

**FUND MANAGER REPORT - December 2020**

**Fund Returns\***

	NIT PGETF	NIT PGI
Dec-20	3.84%	4.19%
YTD	15.72%	18.70%
CYTD	24.06%	29.09%
Since Inception	24.06%	29.09%

\* 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 4.19% during the month of December, 2020. The KSE-100 index posted a return of 6.54% during the month of December, 2020. The KSE-100 index closed the calendar year a 43,755 which marks a 4 year high closing of the index for a calendar year since December, 2016. The outgoing calendar year was marked by the onset of the COVID-19 pandemic which disrupted life and economic activity throughout the world. Pakistan was comparatively successful in controlling the pandemic to a large extent. Timely stimulus measures by the Government and SBP also ensured that the adverse economic impact of the pandemic remain controlled. Average volumes improved substantially on a MoM basis and stood at 492 million shares during Dec'20, showing a growth of 76% on a MoM basis. Foreign investors sold positions worth USD 96 million during the month, taking total selling for the calendar year to USD 571 million. During the month of December, 2020, the benchmark NITPGI index increased by 4.19% whereas your Fund's NAV increased by 3.84% during the same period thus showing an underperformance of 0.35%.

**Fund's Information**

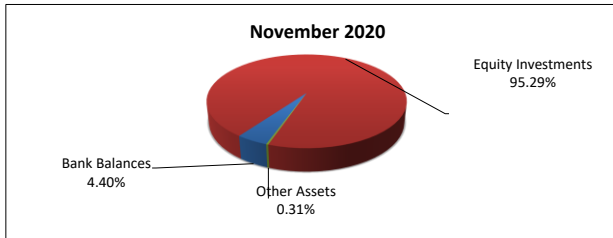
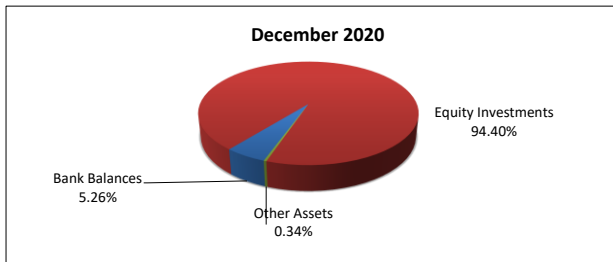
<b>Fund Type</b>	Open-End Exchange Traded Fund	<b>Trustee</b>	Central Depository Company
<b>Launch Date</b>	March 24, 2020	<b>Auditors</b>	EY Ford Rhodes Chartered Accountants
<b>Management Fee</b>	0.40%	<b>Pricing Mechanism</b>	Historical Pricing
<b>Front End Load</b>	0.00%	<b>Dealing Days*</b>	Daily (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>	AM1 JCR (31-12-20)
<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

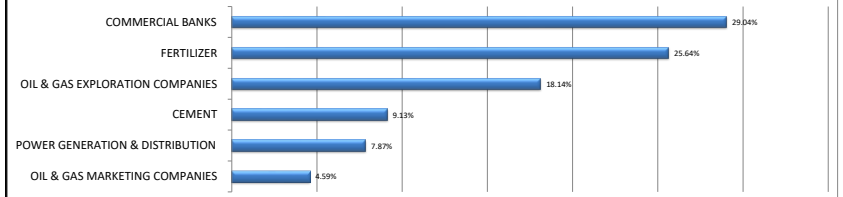
**Future Outlook**

Outcome of FATF review, government measures to tackle the circular debt issue, negotiations with IMF and the result season will be key factors impacting the future direction of the market.

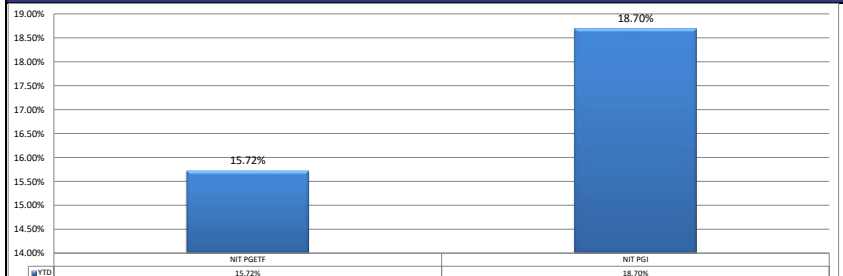
**Fund's Asset Allocation (As % of Total Assets)**



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



**Fund Performance Versus NITPGI (YTD)**



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

HABIB BANK LIMITED	9.87%
ENGRO CORPORATION LIMITED	9.83%
LUCKY CEMENT LIMITED	9.13%
HUB POWER COMPANY LIMITED	7.87%
MCB BANK LIMITED	7.75%
FAUJI FERTILIZER COMPANY LIMITED	7.74%
OIL AND GAS DEVELOPMENT COMPANY	6.80%
UNITED BANK LIMITED	6.29%
PAKISTAN PETROLEUM LIMITED	6.15%
PAKISTAN OILFIELDS LIMITED	5.19%
BANK ALHABIB LIMITED	5.13%
PAKISTAN STATE OIL COMPANY LIMITED	4.59%
DAWOOD HERCULES CORPORATION LIMITED	4.18%
ENGRO FERTILIZER LIMITED	3.89%

**Technical Information 31-12-2020**

<b>Net Assets NIT PGETF (PKR Million)</b>	54.53
<b>Nav per Unit NIT PGETF</b>	11.9579
<b>Total Expense Ratio (Incl. Govt Levy)**</b>	2.42%
<b>Tracking Error (Absolute)</b>	0.33%

\*\*This includes 0.63% 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. 0.184 million, if the same were not made the NAV per unit/year to date return of the Scheme would be higher by Rs. 0.0404/0.34%. 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**

<b>Adnan Afridi - Managing Director</b>	<b>Manzoor Ahmed - Chief Operating Officer</b>	<b>Amir Amin - Head of Finance</b>
<b>Wasim Akram - Fund Manager</b>	<b>Faisal Aslam - Head of Compliance</b>	<b>Raza Abbas Jaffery - Head of Equities &amp; Trading</b>
<b>Attique-ur-Rehman Shaikh - Manager Risk</b>	<b>Ali Kamal - Head of Research</b>	

**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.

**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/>.