NIT ISLAMIC PENSION FUND

FUND MANAGER REPORT - September 2015

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.

Fund's Information

Fund Type	Open-End	**Trustee**	Central Depository Company
Category	Pension Scheme	**Auditors**	KPMG Taseer Hadi & Co.
Launch Date	19-Jun-15	**Pricing Mechanism**	Forward Pricing
Management Fee	1.50%	**Dealing Days***	Daily (Monday to Friday)
Front End Load	3.00%	**Valuation Days***	Daily (Monday to Friday)
Back End Load	0.00%	**AMC Rating**	N/A
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**	

Profile of Investment Managers

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. 86 billion as of September 30, 2015. The family of Funds of NIT comprises of 8funds including 4 equity Funds 2 fixed income nature Funds, 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
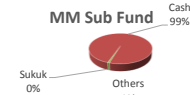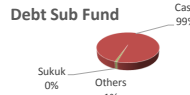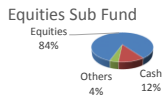
Fund Commentary

During the month of September '15, the KSE-100 index declined by 7.02% to close at a level of 32,287. Average daily trading volumes dropped to 183mn shares/day. Weak performance of the market during the period is mainly attributable to the slowdown in global economies, fall in international commodity prices and weakening of emerging currencies which prompted a selloff in international markets. Anticipations about Fed interest rate hike also led to foreign investors reducing their emerging market equity exposures. Even the decision by SBP to reduce the policy rate by 50 bps failed to revive the market momentum. SBP stated in its monetary policy statement that Implementation of infrastructure development and energy projects under China Pakistan Economic Corridor would further enhance the improving investment environment. Therefore, there is anticipation of higher economic activity in FY16 which is expected to boost credit uptake. Considering the favorable macroeconomic conditions and benign inflation outlook, the central board of Directors of SBP has decided to reduce the SBP policy rate by 50bps from 6.5 percent to 6.0 percent.

Fund Returns

	Equities Sub Fund	Debt Sub Fund	MM Sub Fund
Sep-15	**-5.61%**	**2.29%**	**1.67%**
YTD	-6.29%	2.64%	2.37%
CYTD	N/A	N/A	N/A
Since Inception	**-6.25%**	**2.74%**	**2.50%**
NAV (30-09-15)	9.375	10.077	10.071

Asset Allocation 30-09-2015

Equities Sub Fund
- Equities 84%
- Cash 12%
- Others 4%

Debt Sub Fund
- Cash 99%
- Sukuk 0%
- Others 1%

MM Sub Fund
- Cash 99%
- Sukuk 0%
- Others 1%
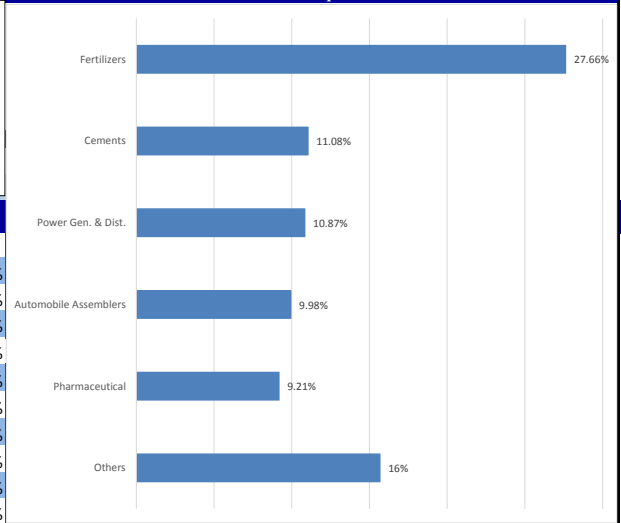
Performance Review

NIT-IPF Equity Sub-Fund posted return of -5.61%
NIT-IPF Debt Sub Fund posted return of 2.29%.
NIT-IPF Money Market Sub Fund posted return of 1.67%.

Sector Allocation (Equities Sub fund)

Sector	%
Fertilizers	27.66%
Cements	11.08%
Power Gen. & Dist.	10.87%
Automobile Assemblers	9.98%
Pharmaceutical	9.21%
Others	16%

Top Ten Holdings (Equities Sub Fund)

(As % of Total Assets)

Engro Corporation	8.53%
Lucky Cement	7.79%
Fauji Fertilizer Bin Qasim	7.41%
Fauji Fertilizer Limited	7.30%
Kot Adu Power Company	7.00%
Pakistan State Oil	6.82%
Pakistan Petrloeum Limited	4.99%
Indus Motor Company Limited	4.93%
Engro Fertilizer Limtied	4.42%
Searle Company Limited	3.94%

WWF Disclosure:

N/A

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

Members of the Investment Committee

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

MUFAP's Recommended Format.

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