



NATIONAL INVESTMENT UNIT TRUST



FUND MANAGER REPORT - June 2016

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) (08-06-2016)
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. 92 billion assets as of June 30, 2016 the family of Funds of NIT comprises of 9 funds including 4 equity Funds 2 fixed income nature Funds, 1 money market Fund 1 conventional Pension Fund and 1 Islamic Pension Fund. NIT's tally of nationwide branches is 23 and sales desk is also available in financial hub at Abbotabad, 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 demonstrates that the Asset Manager meets high investment management industry standards and benchmarks with noted strengths in several of the rating factors. All investment decisions are taken by the investment Committee of NITL.

*except public holiday ** During Ramadan : 2:00 PM (Mon-Thr) & 12:30 PM (Fri)

Fund Commentary & Performance Review

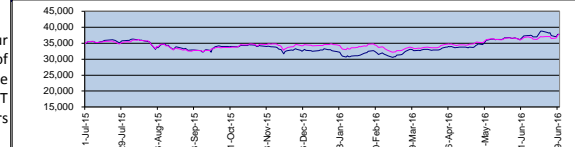
During the month of June 2016 KSE-100 gained 4.78%, taking the fiscal year return to 9.84%. The average daily trading volume of the market was 172 mn shares, down by 36% on a MoM basis primarily due to slowdown in activity during the holy month of Ramadan. Confirmation of much awaited news of Pakistan's inclusion in the MSCI Emerging markets Index provided impetus to the market consequently KSE100 Index surged massively to an all-time high of 38,777 points. However a surprise decision in the UK referendum to exit from the European Union led to selling pressure in global markets which also dragged down the benchmark KSE-100 index to close the financial year at 37,783 points.

During the month of June 2016, the benchmark KSE-100 index increased by 4.78% whereas your Fund's NAV appreciated by 5.24% during the same period thus giving an outperformance of 0.46%. On a YTD basis (July 15 to June 16), the KSE-100 index increased by 9.84% whereas the NAV of your Fund increased by 9.59%, thus, showing slight underperformance of 0.25%. NI(UT) in line with its remarkable history of regularly paying cash dividends over the entire 54 years life of the Trust, declared a cash dividend of Rs. 4.50 per unit for the fiscal year 2015-16.

Fund Returns

	NI(UT) Fund	KSE-100
Trailing 12- months	8.61%	8.44%
3yrs	106.88%	79.87%
5yrs	252.55%	202.36%
10 yrs	311.26%	278.24%
Leverage	Nil	

NI(UT) VS KSE-100



Future Outlook

Positive developments like Pakistan's reclassification into the MSCI EM Index, stable exchange rate, rising foreign exchange reserves, low inflation rates and result season ahead may provide an exciting start to the new fiscal year.

Sector Allocation (As % of Total Assets)



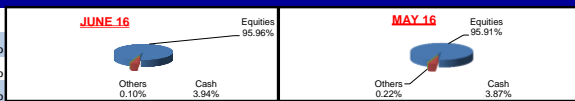
Technical Information 30-06-2016

Net Assets NI(UT)	66.830
Nav per Unit NI(UT)	65.15

Top Ten Holdings (As % of Total Assets)

(As % of Total Assets)	
11%	Pakistan State Oil
6%	Bata Pakistan Ltd.
5%	Bank Al-Habib Ltd.
5%	Fauji Fertilizer Co. Ltd.
4%	Packages Ltd.
4%	Mari Petroleum Ltd.
3%	Pak Tobacco Co. Ltd.
3%	Abbott Laboratories
3%	GlaxoSmith Kline (Pak) Ltd.
2%	Ferozsons Laboratories

Fund's Asset Allocation



Historical Fund Performance

	NI(UT)	KSE 100	DPU (Rs.)
FY 12	7.6%	10.5%	3.50
FY 13	58.4%	52.2%	3.75
FY 14	57.0%	41.2%	4.10
FY 15	20.3%	16.0%	4.25
FY 16	9.59%	9.84%	4.50

WWF Disclosure:

The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of **Rs.507 million**, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by **Rs. 0.49 / 0.82%**. 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 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

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 Mngm	Adamjee Yakoob- FCA, ACCA, Head of 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 etc.

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. 28.15 million as of June 30, 2016 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 June 30, 2016 is Rs.86.65million.

Note: All the figures given in the report are being under Full Year Audit review.