



# NATIONAL INVESTMENT (UNIT) TRUST

MONTHLY FUND MANAGER REPORT - February 28, 2009

Fund Information	
Launch date	
12th November 1962	
Type	
Open End Equity Fund	
Fund Size as on February 27, 2009	
Rs. 43.567 Billion	
Par Value	
Rs. 10	
Fund Rating: (Normal & Long Term)	
5 Star (PACRA & JCR-VIS)	
Net Asset Value (per unit) as on Feb. 27 2009	
NAV LOC	NAV Non-LOC
22.08	23.30
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 (20.79 billion for LOC and 22.77 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

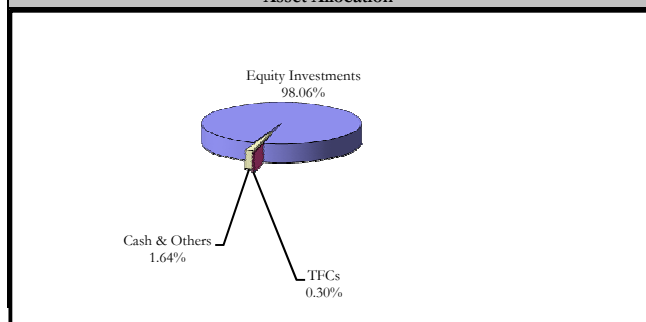
**Fund Performance Review**  
The KSE-100 Index gained 350 points during the month of February to close at 5,727 pts, with average volumes improving to 161 million shares as compared to 142 million shares in January 2009. Volatile behavior of the market was witnessed during the first half of the month mainly owing to the apprehensions regarding the treatment of "Impairment Losses" on listed equity instruments held by listed companies under 'Available for Sale' classification. However in the mid of Feb. the apex regulator allowed companies to take impairment losses directly to equity and charge the amount including adjustments to profit and loss account on quarterly basis during the calendar year ending on 31-12-09. This decision by SECP was welcomed by the market participants and helped the Index to reach as high as 6,100 level but the bullish rally in the market could not keep on its momentum as the Supreme Court's decision to uphold the disqualification of Sharif brothers, imposition of Governor's rule in the province of Punjab and concerns on mounting political uncertainty pushed the market downward to finally close the month at the index level of 5,727.

During the month under review the benchmark KSE-100 index increased by 6.51% whereas your Fund's NAV (NON-LOC Fund) increased by 2.64% thus underperforming the benchmark by 3.87%. During the year (July 08 to Feb 09) KSE-100 declined by 53.39% whereas NAV of your Fund (NON-LOC) went down by 49.76% giving an out performance of 3.63%.

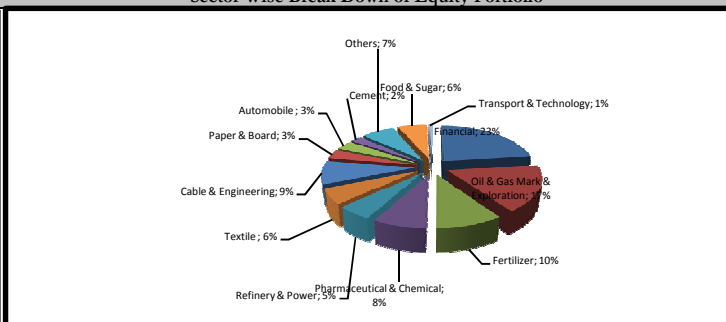
The interest rate which have already shown downward trend will impact the valuations positively however in the coming days developments on the political front will help determine the direction of the market. Peaceful resolution of political issues can once again turn the sentiment in the market bullish.

Top Ten Holdings		Risk & Return Ratios (3 years to date)	
Fauji Fertilizer Co. Ltd.	Bata Pakistan Ltd.	NIT Portfolio KSE100	
Pakistan Sste Oil	Soneri Bank Ltd.	Standard Deviation	20% 35%
Bank Al-Habib Ltd.	Packages Ltd.	Beta	0.54 1.00
Habib Metropolitan Bank Ltd	Glaxo Smith Kline	Sharpe Ratio	(1.13) (0.95)
Siemens Engineering	Sui Northern Gas Pipelines		

### Asset Allocation



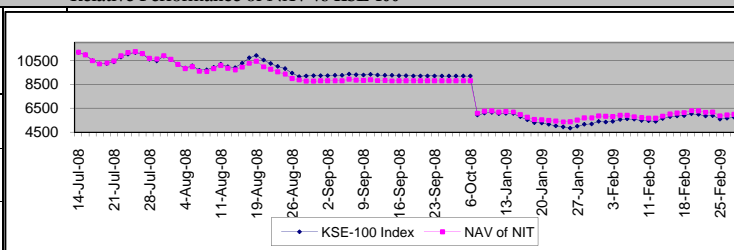
### Sector Wise Break Down of Equity Portfolio



### 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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