



Operating as an Open-end Equity Fund Since 1962, NI(U)T is the flagship carrier of a diversified portfolio of collective Investment Schemes managed by NITL. With net assets of over PKR 40.464 billion and 56,196 unit holders, it is the first and largest mutual fund in Pakistan.



Belief in Success

CORPORATE

information

FUND NAME

National Investment (Unit) Trust

NAME OF AUDITORS

A.F. Ferguson & Co. Chartered Accountants

LIST OF BANKERS

Allied Bank Limited
Askari Bank
Bank Al Falah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
NIB Bank Limited
Standard Chartered Bank (Pakistan) Limited
Silk Bank Limited
Soneri Bank Limited
Summit Bank (Formerly Arif Habib Bank Limited)
The Bank of Punjab
United Bank Limited

NATIONAL INVESTMENT (UNIT) TRUST

FUND MANAGER REPORT

2010-2011

NI(U)T Objective

The core objective of NI(U)T 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 Manager

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. 78 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). 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 JCR-VIS Credit Rating Company Limited, which denotes the stable outlook of the company and that the asset manager meets high investment management quality standards. All Investment decisions are taken by the Investment Committee of NITL.

Fund Information NI(U)T:

• Launch date	12th November 1962	• Minimum Investment:	Rs. 5,000
• Type	Open End Equity Fund	• Management Fee:	1.00%
• Fund Manager	Manzoor Ahmed	• Front End Load:	3.00%
• Fund Size as on June 30, 2011	Rs. 40.464 Billion	• Back End Load:	0.00%
• Par Value	Rs. 10	• Auditors:	A.F. Ferguson & Co. Chartered Accountants
• NAV/unit	Rs. 32.14	• Trustee:	National Bank of Pakistan
• Pricing Mechanism	Forward Pricing	• Risk Profile	Moderate / High
• Benchmark	KSE 100 Index	• Fund Rating: (Ratings based on 30th June 2010)	3-Star Ranking (Short Term) 2-Star Ranking (Long Term) by PACRA

Fund Performance Analysis:

	2010-11	2009-10
Opening Net Assets (Rs. in billion)	30.16	27.73
Opening NAV / unit (Rs.) (Ex Div)	25.92	23.89
Ending Net Assets (Rs. in billion)	40.46	30.16
Ending NAV / unit (Rs.)	32.14	28.17
Cash Distribution / unit (Rs.)	4.00	2.25
Dividend Yield (%)	15.43	9.42%
Capital Growth (%)	8.56	8.50%
Total Return (%)	24.00%	17.92%
Maximum Funds under management during the year (Rs. in billion)	36.93	34.23

