



NIT PENSION FUND

FUND MANAGER REPORT - July 2019

NIT - Pension Fund

Fund's Information

| | | | | |
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| <p>NIT 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>Profile of Investment Managers</p> <p>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. 69 billion as of July 31, 2019. 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 24, 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> | 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, MM and Commodities Sub Funds: 0.50% | Dealing Days* | Daily (Monday to Friday) *except public holiday |
| | 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) ** Ramadan Timing 10.00 AM to 2.00 PM (Mon to Thur), 9.00 AM to 12.00 Noon (Fri) |

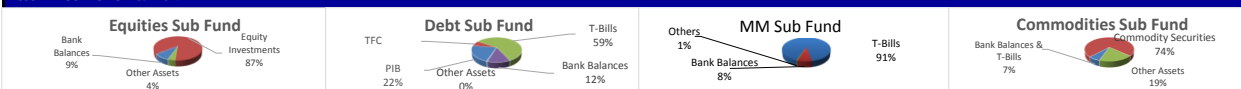
Fund Commentary

The KSE-100 index posted a return of -5.79% during July, 2019. The month of July marked the sixth consecutive negative return for the KSE-100 index. Declining trend continued in the market amidst continuing macroeconomic adjustments. The much awaited Extended Finance Facility of USD 6 billion was approved by the IMF and the first tranche was also released. However, investors remained concerned regarding the conditionalities attached with the IMF Program. Fears of rising inflation coupled with further hike in the discount rate by SBP by 100 bps during the month also triggered negative sentiment in the market. Rising interest rates continue to make fixed income investments more attractive for investors causing selling in the stock market as investors switch to safer investment avenues offering decent returns. Average volumes dropped drastically, and stood at 76 million shares, down 43% MoM. Foreign investors remained net buyers during the month with net buying to the tune of USD 30 million. On the Money Market front, SBP raised Policy Rate by 100 bps in the MPS announced during the month causing secondary market T-Bills yields to rise.

Fund Returns

| | Equities Sub Fund | Debt Sub Fund | MM Sub Fund | Commodities Sub Fund |
|-----------------------------|-------------------|---------------|-------------|----------------------|
| Jul-19 | -4.60% | 10.89% | 11.29% | 1.22% |
| YTD | -4.60% | 10.89% | 11.29% | 1.22% |
| CYTD | -9.44% | 8.89% | 10.17% | 11.73% |
| Since Inception | -21.75% | 6.10% | 6.01% | 29.53% |
| NAV (31-07-19) | 7.8247 | 12.5127 | 12.4742 | 12.9527 |
| Net Assets (PKR Mln) | 67.85 | 100.75 | 114.33 | 97.16 |

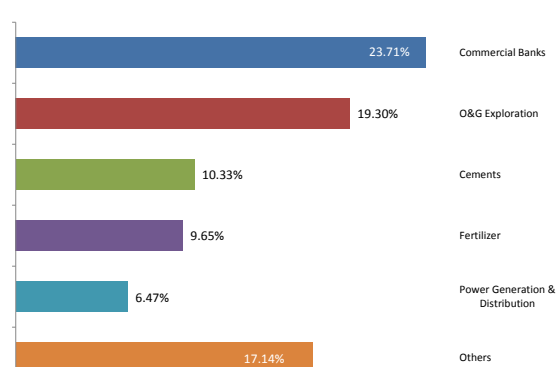
Asset Allocation 31-07-2019



Performance Review

NIT-PF Equity Sub Fund posted return of -4.60%
 NIT-PF Debt Sub Fund posted return of 10.89%.
 NIT-PF Money Market Sub Fund posted return of 11.29%.
 NIT-PF Commodities Sub Fund posted return of 1.22%.

Sector Allocation (Equities Sub fund)



Top Ten Holdings (Equities Sub fund)

(As % of Total Assets)

| | |
|------------------------------------|-------|
| Oil & Gas Development Company Ltd. | 9.45% |
| United Bank Ltd. | 8.60% |
| Lucky Cement Limited. | 7.44% |
| Pakistan Petroleum Limited. | 6.87% |
| Engro Corporation Limited. | 6.35% |
| MCB Bank Limited. | 6.15% |
| Hub Power Company Limited. | 6.10% |
| Habib Bank Limited. | 5.84% |
| Indus Motor Company Ltd. | 4.78% |
| Pakistan State Oil Co Ltd. | 2.48% |

WWF Disclosure:

The Scheme has maintained provisions against Sind Workers' Welfare Fund's liability (Rs. 0.14 million ESF, Rs. 0.41 million DSF, Rs. 0.43 million MMSF and Rs. 0.46 million CSF). If the same were not made the NAV per unit/ year to date return of the Scheme would be higher by (Rs. 0.02/0.20% for ESF, Rs. 0.05/0.41% for DSF, Rs. 0.05/0.38% for MMSF and Rs. 0.06/0.47% for CSF). 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

| | | |
|----------------------------------------------------|------------------------------------------------|--------------------------------------------------|
| Adnan Afridi - Managing Director | Manzoor Ahmed - Chief Operating Officer | Amir Amin - Head of Finance |
| Wasim Akram - Fund Manager | Faisal Aslam - Head of Compliance | Raza Abbas Jaffery - Head of Trading |
| Salman H. Chawala - Manager / Incharge Risk | Ali Kamal - Head of Research | Syed Ali Raza Bukhari - Head of Marketing |

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.