



NIT ISLAMIC PENSION FUND

FUND MANAGER REPORT - December 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.

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	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)	

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 1 new Funds namely NIT Islamic Income Fund the size of total Funds under management by NITL is approximately Rs. 116 billion as of December 31, 2016. 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 Commentary

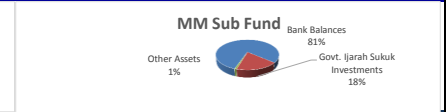
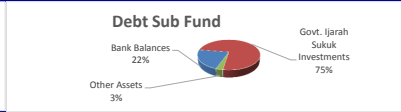
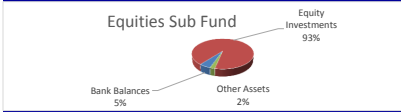
The KMI-30 index gained 14.51% during the month of December, 2016. The rally continued throughout the month of December, 2016 mainly on account of OPEC's decision to cut production providing impetus to international oil prices. Consequently, Oil Exploration and Production sector in the local bourse followed the bullish trend in international oil prices. Expectation of higher inflation due to rising international oil prices gave rise to expectations of interest rates either remaining stable or increasing going forward, resulted in strong buying activity in the Banking sector as well. Highlight for the month however, was the successful bidding by Chinese consortium led by the Shanghai Stock Exchange for the take over of 40% strategic shareholding of PSX at a price of PKR 28 per share. The news further bolstered the positive sentiment already prevalent in the market. Pakistan's inclusion in the MSCI EM index later in the year 2017 and onset of the result season will ensure continued positive sentiment in the market going forward.

On the money market front, market yields moved slightly up on expectations of inflation remaining on the higher side going forward.

Fund Returns

	Equities Sub Fund	Debt Sub Fund	MM Sub Fund
Dec-16	13.09%	-0.50%	0.99%
YTD	21.58%	5.74%	3.47%
CYTD	37.09%	4.66%	3.50%
Since Inception	29.74%	4.01%	3.06%
NAV (30-12-16)	12.9740	10.6166	10.4707
NA (PKR Min)	143.74	95.01	88.84

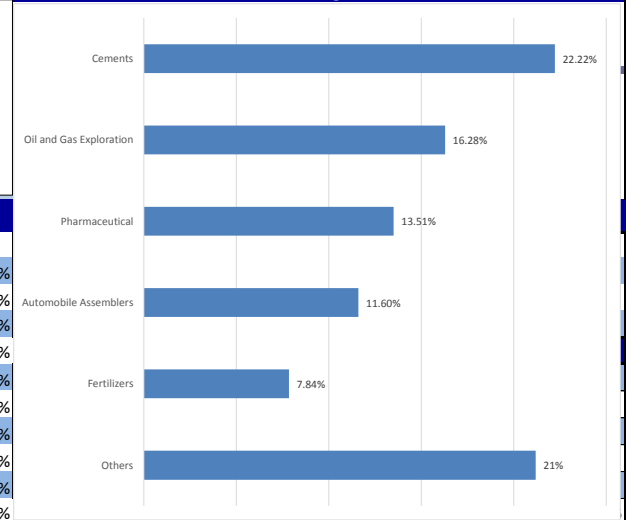
Asset Allocation 31-12-2016



Performance Review

NIT-IPF Equity Sub-Fund posted return of 13.09%
NIT-IPF Debt Sub Fund posted return of -0.50%.
NIT-IPF Money Market Sub Fund posted return of 0.99%.

Sector Allocation (Equities Sub fund)



Top Ten Holdings (Equities Sub Fund)

(As % of Total Assets)

Pakistan Petroleum Limited	9.53%
Searle Company Limited	8.92%
Lucky Cement	8.83%
DG Khan Cement	7.91%
Crescent Steel and Allied Products	5.50%
Honda Atlas Cars	5.00%
Oil and Gas Development Company	4.94%
Indus Motor Company Limited	4.94%
Fauji Cement Company Limited	4.59%
Engro Corporation Limited	3.87%

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	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	Aqib Hussain - Incharge Compliance	Wasim Akram - Fund Manager NIT-IPF

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.