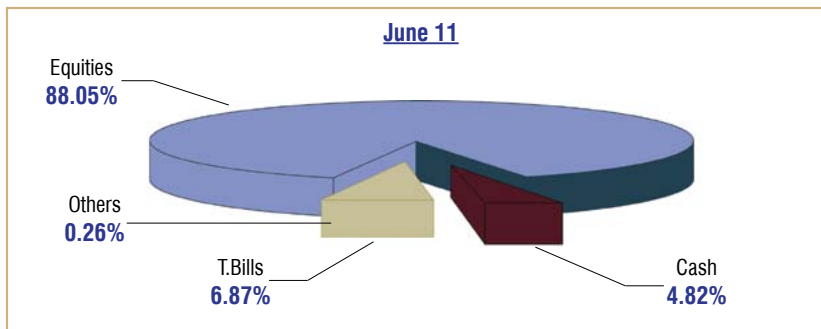
NATIONAL INVESTMENT (UNIT) TRUST

FUND MANAGER REPORT

2010-2011

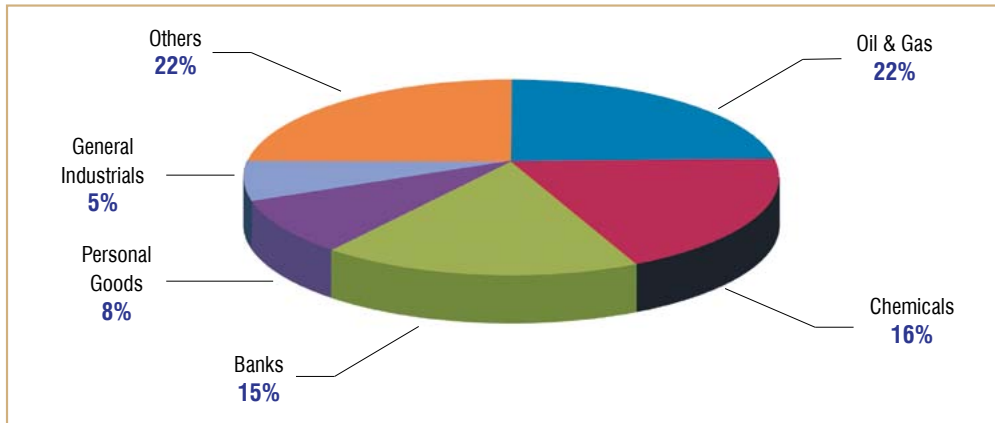
Asset Allocation

During the year, the fund changed its average asset allocation keeping in view the market conditions and to ensure better liquidity management. As on 30th June 2011, the Fund was invested 88.05% in Equities whereas the remaining exposure was in Treasury Bills and cash to the extent of 6.87% and 4.82% respectively. The asset allocation position of the Fund as on 30-06-2011 is depicted in the pie chart below:



Sector Wise Breakdown of Equity Portfolio

Sector-wise breakdown of Fund's Equity portfolio as % of total assets is given below:



Before commenting on the sectoral break down of equity portfolio it is necessary to mention that investment values in sectors have now been given as a percentage of total assets instead of net assets as per the requirement of the new format of fund manager report.

In a historical background NI(U)T fund has remained invested into huge number of companies. Even as on 30-06-2010 the number of companies in the portfolio stood at 440. Therefore keeping in mind the diversification and operational efficiencies, lately in FY 2011 an exercise has been introduced to reduce the number of companies in the portfolio firstly by offloading the shares of companies where the Fund's holding is quiet insignificant. The number of companies now stands at 434. This exercise will continue in the period ahead as well.

As far as overall sector allocation is concerned, no significant shift was made during the year. Oil & Gas continue to remain the predominant sector in NI(U)T's portfolio with an exposure of 22%. However, during the year, the Fund shifted its investment within the sector by offloading a few stocks which appeared overvalued and replacing it with stocks which looked relatively more attractive in the long term.

NATIONAL INVESTMENT (UNIT) TRUST

FUND MANAGER REPORT

2010-2011

The Chemicals sector was one of the outshiners of the market during the fiscal year 2010-11. The sector outperformed the market by 18% amid high product demand and pricing power of Fertilizers and upward trend in primary margins of PTA. Weight of your Fund in the chemical sector was increased to 16% compared to 13% last year, primarily due to increase in stock prices of the sector. Your Fund had to divest from this sector to bring its investments in compliance with the regulatory requirements.

Your Fund made fresh investments in commercial banks in order to maintain its strategic position and also to capture attractive levels. Nevertheless, your Fund's exposure in the banking sector has dropped to 15% this year as compared to 18% last year mainly due to a decline in the market prices.

Exposure in open-end Mutual Funds has also been greatly reduced to bring portfolio in line with the prevailing rules and regulations.

The Fund also took positions in Personal goods, Industrial Metals, Construction & Material during the year to benefit from opportunities available in these sectors through primary and secondary markets.

It may be pertinent to mention that Fund's holding in PSO & SNGPL which constitutes about 10% of the portfolio continued to remain frozen under the directive of Government of Pakistan.

Top Ten Holdings

Top ten holdings of the Fund's portfolio as on June 30th 2011 are as follows:

Fauji Fertilizer Co. Ltd.	Siemens Engineering
Pakistan State Oil	Pakistan OilFields Ltd.
Bank Al-Habib Ltd.	Attock Refinery Ltd.
National Refinery Ltd.	Bata Pakistan Ltd.
Habib Metropolitan Bank	International Industries Ltd.

Categorization of Unit Holders By Size - (JUNE 2011)		
CATEGORY	NI(U)T UNIT HOLDERS	% OF HOLDING
Institutional Investors	1,148	72%
Individual	55,048	28%
TOTAL	56,196	100.00%

