



NATIONAL INVESTMENT UNIT TRUST



9.00 AM to 3.30 PM (Mon to Fri)

| FUND MANAGER REPORT - July 2 | 2012 |
|------------------------------|------|
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The core objective of NIT is to maximize return for Unit holders, provide a regular Fund Type 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 Category equity securities.

Open-End Trustee National Bank of Pakistan A.F Ferguson & Co. aunch Date 12th November 1962 Pricing Mechanism Forward Pricing

PKR 5,000

Front End Load 3.00% Valuation Days* Daily (Monday to Friday) AMC Rating AM2- (JCR-VIS) Renchmark KSE-100 Risk Profile Moderate / High PKR 10.00

Cutt-off timing

Fund's Information

Minimum Investment except public holiday

NI(U)T Objective

National Investment Trust Ltd. (NITL) is the first Asset Management Company of Pakistan, formed in 1962. NITL is the linst Asset management company of Pakistan with approximately Rs. 73 billion assets under management. The family of Funds of NIT comprises of five funds including 3 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). branches all over Pakistan and Arab Emirates Investment Bank (AEIB) in Dubal(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 "MM2-" by Pakistan Credit Rating Agency, 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

und Commentary , Performance & Outlook

The KSE-100 Index gained 775 points or 5.62% during July 2012 to close at 14,577. The average daily turnover during July 2012 was 90.14m shares compared to 81.31m shares during June 2012. The market was mainly bullish during July due to foreign buying activity which totaled to US\$ 31 m during the month. and re-opening of the NATO supply route as an apology was given by the US to Pakistan to finally end the impasse that existed since November 2011. Pakistan's sovereign rating downgrade by the Moody's rating agency bond ratings from B3 to Caa1 added to the worries of the local as well as foreign investors. However, Standard and Poor's decision to maintain its 'B-' long-term sovereign credit rating for Pakistan helped restore the confidence of the investors.

During the month of July the benchmark KSE-100 index increased by 5.62% whereas your Fund's NAV increased by 6.05% during the same period thus giving an out performance of 0.43%. NI(U)T in line with its remarkable history of regularly paying cash dividends to its unit holders over the entire 50 years life of the Trust, declared a cash dividend of Rs. 3.50 per unit for the year ended June 30, 2012.

We expect the market will likely to continue its bullish trend next month in anticipation of disbursement of the Coalition Support Fund (CSF)SF funds by the U.S., possible interest rate easing by the central bank in the upcoming Monetary Policy and better results announcements by the key companies in an ongoing result season. However with the political environment heating up and hearing of the Supreme Court regarding the NRO implementation can confine the bullish rally in short term.

Golden Jubilee of NIT

It is indeed a matter of great pleasure for us to inform that NIT would be completing fifty years of its establishment and hence celebrate golden jubilee this year. On this occasion, we would like to thank our unit holders for demonstrating their faith in us and the NIT employees for their hard work. We would also like to thank our Trustees - National Bank of Pakistan & Central Depository Company of Pakistan Limited, the Securities Exchange Commission of Pakistan, State Bank of Pakistan and the Ministry of Finance for their continued cooperation and support.



Net Assets NI(U)T 39.587 Nav per Unit NI(U)T 28.39 16,000 14,000 10,000 8,000 JUNE 12

Fund's Year to Date Performance



| Top Ten Holdings (As % of | Risk & Return Ratios (3yrs to date) | | | | |
|---------------------------|-------------------------------------|--------------------|--------|---------------|-----------|
| (As % of Total Asso | | | | NIT Portfolio | KSE-100 |
| Fauji Fertilizer Co. Ltd. | 10% | Standard Deviation | | 22% | 16% |
| Pakistan State Oil | 8% | Beta | | 0.60 | 1.00 |
| Bank Al-Habib Ltd. | 6% | Sharpe Ratio | | -0.97 | 0.55 |
| National Refinery Ltd. | 3% | | | | |
| Habib Metropolitan Bank | 3% | | NI(U)T | KSE 100 | DPU (Rs.) |
| Pakistan Oilfields Ltd. | 2% | FY 08 | -6.4% | -10.8% | 6.50 |
| Attock Refinery Ltd. | 2% | FY 09 | -41.5% | -41.7% | 3.25 |
| Soneri Bank Ltd. | 2% | FY 10 | 17.9% | 35.7% | 2.25 |
| Unilever Pakistan Ltd. | 2% | FY 11 | 24.0% | 28.5% | 4.00 |
| Bata Pakistan Ltd. | 2% | FY 12 | 7.6% | 10.5% | 3.50 |

The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 242.09 million, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by Rs. 0.17 / 0.6%. For details investors are advised to read the Note 08 of the latest Financial Statement of the Scheme

mpliance with Circular # 16 of 2010 / Non-compliant Investments

NI(U)T, our flagship fund, was launched in 1962 with an intention to provide investment opportunities to masses. Since its inception NI(U)T has a policy of making investments while requirements of its constitutive documents and all other relevant rules and regulations. However, 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

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 Managemen

MUFAP's Recommended Forma

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 marke conditions. Past performance is not necessarily indicative of future results.