

**FUND MANAGER REPORT - October 2020**

**Fund Returns\***

	NIT PGETF	NIT PGI
Oct-20	-2.88%	-1.99%
YTD	8.96%	11.06%
CYTD	16.82%	20.79%
Since Inception	16.82%	20.79%

\* The returns are calculated inclusive of dividend.

**Leverage**

Nil

**NIT - Pakistan Gateway Exchange Traded Fund**

NIT Pakistan Gateway Exchange Traded Fund (NIT PG ETF) is an open-ended scheme that is traded on Pakistan Stock Exchange and aims to track the authorized index constituted by the Management Company - the NIT Pakistan Gateway index which comprises of the basket of equity securities, in order to provide long-term capital appreciation and dividends yield to the investors.

**Fund Commentary & Performance Review**

The NITPGI posted a return of -1.99% during the month of October, 2020. Global fear of a second wave of COVID-19 had its repercussions on the local bourse as well as investors continued to take a cautious approach towards the market. FATF decided to retain Pakistan in the grey list till February while acknowledging the progress on the action items. Political noise also resulted in the market remaining under pressure during the month. Average volumes dropped sharply during Oct'20 by 33% on a MoM basis to 404 million shares. Foreign investors continued as net sellers during the month, selling positions worth USD 39 million. During the month of October, 2020, the benchmark NITPG index decreased by 1.99% whereas your Fund's NAV decreased by 2.88% during the same period thus showing an underperformance of 0.88%.

**Fund's Information**

<b>Fund Type</b>	Open-End Exchange Traded Fund	<b>Trustee</b>	Central Depository Company
<b>Launch Date</b>	March 24, 2020	<b>Auditors</b>	EY Ford Rhodes Chartered Accountants
<b>Management Fee</b>	0.40%	<b>Pricing Mechanism</b>	Historical Pricing
<b>Front End Load</b>	0.00%	<b>Dealing Days*</b>	Daily (Monday to Friday)
<b>Back End Load</b>	0.00%	<b>Valuation Days*</b>	Daily (Monday to Friday)
<b>Benchmark</b>	NIT Pakistan Gateway Index	<b>AMC Rating</b>	AM2++ (PACRA)
<b>Par Value</b>	PKR 10.00	<b>Fund Manager</b>	Wasim Akram
<b>Minimum Investment</b>	N/A	<b>Cut-off timing**</b>	Monday to Friday 3:30 PM
<b>Category of Fund</b>	Exchange Traded Equity		
<b>Risk Profile</b>	High		
<b>Risk of Principal Erosion</b>	Principal at High Risk		

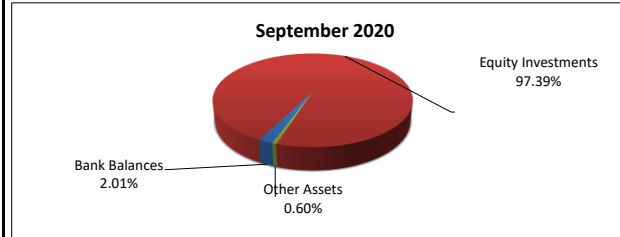
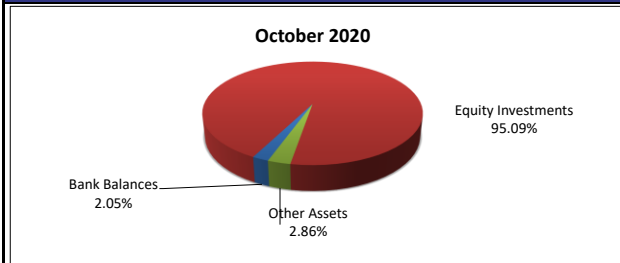
\*Except public holiday

\*\* Ramadan Timing 10.00 AM to 2.00 PM (Mon to Thur), 10.00 AM to 12.30 PM (Fri)

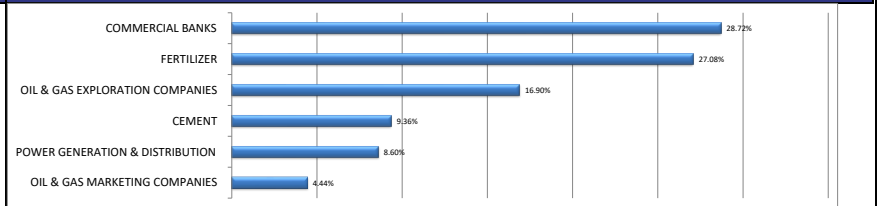
**Future Outlook**

Second wave of COVID-19 will continue to remain a potent fear factor concerning the market. On the economic front, inflation numbers coupled with current account deficit will determine the future direction of the market.

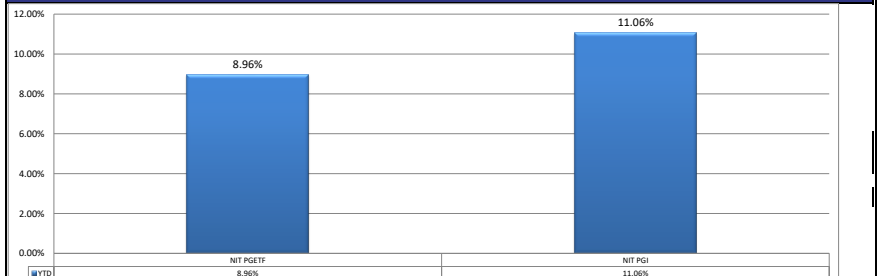
**Fund's Asset Allocation (As % of Total Assets)**



**Sector Allocation (As % of Total Assets)**



**Fund Performance Versus NITPGI (YTD)**



**Fund Holdings (As % of Total Assets)**

ENGRO CORPORATION LIMITED	10.31%
HABIB BANK LIMITED	10.29%
LUCKY CEMENT LIMITED	9.36%
HUB POWER COMPANY LIMITED	8.60%
FAUJI FERTILIZER COMPANY LIMITED	7.99%
MCB BANK LIMITED	7.37%
OIL AND GAS DEVELOPMENT COMPANY	6.50%
PAKISTAN PETROLEUM LIMITED	5.98%
UNITED BANK LIMITED	5.81%
BANK ALHABIB LIMITED	5.25%
DAWOOD HERCULES CORPORATION LIMITED	4.59%
PAKISTAN STATE OIL COMPANY LIMITED	4.44%
PAKISTAN OILFIELDS LIMITED	4.43%
ENGRO FERTILIZER LIMITED	4.20%

**Technical Information 31-10-2020**

<b>Net Assets NIT PGETF (PKR Million)</b>	51.80
<b>Nav per Unit NIT PGETF</b>	11.2603
<b>Total Expense Ratio (Incl. Govt Levy)**</b>	2.26%
<b>Tracking Error (Absolute)</b>	0.36%

\*\*This includes 0.54% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.

**SWWF Disclosure:**

The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.12 million, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by Rs. 0.0261/ 0.23%. 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 Equities & Trading

Attique-ur-Rehman Shaikh - Manager Risk

Ali Kamal - Head of Research

**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.

**DISPUTE RESOLUTION/ COMPLAINTS HANDLING**

Investors may lodge their complaints by using the link <https://nit.com.pk/Investor-Complaint-Centre>. In case your complaint has not been properly redressed by us, you may lodge your complaint with SECP at the link <https://sdms.secp.gov.pk/>.