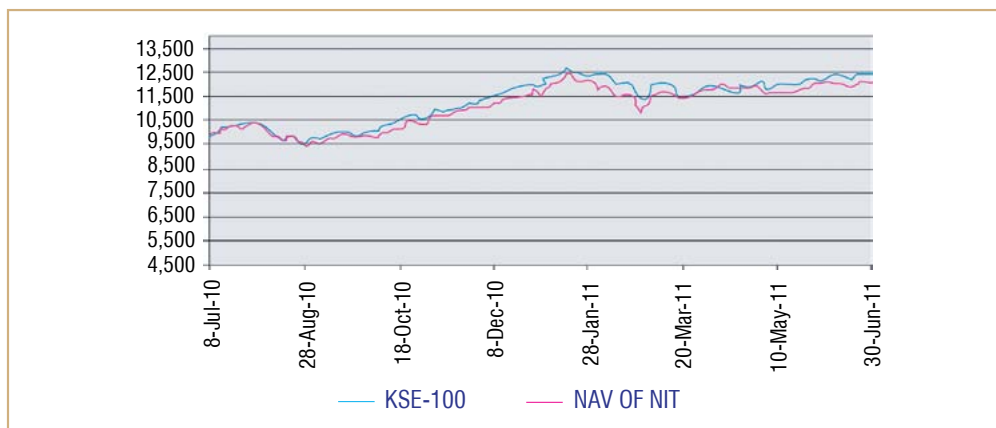
Stock Market & Fund Performance Review

Amid macro-economic challenges posed to the economy mainly in the aftermath of devastating floods in August 2010, the KSE-100 index gained 28.54% in FY 2010-11. The aggregate market capitalization increased to PKR3.28tn from PKR2.73tn, registering a surge of 20.1%. However, FY11 turned out to be the driest year in the past nine years in terms of market liquidity. The market recorded an average daily volume of 94.5mn shares during FY11, a 41.2% YoY decline, when compared with an average turnover of 162mn shares for FY10. The KSE started off FY11 on a positive note mainly driven by the hopes of early reintroduction of leverage product at the KSE. However raise in the SBP policy rate by 50 bps to 13% and revised government estimates of GDP growth of 2.5%, inflation forecast of 15-20% and fiscal deficit of 6-7% of GDP for FY11 as a result of unprecedented floods, wiped out the gains made by KSE in the early part of the 1st quarter. In the later part of 1st half the SBP further raised the discount rate twice consecutively by 50 bps each taking the policy rate to 14%. Though uncertainty on the political front also increased arising from the RGST issue, yet the KSE-100 managed to gain 2,000 points (up 20%) mainly on the back of foreign investor's participation in the market.

NATIONAL INVESTMENT (UNIT) TRUST FUND MANAGER REPORT 2010-2011

During the 2H of FY11, 'Arab spring uprising' coupled with financial crises in the EU caused the foreign investors to pull out from emerging markets. On the domestic front, worsening political and law and order situation remained the source of uneasiness among the investors. Rumors regarding capital gains tax particularly near to the announcement of federal budget also kept the market volatile. However SBP's decision to keep the policy rate unchanged and introduction of much awaited leverage product in the market could not bring the expected buoyancy but at least helped the market to regain the lost momentum amid low volumes. The benchmark KSE-100 finally closed at 12,496 points up 28.54%.

Relative Performance of NAV vs. KSE 100



During the period under review, the KSE-100 index increased by 28.54% whereas the NAV of your Fund increased by 24.00%, showing an under performance of 4.54%. The performance of the Fund has been inhibited due to the skewed nature of benchmark index. However as expected the performance of the Fund viz a viz benchmark has significantly improved from last year where it had underperformed the benchmark by 18%. Further key index sectors such as Oil & Gas & Banks in which the Fund is overweight, underperformed the KSE-100 index by 11% & 22% respectively causing the Fund to underperform. Since your Fund is invested mostly in fundamentally strong companies, therefore it is expected to show a good performance in the long term perspective.

10 Year Performance of Fund

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	10yr. Annualized Return
NI(U)T (%)	31.99%	105.05%	60.74%	35.70%	28.20%	44.80%	-5.76%	-41.48%	17.92%	24.00%	24.35%
KSE 100 (%)	29.54%	92.22%	55.21%	41.08%	34.10%	37.90%	-10.80%	-41.72%	35.74%	28.54%	24.77%
Dividend Per Unit (Rs.)	1.20	1.75	2.55	3.3	5.80	6.20	6.50	3.25	2.25	4.00	

* Up till FY 07, returns are based on consolidated information of NI(U)T & LOC Funds.

The above table indicates that NI(U)T Fund provided a 10-year annualized return of 24.35% as compared to 10-year annualized return of 24.77% by its benchmark of KSE-100 index thus generated returns in line with the benchmark.

NATIONAL INVESTMENT (UNIT) TRUST

FUND MANAGER REPORT

2010-2011

Dividend declaration for the FY 2010-11

During FY11, NI(U)T has earned a net income (excluding unrealized gains) of Rs. 5,871 million against Rs. 2,608 million earned by the Fund in the corresponding period of last year. This net income translates into a per unit earning of Rs. 4.67 in FY11 against an earning per unit of Rs. 2.44 earned by NI(U)T in FY10. NI(U)T in line with its remarkable history of regularly paying cash dividends over the entire 49 years life of the Trust, declared a cash dividend of Rs. 4.00 per unit for the year ended June 30, 2011. The payment of dividend @ Rs. 4.00 per unit would involve a total payout of Rs. 5,037 million among its unit holders.

