



# NATIONAL INVESTMENT (UNIT) TRUST

MONTHLY FUND MANAGER REPORT - September 30, 2008

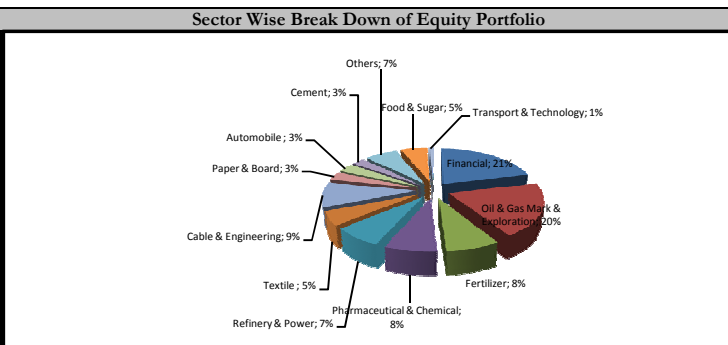
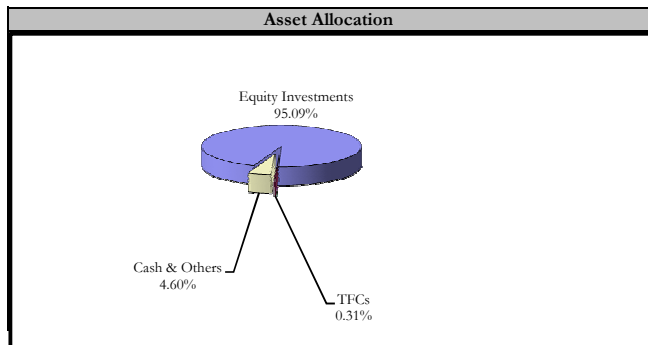
Fund Information	
Launch date	12th November 1962
Type	Open End Equity Fund
Fund Size as on September 30, 2008	Rs. 56.786 Billion
Par Value	Rs. 10
Fund Rating: (Normal & Long Term)	5 Star (PACRA & JCR-VIS)
Net Asset Value (per unit) as on September 30, 2008	
NAV LOC	NAV Non-LOC
32.85	33.72
Minimum Investment:	
Rs. 5,000	
Management Fee:	
1.00%	
Front End Load:	
2.50%	
Back End Load:	
1.00%	
Benchmark	
KSE 100 Index	
Trustee:	
National Bank of Pakistan	
Auditors:	
Anjum Asim Shahid Rehman Chartered Accountants	

**NI(U)T Objective**  
The core objective of NIT is to maximize returns 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 securities.

**Profile of Investment Manager**  
National Investment Trust Ltd. (NITL) is the first Asset Management Company of Pakistan, formed in 1962. NITL manages the largest fund in the country i.e. National Investment (Unit) Trust with approximately Rs. 57 Billion assets under management (24.69 billion for LOC and 32.08 billion for Non-LOC funds) with 19 NIT branches spread across the country. The Board of Directors of NITL representing shareholders are mainly from leading financial institutions in addition to a representative of Govt. of Pakistan. The company has been assigned an asset manager rating of "AM2-" by Pakistan Credit Rating Agency (PACRA), which denotes strong capacity to manage the risks inherent in asset management and the asset manager meets high investment management industry standards and benchmarks. All investment decisions are taken by the Investment

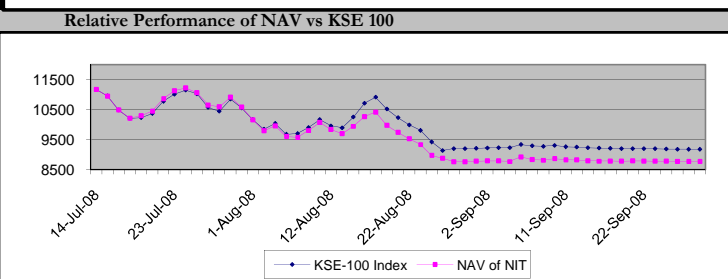
**Fund Performance Review**  
The month of September'08 marked the lowest ever trading volume in KSE's history with an average daily volume of 13.07 million shares due to continuation of floor mechanism. The month of September proved even historically worst for the world markets which witnessed an unprecedented downturn triggered by US sub-prime mortgage crises.  
During the month of Sept. 08., the benchmark of KSE-100 index declined just by 0.32% from 9,208 points to 9,179 points amid depreciating rupee and worsening law and order situation. This indicates that Pakistan's stock market is yet to take the brunt of the International financial crises once the floor mechanism is removed and the market operates under the normal conditions. On MoM basis your Fund's NAV increased by 0.17% thus posting a marginal out performance of 0.48%. During the year (July 08 to Sep 08) KSE-100 declined by 25.30% whereas NAV of your Fund went down by 27.73% giving an underperformance of 2.43%.  
We expect that the dull trading activity may continue till the time the floor mechanism is removed. Significant slide in the International oil prices and commitments from International Financial Institutions including the 'Friends of Pakistan' consortium may ease out the pressure on external accounts to help in tackling the economic challenges being faced by Pakistan.

Top Ten Holdings		Risk & Return Ratios (3 years to date)	
Pakistan State Oil	National Refinery Ltd.	NIT Portfolio KSE100	
Fauji Fertilizer Co. Ltd.	Soneri Bank Ltd.	Standard Deviation	17% 25%
Habib Metropolitan Bank Ltd	Bata Pakistan Ltd.	Beta	0.59 1.00
Bank Al-Habib Ltd.	International Industries	Sharpe Ratio	(0.34) (0.22)
Siemens Engineering	Glaxo Smith Kline		



**Fund Performance**

	FY 04	FY 05	FY 06	FY 07	FY 08
NIT	60.7%	35.7%	28.2%	44.8%	-6.4%
KSE 100	55.3%	41.1%	34.1%	37.9%	-10.8%
DPU (Rs.)	2.55	3.30	5.80	6.20	6.50



**Disclaimer:** All Investments in Mutual Funds and Securities are subject to Market Risks. Our target return/dividend range can not be guaranteed. NIT's unit price is neither guaranteed nor administered/managed. It is based on Net Asset Value (NAV) and the NAV of NIT Units may go up or down depending upon the factors and forces affecting the Stock Market. Past performance is not indicative of future results.

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