

FUND MANAGER REPORT - July 2023

Fund Returns*

	NIT PGETF	NIT PGI
Jul-23	18.22%	18.69%
YTD	18.22%	18.69%
CYTD	26.33%	26.35%
Since Inception	45.34%	58.04%

* The returns are calculated inclusive of dividend.

Leverage Nil

NIT - Pakistan Gateway Exchange Traded Fund

NIT Pakistan Gateway Exchange Traded Fund (NIT PGETF) 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's Information	
Fund Type	Open-End Exchange Traded Fund
Launch Date	March 24, 2020
Management Fee	0.40%
Front End Load	0.00%
Back End Load	0.00%
Benchmark	NIT Pakistan Gateway Index
Par Value	PKR 10.00
Minimum Investment	N/A
Category of Fund	Exchange Traded Equity
Risk Profile	High
Risk of Principal Erosion	Principal at High Risk
Trustee	Central Depository Company
Auditors	BDO Ebrahim & Co Chartered Accountants
Pricing Mechanism	Historical Pricing
Dealing Days*	Daily (Monday to Friday)
Valuation Days*	Daily (Monday to Friday)
AMC Rating	AM1 PACRA (24-05-23) AM1 VIS (29-12-22)
Fund Manager	Kashif Imran
Cut-off timing	Monday to Friday 3:30 PM

Fund Commentary & Performance Review

The NITPGI index posted a return of 18.69% for the month of July, 2023. This remarkable upswing was primarily fueled by an optimistic outlook surrounding the approval of a USD3bn Stand-By Arrangement with the IMF, along with deposits from friendly countries Saudi Arabia and UAE, Fitch's upgrade of Pakistan's long-term foreign currency issuer default rating from CCC- to CCC, robust corporate results despite economic challenges, and the disbursement of PKR 142 bn among IPPs to reduce circular debt also played crucial role in bolstering market confidence. At the end of the month, the State Bank of Pakistan (SBP) kept its policy rate unchanged at 22%. The SBP justified its decision, arguing that inflation has peaked and the forward inflation indicate a positive real rate stance. SBP also argued that current account deficit is likely to be contained at 0.5-1.5% of GDP and that growth will remain subdued at 2-3% in FY24.

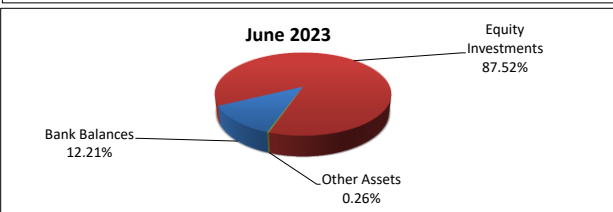
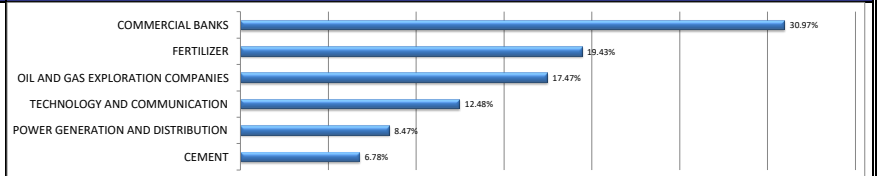
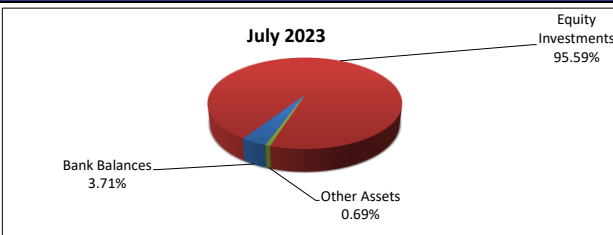
During the month of July, 2023, the benchmark NITPGI index increased by 18.69% whereas your Fund's NAV increased by 18.22% during the same period showing an underperformance of 0.47% as compared with the benchmark performance.

Future Outlook

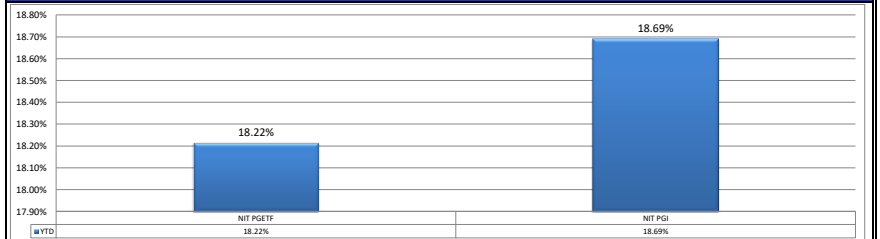
Going forward, the stock market is expected to remain positive, driven by anticipated positive corporate result announcements, a reduction in inflationary pressures, resolution of gas sector circular debt and the influx of foreign inflows, all of which are set to bolster market

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)

Technical Information 31-05-2023

HUB POWER COMPANY LIMITED	8.47%
SYSTEM LIMITED	8.41%
UNITED BANK LIMITED	7.50%
ENGRO CORPORATION LIMITED	7.31%
HABIB BANK LIMITED	7.20%
FAUJI FERTILIZER COMPANY LIMITED	7.12%
LUCKY CEMENT LIMITED	6.78%
OIL AND GAS DEVELOPMENT COMPANY	6.41%
MCB BANK LIMITED	6.19%
MEEZAN BANK LIMITED	5.97%
PAKISTAN OILFIELDS LIMITED	5.82%
PAKISTAN PETROLEUM LIMITED	5.24%
ENGRO FERTILIZER LIMITED	5.00%
BANK ALHABIB LIMITED	4.12%
TRG PAKISTAN	4.07%

Net Assets NIT PGETF (PKR Million)	44.29
Nav per Unit NIT PGETF	11.8751
Total Expense Ratio (YTD, Incl. Govt Levy)**	2.13%
Total Expense Ratio (MTD, Incl. Govt Levy)***	2.13%
Tracking Error (Absolute)	0.16%

This includes 0.09% representing Govt. Levy & SECP Fee. *This includes 0.08% representing Govt. Levy & SECP Fee.

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

N/A

Performance Period	FY23	FY22	FY21
NIT PGETF	9.55%	-12.56%	19.71%
NIT PGI	10.85%	-11.00%	24.10%

Members of the Investment Committee

Adnan Afridi - Managing Director	Manzoor Ahmed - Chief Operating Officer	Amir Amin - Head of Finance
Kashif Imran - Fund Manager (NIT PGETF)	Faisal Aslam - Head of Compliance	Raza Abbas Jaffery - Head of Equities & Trading
Salman H. Chawala - Incharge Risk Management	Ali Kamal - Head of Research	

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

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