Economic Review:

Pakistan continue to face significant macro-economic challenges in FY11 post unprecedented floods in July 2010 which engulfed one-fifth of the country's entire land mass, adversely affecting the agricultural and industrial sectors. Hence rehabilitation of flood affectees took the position of foremost economic and social challenge to be tackled. Shortage of energy, circular debt issue and law & order situation continue to hamper the economic growth. On the exogenous front soaring international commodity prices (especially crude oil) which not only induced inflationary pressures but also aggravated the energy crisis in the absence of structural reforms for the power sector. However the economy depicted a great resilience and managed to register a growth of 2.4% in FY11. The Economic survey 2010-11 revealed that the country's economy grew by a provisional 2.4% as compared to growth of 3.7% in the previous year and target of 4.5%.

Encouragingly, agriculture which posted an estimated growth of 1.2% against expectations of negative growth post-floods.

Large-scale manufacturing remained a victim of power outages and lower domestic demand as it grew by 1.14% in FY11 as against 4.9% of last year.

Services sector grew by 4.1% as against 2.9% last year. The main contributors to this growth are public administration and defense (13.2%), and social services sector (7.1%).

After remaining in deficit for consecutive six years, Pakistan's current account posted a surplus of US\$ 437 million in FY 2010-11. The current account surplus is primarily a result of strong export growth, and an increase in worker remittances. Pakistan's trade deficit saw a definite improvement shrinking down to US\$10.175bn from US\$11.536bn a year ago. The main driver behind the improvement in the trade balance is the sharp increase in exports from US\$19.673bn to US\$25.462bn, which outweighed the increase in imports from US\$31.209bn to US\$35.637bn. However, the real star behind the FY11 current account surplus was the US\$11.201bn workers' remittances, which rose by 26% YoY.

The impact of flood was not limited to disruption in economic activity but it also caused a spike in inflation. Overall, the average CPI inflation in FY11 was 13.9%, considerably higher than 11.7% in the corresponding period of FY10. Importantly, this inflation is not limited to food items only as feared earlier due to floods. On the other hand, prices of non-perishable items have also increased. Increase in electricity tariffs, government borrowing and adjustments in domestic oil prices did also contribute to inflation both directly and indirectly.

Net foreign private investment fell by 29%, primarily due to a decline of US\$ 577 million in foreign direct investment during FY11. On the other hand, foreign portfolio investment though recorded a net inflow of US\$ 365 million during the period but it remained 38% lower than the previous year.

Global economy is still projecting a gloomy economic picture. Rising international commodity prices particularly oil, law & order situation and energy shortages are the major threats faced by the domestic economy and hence need serious and sincere efforts at each level of nation. However in the long term perspective Pakistan's economy has performed fairly well and is expected to do the same in the future as well.

(Economic data source: Economic Survey of Pakistan & SBP Website)

Other Disclosures under NBFC Regulations 2008:

The Fund Manager hereby makes the following disclosures as required under the NBFC Regulations 2008;

- The Management Company or any of its delegates did not receive any soft commission (goods & services) from any of its brokers / dealers by virtue of transactions conducted by the Fund.
- There was no unit split undertaken during the year.

Trustee Report

REPORT OF THE TRUSTEE

National Investment Trust Limited (NITL), the Management Company of National Investment (Unit) Trust (NI(U)T) has, based on the information provided to the Trustee and to the best of our knowledge, managed NI(U)T in material respects during the period July 01, 2010 to June 30, 2011 in accordance with the provisions of the Trust Deed dated November 12, 1962 as amended by the Supplemental Trust Deeds dated June 26, 1968, June 07, 1981, November 27, 1998, November 12, 2002, December 31, 2003 and January 18, 2007, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Sd/-

Mirza Babur Baig
SVP / Wing Head

Sd/-

Aamir Sattar
EVP / Financial Controller

For National Bank of Pakistan
Dated September 07, 2011

Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

We have audited the accompanying financial statements of National Investment (Unit) Trust, which comprise the statement of assets and liabilities as at June 30, 2011, and the related income statement, statement of comprehensive income, distribution statement, statement of movement in unit holders' fund and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management Company's responsibility for the financial statements

The Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with approved accounting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at June 30, 2011, and of its financial performance, cash flows and transactions for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

Other matters

In our opinion, the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Sd/-

A.F. Ferguson & Co.

