

**FUND MANAGER REPORT - March 2010**

**Fund's Basic Informations**

Fund Type	Open-End
Category	Income Fund
Launch Date	19 <sup>th</sup> February, 2010
Listing	KSE & LSE
Stability Rating	N/A
Management Fee	1.25%
Front End Load	1.00%
Back End Load	Nil
Cutt-off timing	3.30 PM
Par Value	PKR 10.00
Min Subscription	Growth Unit PKR 5,000 Income Unit PKR 100,000
Trustee	Central Depository Co. (CDC)
Auditors	A.F Ferguson & Co.
Registrar	National Investment Trust Ltd.
Pricing Mechanism	Forward Pricing
Valuation Days	Daily (Monday to Saturday) except public holiday
Redemption Days	Daily (Monday to Saturday) except public holiday
Subscription Days	Each valuation day
AMC Rating	AM2 (PACRA)
Risk Profile	Moderate
Benchmark	6-Month KIBOR
Fund Manager	Khurram Aftab Ahmed

**Objective of the fund**

The objective of NIT Income Fund is to generate competitive stream of return with moderate level of risk for its unit holders, by investing primarily in fixed income Securities/instruments.

**Profile of Investment Managers**

National Investment Trust Ltd. (NITL) is the first Asset Management Company of Pakistan, formed in 1962. NITL is the largest asset management company of Pakistan with approximately Rs. 65 billion assets under management. NIT's distribution network comprises of 19 NIT branches, various Authorized bank branches all over Pakistan and Arab Emirates Investment Bank (AEIB) in Dubai(UAE). With the recent launch of new Funds namely NIT Government Bond Fund and NIT Income Fund the size of total Funds under management has increased to approximately Rs.72 billion. 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 Pakistan Credit Rating Agency (PACRA), which denotes very strong capacity to manage risks inherent in asset management and the asset manager meets very high investment management industry standards and benchmarks. All Investment decisions are taken by the Investment Committee of NITL.

**Fund Performance Review**

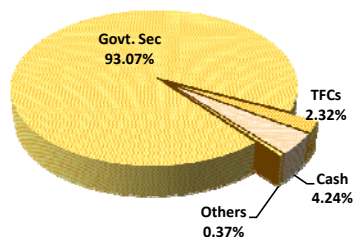
After the successful launch of NIT Government Bond Fund in November 2009, NITL launched its second fund in the Fixed Income category on 19th February 2010, namely, NIT Income Fund. The response was more overwhelming as the combined pre-IPO and IPO subscription surpassed Rs. 3.7 billion. The tremendous response of the general public was an indication that they had been awaiting for NITL to step forward in the Fixed Income category.

Since its inception NIT IF has posted an annualized return of 10.57%, while the annualized return of the month under review stood at 10.65%. To safeguard unit holder interest NIT IF initially invested 93% of its net assets in Treasury Bills to generate competitive returns. The fund is in the process of evaluating investment options towards building a portfolio comprising of high quality fixed income securities where at present yield is ranging from 14% to 15% per annum. The overriding consideration in the construction of fixed income portfolio is to invest in high quality securities to reduce risk to best protect the interest of unit holders. Upon establishing the portfolio of fixed income securities the return of the fund should increase notably.

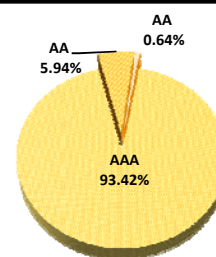
**Technical Information**

Net Assets	PKR 3.1 Bln
Nav per Unit (31st Mar 2010)	10.1107
Weighted Average Maturity	210 Days
Leveraging	Nil
Standard Deviation	0.04

**Asset Allocation as of Mar 2010**



**Credit Quality as of Mar 2010**

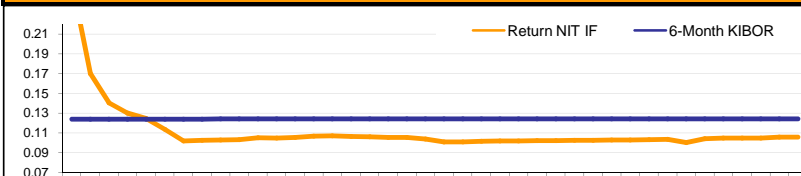


**Return History**

	NIT-IF*	Benchmark
February-10	10.27%	12.40%
March-10	10.65%	12.42%
Year to Date	10.57%	12.41%
Since Inception	10.57%	12.41%

\* Morning Star Method

**NIT-IF Return v/s Benchmark**



**Members of the Investment Committee**

Tariq Iqbal Khan - Chairman & MD	Manzoor Ahmed - Chief Operating Officer	Firasat Ali - Head of Marketing
Shahid Anwer - Head of MD's Sectt. & Personnel	Amir Amin - Head of Finance	Khurram Aftab - Fund Manager

**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 and Securities are subject to Market Risks. Our target return/dividend range can not be guaranteed. NIT-GBFs unit price is neither guaranteed nor administered/managed. It is based on Net Asset Value (NAV) and the NAV of NIT-GBF Units may go up or down depending upon the factors and forces affecting the Market. Past performance is not indicative of future results.

National Investment Trust Ltd,  
National Bank Building, (6th Floor)  
I.I. Chundrigar Road, P.O Box # 5671.  
Karachi - 74000, Pakistan  
Tel: 111-648-648