

**NATIONAL INVESTMENT UNIT TRUST**

**FUND MANAGER REPORT - November 2012**

**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**

<b>Fund Type</b>	Open-End	<b>Trustee</b>	National Bank of Pakistan
<b>Category</b>	Equity	<b>Auditors</b>	A.F Ferguson & Co.
<b>Launch Date</b>	12th November 1962	<b>Pricing Mechanism</b>	Forward Pricing
<b>Management Fee</b>	1.00%	<b>Dealing Days*</b>	Daily (Monday to Friday)
<b>Front End Load</b>	3.00%	<b>Valuation Days*</b>	Daily (Monday to Friday)
<b>Back End Load</b>	0.00%	<b>AMC Rating</b>	AM2- (UCR-VIS)
<b>Benchmark</b>	KSE-100	<b>Risk Profile</b>	Moderate / High
<b>Par Value</b>	PKR 10.00	<b>Fund Manager</b>	Manzoor Ahmed
<b>Minimum Investment</b>	PKR 5,000	<b>Cutt-off timing</b>	9.00 AM to 3.30 PM (Mon to Fri)

\*except public holiday

**Profile of Investment Managers**

National Investment Trust Ltd. (NITL) is the first Asset Management Company of Pakistan, formed in 1962. NITL is the largest asset management company of Pakistan with approximately Rs. 75 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 23 NIT branches, various Authorized bank branches all over Pakistan and Arab Emirates Investment Bank (AEIB) in Dubai(UAE) and to cater the matters relating to investments in NIT and day to day inquiries / issues of NIT's unit holders, 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 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 are taken by the Investment Committee

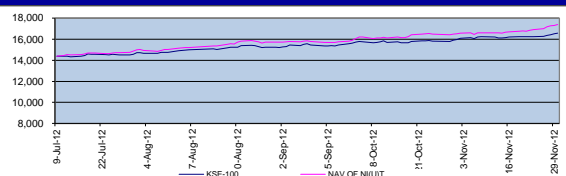
**Fund Commentary, Performance Review & Future Outlook**

The market continued with its bull run during the month of November 2012, gaining 4.2% MoM. The market closed at an all-time high levels ending the month at 16,574 level, adding a staggering 664 points to the index. This rise is primarily attributable to the growing expectation of another policy rate cut during the monetary policy review in December 2012 and the positive development regarding the endorsement of European Union package by the EU Parliament which resulted in hefty gains in Personal Goods sector.

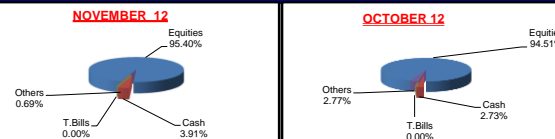
During the month of October the benchmark KSE-100 index increased by 4.17% whereas your Fund's NAV appreciated by 5.47% during the same period thus giving an outperformance of 1.29%. On a YTD basis (July 12 to November 12), the KSE-100 index increased by 20.09% whereas the NAV of your Fund increased by 23.98%, thus, showing an out performance of 3.89%.

Key economic data coupled with the upcoming monetary policy statement shall be the key determinants to the market direction in the period ahead.

**Fund's Year to Date Performance**



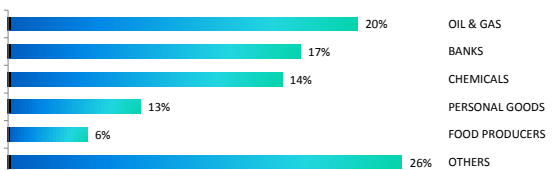
**Fund's Asset Allocation**



**Golden Jubilee of NIT**

It is indeed a matter of great pleasure for us to inform that NIT has completed fifty years of its establishment on 12th November, 1962 and hence celebrating its golden jubilee 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.

**Sector Allocation (As % of Total Assets)**



**Technical Information 30-11-2012**

Net Assets NI(UT)	40.978
Nav per Unit NI(UT)	33.19

**Top Ten Holdings (As % of Total Assets)**

(As % of Total Assets)	
Fauji Fertilizer Co. Ltd.	9%
Pakistan State Oil	8%
Bank Al-Habib Ltd.	6%
Bata Pakistan Ltd.	4%
Habib Metropolitan Bank	3%
Attock Refinery Ltd.	3%
National Refinery	3%
Unilever Pakistan	3%
Pakistan Oilfields	2%
Soneri Bank Ltd.	2%

**Risk & Return Ratios (3yrs to date)**

	NIT Portfolio	KSE-100
<b>Standard Deviation</b>	<b>22%</b>	<b>15%</b>
<b>Beta</b>	<b>0.65</b>	<b>1.00</b>
<b>Sharpe Ratio</b>	<b>-0.90</b>	<b>0.50</b>

	NI(UT)	KSE 100	DPU (Rs.)
<b>FY 08</b>	-6.4%	-10.8%	6.50
<b>FY 09</b>	-41.5%	-41.7%	3.25
<b>FY 10</b>	17.9%	35.7%	2.25
<b>FY 11</b>	24.0%	28.5%	4.00
<b>FY 12</b>	7.6%	10.5%	3.50

**WWF Disclosure:**

The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of **Rs. 242 million**, if the same were not made the NAV per unit/ year to date return of the Scheme would be higher by **Rs. 0.19/ 0.6%**. 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**

<b>Wazir Ali Khoja - Managing Director</b>	<b>Manzoor Ahmed - Chief operating Officer</b>	<b>S. Zubair Ahmed - Controller of Branches</b>	<b>Amir Amin - Head of Finance</b>
<b>Shahid Anwer - Head of MD's Sectt. &amp; Personnel</b>	<b>M. Imran Rafiq, CFA - Head of Research</b>	<b>M. Atif Khan, Manager Compliance &amp; Risk Management</b>	

**MUEAP'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.