Chartered Accountants

Engagement Partner: Rashid A. Jafer

Dated: August 22, 2011

Karachi

NATIONAL INVESTMENT (UNIT) TRUST

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2011

	Note	2011 ————— (Rupees in '000)	2010 ————— (Rupees in '000)
ASSETS			
Bank balances	4	1,988,677	1,381,120
Receivable from National Investment Trust Limited - Management Company		-	80
Investments	5	39,154,572	29,464,973
Loans and receivables	6	-	-
Receivable against sale of investments		51,625	-
Dividend and other receivables	7	52,067	24,483
Deposit with National Clearing Company of Pakistan Limited		2,500	2,500
Total assets		41,249,441	30,873,156
LIABILITIES			
Short-term finances	8	-	250,000
Payable to National Investment Trust Limited - Management Company	9	270,788	58,920
Fee payable to Securities and Exchange Commission of Pakistan	10	33,020	29,752
Creditors, accrued and other liabilities	11	173,904	71,620
Unclaimed distribution	12	307,178	306,506
Total liabilities		784,890	716,798
NET ASSETS		<u>40,464,551</u>	<u>30,156,358</u>
Unit holders' fund (as per statement attached)		<u>40,464,551</u>	<u>30,156,358</u>
Contingencies and commitments	13	————— (Number of units in '000) —————	
Number of units in issue	14	<u>1,259,181</u>	<u>1,070,649</u>
Net asset value per unit		<u>32.14</u>	<u>28.17</u>

The annexed notes from 1 to 29 and Annexures 1 to 4 form an integral part of these financial statements.

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

E.V.P. / Divisional Head
For National Bank of Pakistan (Trustee)

NATIONAL INVESTMENT (UNIT) TRUST

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2011

	Note	2011	2010
		(Rupees in '000)	
INCOME			
Dividend income		1,930,493	1,548,502
Capital gains		848,489	737,129
Income from government securities		122,838	-
Profit on bank deposits		53,228	92,165
Income on issue and repurchase of units		51,005	47,591
Other income		2,069	4,000
		<u>3,008,122</u>	<u>2,429,387</u>
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.5	212,254	218,104
Unrealised gain on letter of rights		6,436	-
		<u>3,226,812</u>	<u>2,647,491</u>
EXPENSES			
Impairment loss on equity securities classified as 'available for sale'	5.8	629,151	509,375
Management participation fee	9.1	344,472	300,877
Annual fee - Securities and Exchange Commission of Pakistan	10	33,020	29,752
Custodian charges of Central Depository Company of Pakistan Limited		3,754	3,990
Securities transaction costs		-	226
Settlement and bank charges		343	233
Financial charges		2,348	67,081
Legal and professional charges		352	1,717
Impairment loss on doubtful receivables	7.2	-	80,953
Printing and related costs		5,495	7,406
Others		926	4,664
		<u>1,019,861</u>	<u>1,006,274</u>
Net income from operating activities		<u>2,206,951</u>	<u>1,641,217</u>
Element of income and capital gains included in prices of units issued less those in units redeemed		3,357,265	721,348
Provision for Workers' Welfare Fund	15	(104,413)	(46,002)
Net income for the year before taxation		<u>5,459,803</u>	<u>2,316,563</u>
Taxation	16	-	-
Net income for the year after taxation		<u><u>5,459,803</u></u>	<u><u>2,316,563</u></u>

NATIONAL INVESTMENT (UNIT) TRUST

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2011

	Note	2011	2010
		(Rupees)	
Earnings per unit	17		
With unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss		<u>4.34</u>	<u>2.16</u>
Without unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss and impairment loss on equity securities classified as 'available for sale'		<u>4.67</u>	<u>2.44</u>

The annexed notes from 1 to 29 and Annexures 1 to 4 form an integral part of these financial statements.

**For National Investment Trust Limited
(Management Company)**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**

**E.V.P. / Divisional Head
For National Bank of Pakistan (Trustee)**

NATIONAL INVESTMENT (UNIT) TRUST
STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED JUNE 30, 2011

	Note	2011 ————— (Rupees in '000)	2010 —————
Net income for the year after taxation		5,459,803	2,316,563
Other comprehensive income			
Net unrealised appreciation on re-measurement of investments classified as 'available for sale'	5.6	5,372,036	2,943,117
Total comprehensive income for the year		<u>10,831,839</u>	<u>5,259,680</u>

The annexed notes from 1 to 29 and Annexures 1 to 4 form an integral part of these financial statements.

