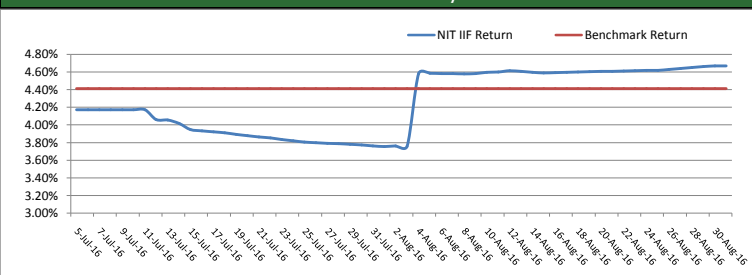


NIT ISLAMIC INCOME FUND



FUND MANAGER REPORT - August 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>																		
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	<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. 96 billion assets under management as on 31 August 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 Abbotabad, 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>																		
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) 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		Fund Performance Review																		
Net Assets	PKR 326 Mn	<p>The YTD return for FY16 stood at 4.67% p.a. against the benchmark return of 4.41% p.a. The Fund posted an annualized return of 5.33% p.a for the month of August against its benchmark return of 4.41% p.a.</p> <p>The Consumer Price Index (CPI) for the month of August stood at 3.6% decreasing from 4.1% over the previous month. The average 2 months CPI inflation now stands at 3.84% compared to 1.83% in 2 months FY16.</p> <p>As at August 31, 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>																		
NAV per Unit (August 31, 2016)	10.0742																			
Weighted Avg. Maturity (Days)	1																			
Leveraging	Nil																			
Standard Deviation of Return	0.004																			
Expense Ratio with Govt. Levy	1.01%																			
Expense Ratio without Govt. Levy	0.85%																			
Fund's Return v/s Benchmark																				
August-16	NIT-IIF 5.33% Benchmark* 4.41%																			
Year to Date	NIT-IIF 4.67% Benchmark* 4.41%																			
12 M Trailing	-																			
3 Years	-																			
Since Inception	NIT-IIF 4.67% Benchmark* 4.41%																			
* Last updated deposit rates of few banks.		Asset Quality as of 31 August 2016 (% of TA)																		
		Asset Allocation (% of TA)																		
																				
		<table border="1"> <thead> <tr> <th></th> <th>Jul-16</th> <th>Aug-16</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>99.27%</td> <td>99.23%</td> </tr> <tr> <td>Others</td> <td>0.73%</td> <td>0.77%</td> </tr> </tbody> </table>		Jul-16	Aug-16	Cash	99.27%	99.23%	Others	0.73%	0.77%									
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Performance Period	FY16	FY15	FY14	FY13	FY12															
NIT-IIF																				
Benchmark																				
		Launched on 4th July, 2016																		
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.	Syed Aqib Hussian, Incharge 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>																		