

NATIONAL INVESTMENT UNIT TRUST

FUND MANAGER REPORT - July 2014

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 and the largest Asset Management Company of Pakistan, formed in 1962. With approximately Rs. 85 billion assets under management, as on July 28 2014. 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 Mutual Fund in Pakistan has such a big 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's Information

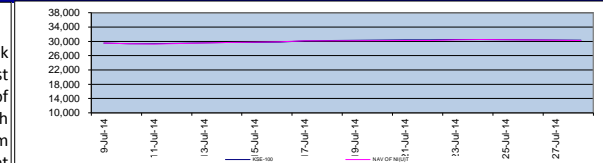
Fund Type	Open-End	Trustee	Central Depository Company
Category	Equity	Auditors	Anjum Asim Shahid Rehman & Co.
Launch Date	12th November 1962	Pricing Mechanism	Forward Pricing
Management Fee	1.00%	Dealing Days*	Daily (Monday to Friday)
Front End Load	3.00%	Valuation Days*	Daily (Monday to Friday)
Back End Load	0.00%	AMC Rating	AM2- (PACRA)
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 Review

During the month of July 2014, KSE-100 index gained 2.23%, crossing the landmark 30,000 index level to close at an all-time high level of 30,314 points. During the first half of the month market remained lackluster largely due to the holy month of Ramadan, however market gained momentum in the latter half of the month following the revision of Pakistan's sovereign credit rating by Moody's from 'Negative' to 'Stable'. Foreign investors yet again lead the participation in the market by registering an inflow of USD 68.5 mn.

During the month of July 2014, the benchmark KSE-100 index increased by 2.23% whereas your Fund's NAV appreciated by 2.39% during the same period thus giving an outperformance of 0.15%.

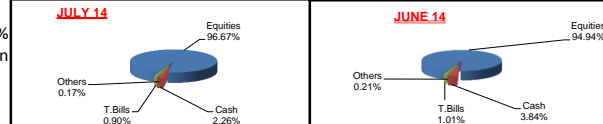
Fund's Year to Date Performance



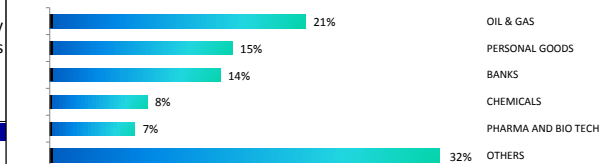
Future Outlook

Following month will be studded with flurry of corporate results and will be the key determinant of the market's direction in the future. However, market may witness some volatility over the fear of heightened uncertainty on political front.

Fund's Asset Allocation



Sector Allocation (As % of Total Assets)



Technical Information 28-07-2014

Net Assets NI(UT)	63.34
Nav per Unit NI(UT)	57.94

Top Ten Holdings (As % of Total Assets)

(As % of Total Assets)	
12%	Pakistan State Oil
6%	Bank Al-Habib Ltd.
6%	Bata Pakistan
5%	Fauji Fertilizer Co. Ltd.
3%	Packages Ltd.
3%	Pak Tobacco Co. Ltd.
3%	Habib Metropolitan Bank
3%	GlaxoSmith Kline
2%	Abbott Pakistan
2%	Soneri Bank Ld.

Risk & Return Ratios (3yrs to date)

	NIT Portfolio	KSE-100
Standard Deviation	13%	15%
Beta	0.52	1.00
Sharpe Ratio	0.46	1.23

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. 399 million**, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by **Rs. 0.36/ 0.63%**. 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 7% 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	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.