**For National Investment Trust Limited
(Management Company)**

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

**E.V.P / Divisional Head
For National Bank of Pakistan (Trustee)**

NATIONAL INVESTMENT (UNIT) TRUST

DISTRIBUTION STATEMENT

FOR THE YEAR ENDED JUNE 30, 2011

	2011	2010
	(Rupees in '000)	
Undistributed income brought forward	7,715,047	8,719,766
Final distribution for the year ended June 30, 2010: Rs 2.25 per unit (2009: Rs. 3.25 per unit)	(2,408,960)	(3,321,282)
Net income for the year after taxation	5,459,803	2,316,563
Undistributed income carried forward	<u>10,765,890</u>	<u>7,715,047</u>

The annexed notes from 1 to 29 and Annexures 1 to 4 form an integral part of these financial statements.

**For National Investment Trust Limited
(Management Company)**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**

**E.V.P. / Divisional Head
For National Bank of Pakistan (Trustee)**

NATIONAL INVESTMENT (UNIT) TRUST
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2011

	2011	2010
	(Rupees in '000)	
Net assets at the beginning of the year	30,156,358	27,730,795
Issue of 305,053,229 units (2010: 123,707,936 units)	8,860,346	3,667,487
Redemption of 151,494,368 units (2010: 112,012,706 units)	(4,537,197)	(3,391,168)
	4,323,937	28,939,308
Issue of 34,972,607 units under Cumulative Investment Plan (2010: 37,021,191 units)	919,430	932,194
	35,398,937	28,939,308
Element of (income) and capital (gains) included in prices of units issued less those in units redeemed - transferred to income statement	(3,357,265)	(721,348)
Net unrealised appreciation on re-measurement of investments classified as 'available for sale' - note 5.6	5,372,036	2,943,117
Capital gains	848,489	737,129
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	212,254	218,104
Other net income for the year	4,399,060	1,361,330
Final distribution for the year ended June 30, 2010: Rs 2.25 per unit (2009: Rs. 3.25 per unit)	(2,408,960)	(3,321,282)
	3,050,843	(1,004,719)
Net assets at the end of the year	40,464,551	30,156,358

The annexed notes from 1 to 29 and Annexures 1 to 4 form an integral part of these financial statements.

**For National Investment Trust Limited
(Management Company)**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**

**E.V.P. / Divisional Head
For National Bank of Pakistan (Trustee)**

NATIONAL INVESTMENT (UNIT) TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2011

Note	2011	2010
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before taxation	5,459,803	2,316,563
Adjustments:		
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(212,254)	(218,104)
Unrealised gain on letter of rights	(6,436)	-
Element of (income) and capital (gains) included in prices of units issued less those in units redeemed	(3,357,265)	(721,348)
Impairment loss on equity securities classified as 'available for sale'	629,151	509,375
Impairment loss on doubtful receivables	-	80,953
Management participation fee	344,472	300,877
	<u>2,857,471</u>	<u>2,268,316</u>
(Increase) / decrease in assets		
Receivable from National Investment Trust Limited - Management Company	80	359,511
Investments	(4,728,024)	296,737
Receivable against sale of investments	(51,625)	-
Dividend and other receivables	(27,584)	327,211
	<u>(4,807,153)</u>	<u>983,459</u>
Increase / (decrease) in liabilities		
Payable to National Investment Trust Limited - Management Company	(15,387)	(137,822)
Fee payable to Securities and Exchange Commission of Pakistan	3,268	1,661
Creditors, accrued and other liabilities	102,284	57,784
	<u>90,165</u>	<u>(78,377)</u>
Management participation fee paid	(326,251)	(134,156)
	<u>(2,185,768)</u>	<u>3,039,242</u>
Net cash (outflow on) / inflow from operating activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts / (payments) made against sales / redemption of units	4,532,183	(797,817)
Dividend paid	(1,488,858)	(2,291,435)
Net cash inflow from / (outflow on) financing activities	<u>3,043,325</u>	<u>(3,089,252)</u>
Net increase / (decrease) in cash and cash equivalents during the year	<u>857,557</u>	<u>(50,010)</u>
Cash and cash equivalents at the beginning of the year	1,131,120	1,181,130
Cash and cash equivalents as at the end of the year	<u><u>1,988,677</u></u>	<u><u>1,131,120</u></u>

NATIONAL INVESTMENT (UNIT) TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2011

	Note	2011	2010
		(Rupees in '000)	
Cash and cash equivalents as at the end of the year			
Bank balances	4	1,988,677	1,381,120
Short-term finances	8	-	(250,000)
		<u>1,988,677</u>	<u>1,131,120</u>

The annexed notes from 1 to 29 and Annexures 1 to 4 form an integral part of these financial statements.

