



NATIONAL INVESTMENT UNIT TRUST



FUND MANAGER REPORT - August 2019

NI(UT) Objective

The core objective of NIT is to maximize return for Unit holders, provide a regular stream of current income through dividends, while long term growth is achieved by the management of diversified portfolio and investments into growth and high yielding equity securities.

Profile of Investment Managers

National Investment Trust Ltd. (NITL) is the first and among the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 65 billion assets as of August 31 2019 the family of Funds of NIT comprises of 10 funds including 4 equity Funds 2 fixed Income Funds, 1 money market Fund, 1 Islamic Income Fund, 1 conventional Pension Fund and 1 Islamic Pension Fund. NIT's tally of nationwide branches is 24 yet another milestone as 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 demonstrates that the Asset Manager meets high investment management industry standards and benchmarks with noted strengths in several of the rating factors. All investment decisions are taken by the Investment Committee of NITL.

Fund's Information

Fund Type	Open-End	Trustee	Central Depository Company
Category	Equity	Auditors	A.F. Ferguson & Company
Launch Date	12th November 1962	Pricing Mechanism	Forward Pricing
Management Fee	1.20%	Dealing Days*	Daily (Monday to Friday)
Front End Load	3.00%	Valuation Days*	Daily (Monday to Friday)
Back End Load	0.00%	AMC Rating	AM2++ (PACRA)
Benchmark	KSE-100	Risk Profile	Moderate / High
Par Value	PKR 10.00	Fund Manager	Manzoor Ahmed
Minimum Investment	PKR 5,000	Cutt-off timing	**9.00 AM to 3.30 PM (Mon to Fri)

*except public holiday

Fund Commentary & Performance Review

The KSE-100 index declined by 7.10% during the month of August, 2019 making it the seventh consecutive negative return for the KSE-100 index. Border tension with India following the turmoil in Kashmir took its toll on the market. The situation was further exacerbated by newsflow associated with the FATF Asia Pacific group meeting. News regarding the government's plan to privatize certain state owned enterprises created further confusion regarding the future outlook of the market. Investors continue to shift to fixed income avenues given decent yields on offer due to high interest rates which continues to put redemption pressure on equities based mutual funds. Market activity improved, with average volumes standing at 112 million shares, showing a growth of 47% on a MoM basis. Foreign investors turned net sellers again, and sold positions worth USD 3.52 million during the month.

During the month of August 2019, the benchmark KSE-100 index declined by 7.10% whereas your Fund's NAV depreciated by 5.59% thus giving an outperformance of 1.51%. On a YTD basis (July 19 to August 19), the KSE-100 index has fallen by 12.48% whereas the NAV of your Fund has gone down by 13.06%, thus, showing an underperformance of 0.58%.

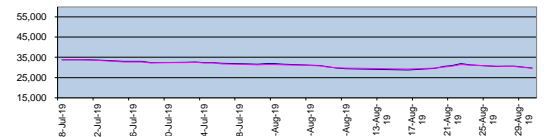
**Fund Returns

	NI(UT) Fund	KSE-100
Trailing 12- months	-33.73%	-28.92%
3yrs	-20.03%	-19.20%
5yrs	7.84%	3.87%
10 yrs	247.24%	242.02%
Leverage	5.42% of Net Assets	
Selling & Marketing Expenses	0.13% per annum	
*Total Expense Ratio	1.96%	

*This includes 0.25% representing Govt. Levy, Sindh Workers Welfare Fund & SECP Fee.

**Returns calculated are inclusive of dividends

NI(UT) VS KSE-100



Future Outlook

Outcome of the FATF review coupled with current account and inflation numbers will determine the future direction of the market.

Sector Allocation (As % of Total Assets)



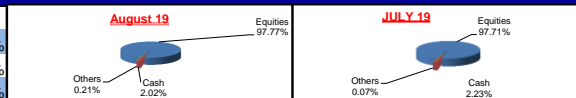
Technical Information 31-08-2019

Net Assets NI(UT) (Rs. In billion)	41.876
Nav per Unit NI(UT)	45.95

Top Ten Holdings (As % of Total Assets)

(As % of Total Assets)	
Pak Tobacco Co. Ltd.	9%
Bank Al-Habib Ltd.	8%
Pakistan State Oil	8%
Fauji Fertilizer Co. Ltd.	5%
Mari Petroleum Ltd.	5%
Bata Pakistan Ltd.	3%
Habib Metropolitan Bank	3%
Sapphire Textile Mills Ltd.	3%
Pakistan Services Ltd.	2%
Packages Ltd.	2%

Fund's Asset Allocation



Historical Fund Performance

	NI(UT)	KSE 100	DPU (Rs.)
FY 15	20.3%	16.0%	4.25
FY 16	9.59%	9.84%	4.50
FY 17	35.44%	23.24%	4.50
FY 18	-11.81%	-10.00%	2.33
FY 19	-23.94%	-19.11%	1.55

Sindh Workers Welfare Fund :

The Scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of **Rs. 435 million**, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by **Rs. 0.48/ 0.91%**. For details investors are advised to read the latest Financial Statement of the Scheme.

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

NI(UT), our flagship fund, was launched in 1962 with an intention to provide investment opportunities to masses. Since its inception NI(UT) has a policy of making investments while remaining compliant with the requirements of its constitutive documents and all other relevant rules and regulations. However, with the promulgation of NBFC Regulations 2008 small portion (around 3% of net assets) does not meet the requirements of current regulations.

Members of the Investment Committee

Adnan Afridi - Managing Director	Manzoor Ahmed - Chief Operating Officer	Amir Amin - Head of Finance
Raza Abbas Jaffery - Head of Trading	Ali Kamal - Head of Research	Salman.H.Chawala / Incharge Risk Mngmnt
	Faisal Aslam - Head of Compliance	

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.

Disclosure regarding Tax on Bonus Shares – NI(U)T

Finance Act 2014 has introduced tax on bonus shares issued by companies. Most Equity Funds including NI(U)T Fund have challenged this on various legal grounds and have sought relief from the Court. The Court, in its order dated November 25, 2014, has granted interim relief by passing the restraining order whereby the Defendants, (issuers of the Bonus shares) are being refrained from deducting or transferring 5% withholding tax on Bonus shares issued by them to the CDC Account of the Income Tax department.

As an abundant caution, the NI(U)T Fund has made payment of Rs. 49.39 million as of August 31, 2019 which is equivalent to 5% value of the bonus shares, determined on the basis of day-end price on the first day of book closure. The market value of 5% bonus shares as on August 31 2019 is Rs. 89.747 million.