



NIT ISLAMIC PENSION FUND

FUND MANAGER REPORT - May 2018

NIT - Islamic Pension Fund

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.

Profile of Investment Managers

National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. The size of total Funds under management by NITL is approximately Rs. 101 billion as of May 31, 2018. The family of Funds of NIT comprises of 10 funds including 4 equity Funds 2 fixed income nature Funds, 1 Islamic Income Fund, 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.

| Fund's Information | | | |
|------------------------|--|---|---------------------------------|
| Fund Type | Open-End | Trustee | Central Depository Company |
| Category | Pension Scheme | Auditors | EY Ford Rhodes |
| Launch Date | 19-Jun-15 | Pricing Mechanism | Forward Pricing |
| Management Fee | Equities Sub Fund: 0.75% Debt and MM Sub Funds: 0.50% | Dealing Days* | Daily (Monday to Friday) |
| Front End Load | 0%-3% | Valuation Days* | Daily (Monday to Friday) |
| Back End Load | 0.00% | AMC Rating | AM2++ (PACRA) |
| Benchmark | N/A | Risk Profile | Moderate / High |
| Par Value | PKR 10.00 | Fund Manager | Wasim Akram |
| Minimum Investment | PKR 1000 | Cutt-off timing** | 9.00 AM to 3.30 PM (Mon to Fri) |
| *except public holiday | | **Ramzan Timing 8.00 AM to 2.00 PM (Mon to Thur), 8.00 AM to 12.30 Noon (Fri) | |

Fund Commentary

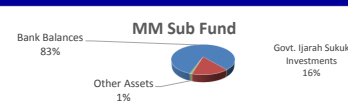
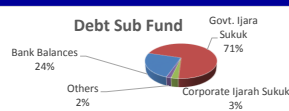
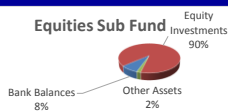
The KMI-30 index posted a decline of 5.25% during May, 2018. The month was significant as it marked the end of the five year terms of the federal and provincial governments. The market remained volatile during the month mainly on account of rising political uncertainty and investor nervousness regarding the economic situation. SBP increased its policy rate by 50bps to 6.50% during the month. Foreign investors remained net sellers in the market to the tune of USD 73 million. Market volumes declined by 36% on a MoM basis and stood at 134 million shares during May, 2018.

On the Money Market front, market yields increased as SBP increased its policy rate by 50bps during the month.

Fund Returns

| | Equities Sub Fund | Debt Sub Fund | MM Sub Fund |
|-----------------|-------------------|---------------|-------------|
| May-18 | -6.14% | 5.02% | 3.90% |
| YTD | -16.61% | 2.97% | 3.40% |
| CYTD | 1.87% | 3.60% | 3.37% |
| Since Inception | 10.40% | 3.68% | 3.34% |
| NAV (31-05-18) | 11.0401 | 11.0854 | 10.9853 |
| NA (PKR Mln) | 151.59 | 97.70 | 101.29 |

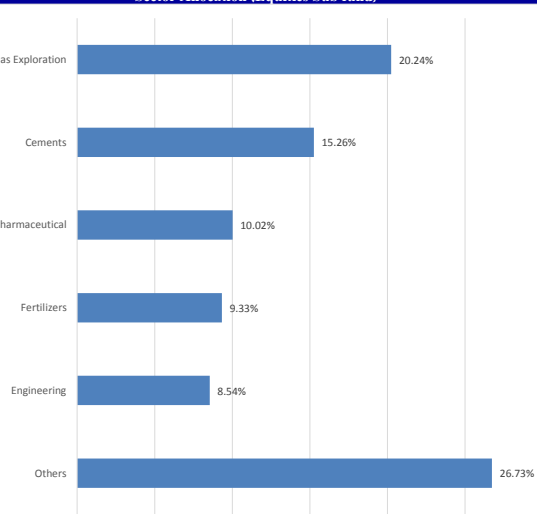
Asset Allocation 31-05-2018



Performance Review

NIT-IPF Equity Sub-Fund posted return of -6.14%
NIT-IPF Debt Sub Fund posted return of 5.02%.
NIT-IPF Money Market Sub Fund posted return of 3.90%.

Sector Allocation (Equities Sub fund)



Top Ten Holdings (Equities Sub Fund)

(As % of Total Assets)

| | |
|------------------------------------|-------|
| Pakistan Petroleum Limited. | 9.67% |
| Oil & Gas Development Company Ltd. | 8.38% |
| Lucky Cement Limited. | 6.87% |
| The Searle Company Ltd. | 5.75% |
| D. G. Khan Cement Co. Ltd. | 5.75% |
| Engro Corporation Limited. | 4.96% |
| Indus Motor Company Ltd. | 4.07% |
| Agriautos Industries Co. Ltd. | 3.71% |
| International Steels Limited. | 3.34% |
| Crescent Steel & Allied Product. | 3.28% |

WWF Disclosure:

The Scheme has maintained provisions against Sind Workers' Welfare Fund's liability (Rs. 0.09 million ESF, Rs. 0.18 million DSF and Rs. 0.17 million MMSF). If the same were not made the NAV per unit/ year to date return of the Scheme would be higher by Rs. 0.01/0.06% for ESF, Rs. 0.02/0.19% for DSF and Rs. 0.02/0.17% for MMSF. For details investors are advised to read the latest Financial Statement of the Scheme.

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

Nil

Members of the Investment Committee

Manzoor Ahmed - COO / Managing Director

Amir Amin - Head of Finance

Wasim Akram - Fund Manager

Ali Kamal - Head of Research

Faisal Aslam - Head of Compliance

Raza Abbas Jaffery - Head of Trading

Ammar Habib - Manager / Incharge Risk Mngmnt

Syed Ali Raza Bukhari - Head of Marketing

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.