



NATIONAL INVESTMENT UNIT TRUST



FUND MANAGER REPORT -December 2015

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) (14-04-2015)
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 the size of total Funds under management by NITL which is approximately Rs. 88 billion as of December 31, 2015, the family of Funds of NIT comprises of 8 funds including 4 equity Funds 2 fixed income nature Funds, 1 conventional Pension Fund and 1 Islamic Pension Fund. NIT's tally of nationwide branches is 23, 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 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 Commentary & Performance Review

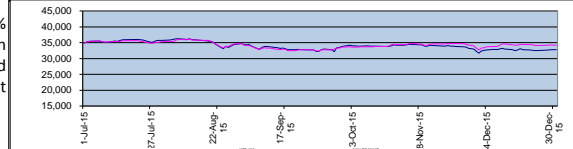
During the month of December 2015, the KSE-100 index posted a return of 1.74% to close at 32,816 levels taking the calendar year return to 2.1%. Daily average trading volumes decreased by 18% MoM to 140mn shares from an average of 171mn shares traded during last month. Outflow from the foreign investors remained the concern for the market participants as Federal Reserve decided to raise the benchmark rate by 0.25% for the first time after 2006. Moreover, OPEC's indecision on oil output kept the international prices in check.

During the month of December 2015, the benchmark KSE-100 index increased by 1.74% whereas your Fund's NAV appreciated by 2.86% during the same period thus giving an outperformance of 1.12%. On a YTD basis (July 14 to Dec 15), the KSE-100 index declined by 4.60% whereas the NAV of your Fund went down by 0.80%, thus, showing an out performance of 3.80%.

Fund Returns

	NI(UT) Fund	KSE-100
Trailing 12- months	2.23%	2.13%
3yrs	139.28%	194.12%
5yrs	226.43%	172.96%
10 yrs	249.65%	243.39%
Leverage	Nil	

NI(UT) VS KSE-100



Future Outlook

Future outlook of the market seems encouraging due to prevailing low interest rate regime and scarcity of yield on the alternative fixed income instruments, progress on China-Pakistan economic corridor, higher GDP growth and strong corporate earnings growth is expected to fuel the equity market over the long-term.

Sector Allocation (As % of Total Assets)



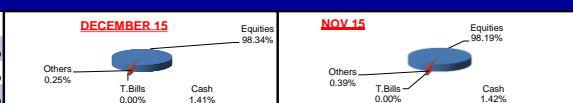
Technical Information 31-12-2015

Net Assets NI(UT)	64.077
Nav per Unit NI(UT)	63.24

Top Ten Holdings (As % of Total Assets)

(As % of Total Assets)	
10%	Pakistan State Oil
5%	Bata Pakistan Ltd.
5%	Fauji Fertilizer Co. Ltd.
5%	Bank Al-Habib Ltd.
4%	Packages Ltd.
3%	Mari Petroleum Ltd.
3%	GlaxoSmith Kline (Pak) Ltd.
3%	Pak Tobacco Co. Ltd.
3%	Ferozsons Laboratories
3%	Abbott Laboratories Pakistan

Fund's Asset Allocation



Historical Fund Performance

	NI(UT)	KSE 100	DPU (Rs.)
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
FY 15	20.3%	16.0%	4.25

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. 0.50 / 0.78%**. 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 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

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	Syed Aqib Hussain - Incharge / Manager 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. 25.93 million as of December 31, 2015 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 December 31, 2015 is Rs. 61.00 million.