



NATIONAL INVESTMENT (UNIT) TRUST

MONTHLY FUND MANAGER REPORT - January 31, 2009

Fund Information	
Launch date	12th November 1962
Type	Open End Equity Fund
Fund Size as on January 31, 2009	Rs. 42.164 Billion
Par Value	Rs. 10
Fund Rating: (Normal & Long Term)	5 Star (PACRA & JCR-VIS)
Net Asset Value (per unit) as on January 31, 2009	NAV LOC: 21.63, NAV Non-LOC: 22.70
Minimum Investment:	Rs. 5,000
Management Fee:	1.00%
Front End Load:	2.50%
Back End Load:	1.00%
Benchmark	KSE 100 Index
Trustee:	National Bank of Pakistan
Auditors:	Anjum Asim Shahid Rehman Chartered Accountants

NI(U)T Objective
The core objective of NIT is to maximize returns 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 securities.

Profile of Investment Manager
National Investment Trust Ltd. (NITL) is the first Asset Management Company of Pakistan, formed in 1962. NITL manages the largest fund in the country i.e. National Investment (Unit) Trust with approximately Rs. 42 Billion assets under management (20.37 billion for LOC and 21.79 billion for Non-LOC funds) with 19 NIT branches spread across the country. The Board of Directors of NITL representing shareholders are mainly from leading financial institutions in addition to a representative of Govt. of Pakistan. The company has been assigned an asset manager rating of "AM2-" by Pakistan Credit Rating Agency (PACRA), which denotes strong capacity to manage the risks inherent in asset management and the asset manager meets high investment management industry standards and benchmarks. All investment decisions are taken by the Investment

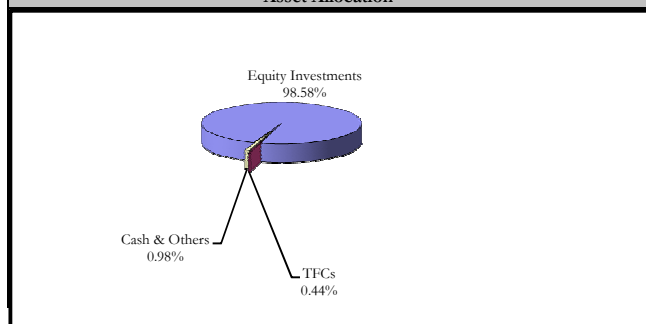
Fund Performance Review
During the month of January the KSE-100 index lost 487 points to close at a level of 5,377 points with recording a decline of 8.3% on MoM basis. However the avg. daily volume improved to 142 million shares. Selling pressure from foreign investors continued during the month with the net outflow reported at 144 million US\$ only in the month of January. The activity in the stock market normalized after the removal of the floor on 15th December, 2008. NIT also resumed normal dealing in units from Jan. 05, 2009. Launch of NIT State Enterprise Fund of Rs. 20 billion on January 13th was the major event of the month for the stock market of Pakistan. NIT which will remain restricted to the stocks of eight state enterprises was launched by NIT to take advantage of market conditions and to bring stability in the stock market as a consequence. At the end of the month the SBP announced the monetary policy keeping the discount rate unchanged at 15%, CRR at 5% and SLR at 19% citing the recent improvement in macroeconomic indicators.

The month of January ended with the decline of 8.30% in the benchmark KSE-100 index on MoM basis whereas your Fund's NAV dropped by 4.11% thus outperforming the benchmark by 4.21% during the month. During the year (July 08 to Jan 09) KSE-100 declined by 56.25% whereas NAV of your Fund went down by 51.87% giving an outperformance of 4.37%.

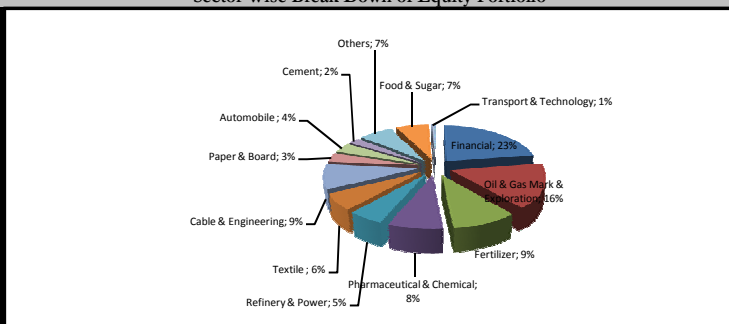
The stock market is in a consolidation phase at the current levels. Once the selling pressure from the foreign investors gets slow the valuation will play its role. The improvement in the macro economic fundamentals mainly the declining inflation along with improvement in the overall liquidity position is expected to give some boost to the stock market in the period ahead.

Top Ten Holdings		Risk & Return Ratios (3 years to date)	
		NIT Portfolio	KSE100
Fauji Fertilizer Co. Ltd.	Bata Pakistan Ltd.	Standard Deviation	20% 34%
Pakistan Sste Oil	Soneri Bank Ltd.	Beta	0.54 1.00
Bank Al-Habib Ltd.	Sui Northern Gas Pipelines	Sharpe Ratio	(1.17) (0.95)
Habib Metropolitan Bank Ltd	Glaxo Smith Kline		
Siemens Engineering	Packages Ltd.		

Asset Allocation



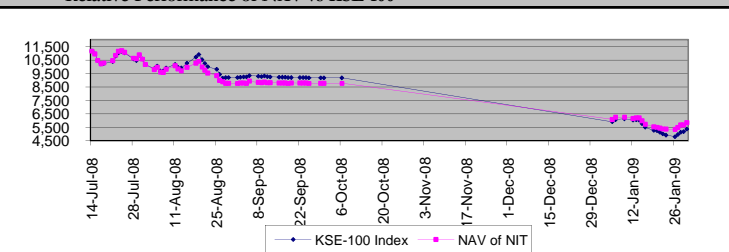
Sector Wise Break Down of Equity Portfolio



Fund Performance

	FY 04	FY 05	FY 06	FY 07	FY 08
NIT	60.7%	35.7%	28.2%	44.8%	-6.4%
KSE 100	55.3%	41.1%	34.1%	37.9%	-10.8%
DPU (Rs.)	2.55	3.30	5.80	6.20	6.50

Relative Performance of NAV vs KSE 100



Disclaimer: All Investments in Mutual Funds and Securities are subject to Market Risks. Our target return/dividend range can not be guaranteed. NIT's unit price is neither guaranteed nor administered/managed. It is based on Net Asset Value (NAV) and the NAV of NIT Units may go up or down depending upon the factors and forces affecting the Stock Market. Past performance is not indicative of future results.

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