



## NIT ISLAMIC PENSION FUND

### FUND MANAGER REPORT - May 2016

#### NIT - Islamic Pension Fund

#### Fund's Information

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.	<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>Profile of Investment Managers</b> National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With the recent launch of 2 new Funds namely NIT Pension Fund & NIT Islamic Pension Fund the size of total Funds under management by NITL is approximately Rs. 92 billion as of May 31, 2016. 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, 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.	<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)
	<b>*except public holiday</b>			

#### Fund Commentary

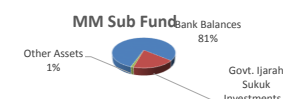
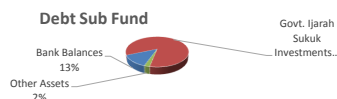
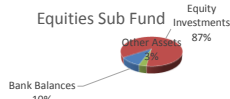
The KMI-30 gained 4.51% during the month of May, 2016. The market continued to derive its strength from the rallying oil prices (WTI up 6.6% MoM) and upcoming decision regarding MSCI-EM reclassification. In tandem, average volumes also inched higher to stand at 274mn shares as compared to 235mn shares in Apr'16. Foreigners were net buyers during the month with purchases of USD 3.6 million worth of stocks. SBP's monetary policy also came as a surprise with discount rate slashed by 25 bps from 6.0 % to 5.75 %. SBP stated in its policy that Headline CPI inflation, despite its continuous increase on Year-on-Year (YoY) basis, would remain below its FY16 annual average target of 6 %. Real GDP growth is set to exceed its FY15 outcome of 4.2 %. Foreign exchange reserves are expected to remain on a comfortable level.

On the money market front, yields declined as the SBP decreased the discount rate by 25 bps in its Monetary Policy announced in May, 2016.

#### Fund Returns

	Equities Sub Fund	Debt Sub Fund	MM Sub Fund
<b>May-16</b>	3.78%	6.15%	3.35%
<b>YTD</b>	2.97%	3.43%	2.79%
<b>CYTD</b>	8.85%	4.36%	3.62%
<b>Since Inception</b>	3.01%	3.44%	2.82%
<b>NAV (31-05-16)</b>	10.3012	10.3269	10.2683

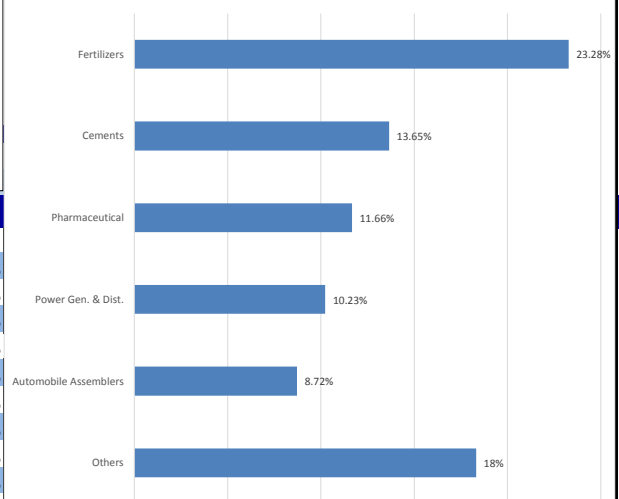
#### Asset Allocation 31-05-2016



#### Performance Review

NIT-IPF Equity Sub-Fund posted return of 3.78%  
 NIT-IPF Debt Sub Fund posted return of 6.15%.  
 NIT-IPF Money Market Sub Fund posted return of 3.35%.

#### Sector Allocation (Equities Sub fund)



#### Top Ten Holdings (Equities Sub Fund)

(As % of Total Assets)

Engro Corporation	8.12%
Pakistan State Oil	7.53%
Lucky Cement	7.46%
Fauji Fertilizer Limited	6.64%
Kot Adu Power Company	6.38%
Searle Company Limited	5.65%
Fauji Fertilizer Bin Qasim	5.61%
Pakistan Petroleum Limited	5.31%
Engro Foods Limited	4.78%
Hub Power Company Limited	3.85%

#### 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>Adamjee Yakoob- Head of Compliance</b>	<b>Wasim Akram - Fund Manager NIT-IPF</b>	

#### 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 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

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