



NATIONAL INVESTMENT UNIT TRUST



FUND MANAGER REPORT - March 2015

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.

Fund's Information

Fund Type	Open-End	Trustee	Central Depository Company
Category	Equity	Auditors	KPMG Taseer Hadi & Co.
Launch Date	12th November 1962	Pricing Mechanism	Forward Pricing
Management Fee	1.00%	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) (21-04-2014)
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)

Profile of Investment Managers

National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 89 billion assets under management as March 31, 2015. The family of Funds of NIT comprises of five funds including 3 equity Funds and 2 fixed income nature Funds. NIT's tally of nationwide branches is 23, 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 reflects the company's very strong capacity to manage the risks inherent in the asset management business 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 Commentary & Performance Review

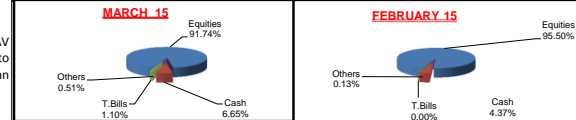
During the month of March 2015, benchmark KSE-100 index experienced deep correction of 3,398 points (10.1%). Average daily trading volumes also declined by 31% to 167 mn versus 240 mn shares a month earlier. Market remained in negative zone almost throughout the month, overshadowing the positive macro-economic developments like slash in the SBP discount rate by 50bps, Lower inflationary trend and improvement in the Moody's credit rating outlook from 'stable' to 'positive'. The substantial decline in spite of all the aforementioned positives was mainly attributable to the sizeable outflow of USD 71 mn from foreign investors which also included liquidation of one of the foreign hedge fund. Hefty selling by foreign investors amidst low volumes in the market triggered further selling by leveraged investors putting further downward pressure on the market. Local mutual funds, particularly the capital protected strategy based fund also remained major sellers in the market with \$5mn USD during the month.

During the month of March 2015, the benchmark KSE-100 index declined by 10.1% whereas your Fund's NAV dropped by 11.62% during the same period depicting an underperformance of 1.52%. On a YTD basis (July 14 to March 15), the KSE-100 index increased by 1.96% whereas the NAV of your Fund increased by 5.73%, showing an out performance of 3.76%.

Fund Returns

	NI(UT) Fund	KSE-100
Trailing 12- months	14.97%	11.32%
3yrs	165.22%	119.69%
5yrs	214.04%	197.04%
10 yrs	289.68%	289.09%
Leverage	Nil	

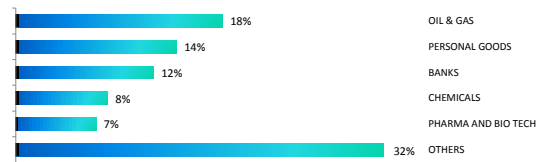
Fund's Asset Allocation



Future Outlook

In our opinion, this month's stock market underperformance was not a veritable reflective of the country's improving macro-economic fundamentals. We believe that market should perform well in the period ahead on the back of low inflation numbers, IMF's review of Extended Fund Facility and upcoming secondary public offering of HBL.

Sector Allocation (As % of Total Assets)



Technical Information 31-03-2015

Net Assets NI(UT)	66.104
Nav per Unit NI(UT)	59.83

Top Ten Holdings (As % of Total Assets)

(As % of Total Assets)	
Pakistan State Oil	10%
Fauji Fertilizer Co. Ltd.	5%
Bank Al-Habib Ltd.	5%
Bata Pakistan Ltd.	5%
Packages Ltd.	4%
Mari Petroleum Ltd.	3%
Pak Tobacco Co. Ltd.	3%
GlaxoSmith Kline (Pak) Ltd.	3%
Habib Metropolitan Bank	2%
Shezan International	2%

Risk & Return Ratios (3yrs to date)

	NIT Portfolio	KSE-100
Standard Deviation	12%	15%
Beta	0.53	1.00
Sharpe Ratio	0.80	1.12

Historical Fund Performance

	NI(UT)	KSE 100	DPU (Rs.)
FY 10	17.9%	35.7%	2.25
FY 11	24.0%	28.5%	4.00
FY 12	7.6%	10.5%	3.50
FY 13	58.4%	52.2%	3.75
FY 14	57.0%	41.2%	4.10

WWF Disclosure:

The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of **Rs. 484 million**, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by **Rs. 0.44 / 0.77%**. 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 4% 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

Shahid Ghaffar - 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	Raza Abbas Jaffery - Head of Trading	
Ammar Habib - Manager / Incharge Risk Mngmn	Syed Aqib Hussain - Incharge / Manager 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.

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. 13.43 million as of March 31, 2015 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 March 31, 2015 is Rs. 38.63 million.