



NATIONAL INVESTMENT UNIT TRUST



FUND MANAGER REPORT - March 2012

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 Asset Management Company of Pakistan, formed in 1962. NITL is the largest asset management company of Pakistan with approximately Rs. 72 billion assets under management. The family of Funds of NIT comprises of six funds including 4 equity Funds and 2 fixed income nature Funds. NIT's distribution network comprises of 22 NIT branches, various Authorized bank branches all over Pakistan and Arab Emirates Investment Bank (AEIB) in Dubai(UAE). 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 JCR-VIS Credit Rating Company Limited, which denotes the stable outlook of the company and the asset manager meets high investment management quality standards. All Investment decisions are taken by the Investment Committee of NITL.

Fund's Information

Fund Type	Open-End	Trustee	National Bank of Pakistan
Category	Equity	Auditors	A.F Ferguson & Co.
Launch Date	12th November 1962	Pricing Mechanism	Forward Pricing
Management Fee	1.00%	Valuation Days*	Daily (Monday to Friday)
Front End Load	3.00%	Dealing Days*	Daily (Monday to Friday)
Back End Load	0.00%	AMC Rating	AM2-UCR-VIS)
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)

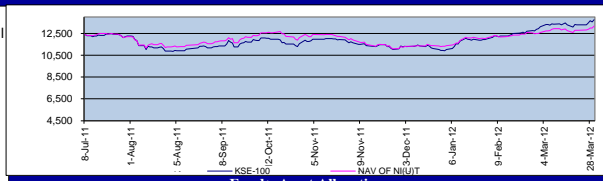
*except public holiday

Fund Commentary & Performance

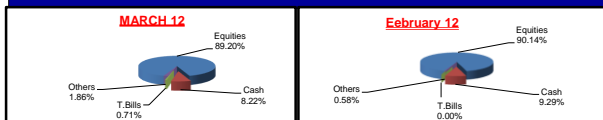
During the month of March 2012 KSE-100 recorded a healthy return of 6.9% MoM to close at 13,761 points. Continued buoyancy in the market was mainly driven by the promising outlook for Oil & Gas, Cement and Banking sectors. Cement sector remained in the lime light throughout the month on the expectation of hike in per bag prices and higher cement sales in local and international markets. Furthermore rise in international oil prices, positivity in global and regional equity markets and upcoming implementation of the reformed CGT induced positive sentiment regarding the future direction of the market. In a major development during the month, the joint sitting of the Parliament unanimously passed the "Stock Exchange (Corporatization, Demutualization and Integration) Bill, 2009 for the growth and strengthening of capital markets in Pakistan. The landmark legislative move would affect a balance among interest of different stakeholders in the corporate and governance structure of a stock exchange.

During the month of March 2012, the benchmark KSE-100 index increased by 6.9% whereas your Fund's NAV increased by 5.3%, thus, giving an underperformance of 1.6%. Similarly, on a YTD basis (July 11 to Mar 12), the KSE-100 index appreciated by 10.1% whereas the NAV of your Fund has yielded a return of 6.6%, showing an under performance of 3.5%.

Fund's Year to Date Performance



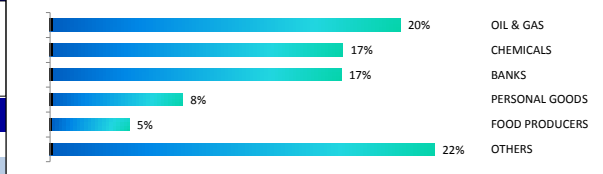
Fund's Asset Allocation



Outlook

Another exciting result season, which is just around the corner can extend the bull run of the market, however, Once again, continuity of the on-going rally is largely contingent to the materialization of the Presidential Order/SRO regarding the revised CGT regime which can take the market to the further heights.

Sector Allocation (As % of Total Assets)



Technical Information 30-03-2012

Net Assets NI(UT)	40.226
Nav per Unit NI(UT)	30.01

Top Ten Holdings (As % of Total Assets)

(As % of Total Assets)	
Fauji Fertilizer Co. Ltd.	12%
Pakistan State Oil	9%
Bank Al-Habib Ltd.	6%
National Refinery Ltd.	3%
Habib Metropolitan Bank	3%
Attock Refinery Ltd.	3%
Pakistan Oilfields Ltd.	3%
Soneri Bank Ltd.	2%
Siemens Pakistan	2%
Lucky Cement Ltd.	2%

Risk & Return Ratios (3yrs to date)

	NIT Portfolio	KSE-100
Standard Deviation	22%	18%
Beta	0.58	1.00
Sharpe Ratio	-0.82	0.61

Historical Fund Performance

	NI(UT)	KSE 100	DPU (Rs.)
FY 07	44.8%	37.9%	6.20
FY 08	-6.4%	-10.8%	6.50
FY 09	-41.5%	-41.7%	3.25
FY 10	17.9%	35.7%	2.25
FY 11	24.0%	28.5%	4.00

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 5% of net assets) does not meet the requirements of current regulations. However, efforts are being made to bring all such investments in compliance with NBFC Regulations 2008 while protecting the best interest of the unit holders

Members of the Investment Committee

Wazir Ali Khoja - Managing Director	Manzoor Ahmed - Chief operating Officer	S. Zubair Ahmed - Controller of Branches	Amir Amin - Head of Finance
Shahid Anwer - Head of MD's Sectt. & Personnel	M. Imran Rafiq, CFA - Head of Research	M. Atif Khan, Manager Compliance & Risk Management	

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. The NAV based prices of units and any dividends / returns thereon are on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.