



# NIT ISLAMIC PENSION FUND

## FUND MANAGER REPORT - January 2016

### NIT - Islamic Pension Fund

### Fund's Information

<p>NIT Islamic Pension Fund aims to provide participants with a savings vehicle geared for retirement planning and providing decent returns through investments in its various sub-funds.</p> <p><b>Profile of Investment Managers</b></p> <p>National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 87 billion assets as of January 31 the family of Funds of NIT comprises of 9 funds including 4 equity Funds 2 fixed income nature Funds, 1 money market 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 other Mutual Fund in Pakistan has such a vast 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.</p>	<b>Fund Type</b>	Open-End	<b>Trustee</b>	Central Depository Company
	<b>Category</b>	Pension Scheme	<b>Auditors</b>	KPMG Taseer Hadi & Co.
	<b>Launch Date</b>	19-Jun-15	<b>Pricing Mechanism</b>	Forward Pricing
	<b>Management Fee</b>	1.50%	<b>Dealing Days*</b>	Daily (Monday to Friday)
	<b>Front End Load</b>	3.00%	<b>Valuation Days*</b>	Daily (Monday to Friday)
	<b>Back End Load</b>	0.00%	<b>AMC Rating</b>	AM2 (PACRA)
	<b>Benchmark</b>	N/A	<b>Risk Profile</b>	Moderate / High
	<b>Par Value</b>	PKR 10.00	<b>Fund Manager</b>	Wasim Akram
	<b>Minimum Investment</b>	PKR 1000	<b>Cutt-off timing</b>	9.00 AM to 3.30 PM (Mon to Fri)
	*except public holiday			

### Fund Commentary

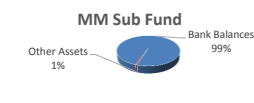
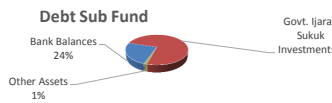
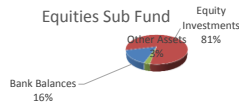
The benchmark KSE-100 index started the calendar year on a bearish note, declining by 4.6% to close at 31,299 level. Major drag to the benchmark KSE-100 came from Oil & Gas Exploration, Banks & Fertilizer sectors. The Oil & Gas sector followed the declining trend of International oil prices on oversupply fears; Similarly, Banks remained under pressure on expectations of a benign inflation outlook which strengthened expectations of further monetary easing. Moreover concerns of dwindling fertilizer prices in the international market were also among the major reasons for the underperformance of the overall equity market. Foreign investors continue to be net sellers in the market with an outflow of USD 50 million. Monetary policy was also announced during the month where newly formed Monetary Policy Committee of the State Bank of Pakistan (SBP) decided to keep the benchmark interest rate unchanged at 6% for the next two months.

On the money market front, yield are expected to remain stable as the SBP kept the discount rate unchanged.

### Fund Returns

	Equities Sub Fund	Debt Sub Fund	MM Sub Fund
<b>Jan-16</b>	-2.39%	3.45%	2.55%
<b>YTD</b>	-7.66%	2.74%	2.14%
<b>CYTD</b>	N/A	N/A	N/A
<b>Since Inception</b>	-7.63%	2.78%	2.22%
<b>NAV (31-01-16)</b>	9.2373	10.1705	10.1361

### Asset Allocation 31-01-2016

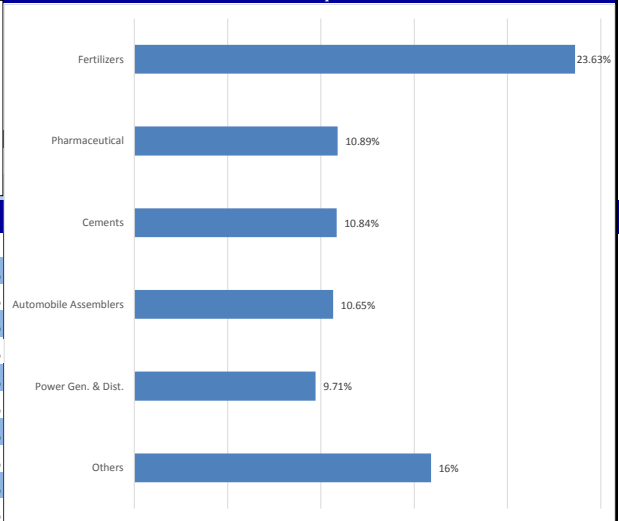


### Performance Review & Future Outlook

NIT-IPF Equity Sub-Fund posted return of -2.39%  
 NIT-IPF Debt Sub Fund posted return of 3.45%.  
 NIT-IPF Money Market Sub Fund posted return of 2.55%.

The fundamentals of the stock market are intact and the market is trading at a significant discount as compared to the regional peers. However slowdown in the global economy and decline in commodity prices is expected to keep local equity markets volatile in the period ahead.

### Sector Allocation (Equities Sub fund)



### Top Ten Holdings (Equities Sub Fund)

(As % of Total Assets)

Pakistan State Oil	7.50%
Engro Corporation	7.48%
Lucky Cement	7.07%
Fauji Fertilizer Limited	6.47%
Fauji Fertilizer Bin Qasim	5.81%
Kot Adu Power Company	5.75%
Indus Motor Company Limited	5.03%
Searle Company Limited	4.82%
Pakistan Petroleum Limited	4.82%
Hub Power Company Limited	3.96%

### WWF Disclosure:

N/A

### Compliance with Circular # 16 of 2010 / Non-compliant Investments

Nil

### Members of the Investment Committee

<b>Shahid Ghaffar - Managing Director</b>	<b>Manzoor Ahmed - Chief Operating Officer</b>	<b>S. Zubair Ahmed - Controller of Branches</b>	<b>Amir Amin - Head of Finance</b>
<b>Shahid Anwer - Head of MD's Sectt. &amp; Personnel</b>	<b>M. Imran Rafiq, CFA - Head of Research</b>	<b>Raza Abbas Jaffery - Head of Trading</b>	
<b>Ammar Habib - Manager / Incharge Risk Mngmnt</b>	<b>Syed Aqib Hussain - Incharge / Manager Compliance</b>	<b>Wasim Akram - Fund Manager NIT-IPF</b>	

### MUFAP's Recommended Format.

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Note: Performance data does not include the cost incurred directly by an investor in the form of sales load etc.