**For National Investment Trust Limited
(Management Company)**

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

**E.V.P. / Divisional Head
For National Bank of Pakistan (Trustee)**

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The National Investment (Unit) Trust (NI(U)T), was established under a Trust Deed executed between National Investment Trust Limited (NITL) as Management Company and National Bank of Pakistan (NBP) as Trustee. The Trust Deed was executed on November 12, 1962, and was amended vide Supplemental Trust Deeds dated June 26, 1968, June 7, 1981, November 27, 1998, November 12, 2002, December 31, 2003 and January 18, 2007. The functions of the Fund are governed by the Trust Deed and the National Investment (Unit) Trust Ordinance, 1965.
- 1.2 The Management Company of the Fund has been classified as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 6th floor, National Bank of Pakistan Building I.I. Chundrigar Road, Karachi.
- 1.3 The Privatisation Commission, Government of Pakistan had invited expressions of interest for the sale of the rights to manage the Fund which exists solely with the Management Company, NITL. The Trustee, National Bank of Pakistan and the Management Company hold the rights and privileges of the Unit Holders to be paramount. Till date, the Privatisation Commission is engaged in the process of privatisation. The Fund has been granted exemptions from application of certain provisions of the NBFC Rules and Notified Entities Regulations till privatisation.
- 1.4 The Fund is an open end mutual fund. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned "3-star" rating based on the performance during the twelve months ended June 30, 2010 and "2-star" long term rating based on the performance during the thirty six months ended June 30, 2010.
JCR - VIS Credit Rating Company Limited has assigned an asset management rating of 'AM2-' to the Management Company.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail.

2.2 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that became effective during the year and are mandatory for accounting periods beginning on or after July 1, 2011 but are considered not to be relevant or did not have any significant effect on the Fund's operations and are, therefore, not detailed in these financial statements.

2.3 Standards, interpretations and amendments to published approved accounting standards, as adopted in Pakistan, that are not yet effective:

The following revised standard has been published and is mandatory for accounting periods beginning on or after July 1, 2011:

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The Fund will apply the revised standard from July 1, 2011. The Fund is currently in the process of assessing the impact, if any, of the revised standard on the related party disclosures.

There are other amendments to the standards, improvements to International Financial Reporting Standards and new interpretations that are mandatory for accounting periods beginning on or after July 1, 2011 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are therefore not detailed in these financial statements.

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Fund's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in application of accounting policies principally relate to classification and valuation of investments (note 3.1 and note 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that certain investments have been carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

3.1 Financial assets

3.1.1 Classification

The Fund classifies its financial assets in the following categories: loans and receivables, at fair value through profit or loss, available for sale and held to maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

a) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

b) Financial assets at fair value through profit or loss

Financial assets that are acquired principally for the purpose of generating profit from short-term fluctuations in prices are classified as held for trading in the 'Financial assets at fair value through profit or loss' category.

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

c) Held to maturity

These are securities with fixed or determinable payments and fixed maturity that the Fund has the positive intent and ability to hold to maturity.

d) Available for sale

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables, (b) held to maturity investments or (c) financial assets at fair value through profit or loss.

3.1.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.1.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

3.1.4 Subsequent measurement

Subsequent to initial recognition, financial assets designated by the management as at fair value through profit or loss and available for sale are valued as follows:

a) Basis of valuation of equity securities / units of mutual funds

The investment of the Fund in equity securities is valued on the basis of closing quoted market prices available at the stock exchange.

Mutual funds units are valued by reference to the net asset values (redemption prices) declared by the respective funds.

Investments in unquoted equity securities are carried at lower of investment price or their breakup value as per latest audited accounts.

b) Basis of valuation of government securities

The investment of the Fund in government securities is valued on the basis of rates announced by the Financial Markets Association of Pakistan.

Net gains and losses arising from changes in the fair value of financial assets carried at fair value through profit or loss are taken to the 'income statement'.

Net gains and losses arising from changes in fair value of available for sale financial assets are taken to the 'statement of comprehensive income' until these are derecognised or impaired. At this time, the cumulative gain or loss previously recognised directly in the 'statement of comprehensive income' is transferred to the 'income statement'.

Subsequent to initial recognition financial assets classified as 'Loans and receivables' and 'Held to maturity' are carried at amortised cost using the effective interest method.

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

Gain or loss is also recognised in the 'income statement' when financial assets carried at amortised cost are derecognised or impaired, and through the amortisation process.

3.1.5 Impairment

The Fund assesses at each reporting date whether there is objective evidence that the financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered, among other indicators, as an indicator that the securities are impaired. If any such evidence exists for available for sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in income statement is reclassified from unit holders' fund to 'income statement'. Impairment losses recognised on equity instruments are not reversed through the income statement.

For financial assets classified as 'loans and receivables' and 'held to maturity', a provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The amount of the provision is determined based on the provisioning criteria specified by SECP.

3.1.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

3.1.7 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

3.2 Cash and cash equivalents

Cash and cash equivalents include stamps in hand, deposits with banks and other short term highly liquid investments with original maturities of three months or less and which are subject to insignificant changes in value, net of short-term finances.

3.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

3.4 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

3.5 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

3.6 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders.

The Fund is also exempt from the the Provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that it is no longer probable that the related tax benefit will be realised. However, the Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year.

3.7 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Management Company. Transaction costs are recorded as the income of the Fund.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption requests during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.8 Proposed distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements in the period in which such distributions are declared.

3.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

An equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

The "element of income/ (loss) and capital gains/ (losses) in prices of units issued less those in units redeemed" account is credited with the amount representing net income/ (loss) and capital gains/ (losses) accounted for in the net asset value and included in the sale proceeds of units. Upon redemption of units, the "element of income/ (loss) and capital gains/ (losses) in prices of units issued less those in units redeemed" account is debited with the amount representing net income/ (loss) and capital gains/ (losses) accounted for in the net asset value and included in the redemption price.

The net "element of income/ (loss) and capital gains/ (losses) in prices of units issued less those in units redeemed" during an accounting period is transferred to the 'income statement'.

3.10 Borrowing costs

Borrowings costs directly attributable to the acquisition of qualifying assets (one that takes substantial period of time to get ready for use or sale) are capitalised as part of the cost of the asset. Other borrowing costs are taken to the income statement in the period in which they are incurred. Currently the Fund does not have any qualifying assets.

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

3.11 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the Income Statement on the date at which the transaction takes place.
- Unrealised capital gains / (losses) arising on marking to market of investments classified as 'Financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they are.
- Income from investment in morabaha arrangements, term finance certificates and other redeemable capital is recognised on an accrual basis, except where recovery is doubtful in which case it is credited to suspense account.
- Dividend income is recognised when the right to receive dividend is established.
- Income on government securities, bank deposits and placements is recognised on an accrual basis.
- Income on issue and repurchase of units is recognised when the units are issued and redeemed at the transaction date.

3.12 Net asset value per unit

The net asset value (NAV) per unit, as disclosed on the Statement of Assets and Liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.13 Earnings per unit

Earnings per unit (EPU) has been calculated by dividing the net income after taxation by the number of units in issue at the year end as in the opinion of the management determination of weighted average units for calculating EPU is not practicable.

4	BANK BALANCES	Note	2011 ————— (Rupees in '000)	2010 —————
	In current accounts	4.1	500,351	506,570
	In deposit accounts	4.2	1,488,294	874,518
	Stamps in hand		32	32
			<u>1,988,677</u>	<u>1,381,120</u>

4.1 The above include an amount of Rs 339.286 million (2010: Rs 422.533 million) relating to unclaimed distributions.

4.2 Deposit accounts carry profit at the rates ranging from 6% to 13% (2010: 6% to 11.5%) per annum.

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

5 INVESTMENTS	Note	2011 ————— (Rupees in '000)	2010 —————
At fair value through profit or loss - held for trading			
Investment in shares / units of mutual funds	5.1	1,970,812	2,515,164
Derivative financial instruments (unrealised gain on letter of rights)		6,436	-
Available for sale			
Investment in shares / units of mutual funds	5.1	34,344,076	26,949,809
Investment in government securities	5.1	2,833,248	-
		<u>37,177,324</u>	<u>29,464,973</u>
Held to maturity			
	5.1		
- Morabaha arrangements		54,125	54,125
- Participation term certificates		10,500	10,500
- Term finance certificates		12,905	12,905
		77,530	77,530
Less: Provision for impairment loss on held to maturity investments	5.7	(77,530)	(77,530)
		-	-
		-	-
		<u>39,154,572</u>	<u>29,464,973</u>

- 5.1** The investment portfolio of the Fund specifying the movement in portfolio during the year since the preceding accounting period, the carrying value and market value of the investments held and the value of each holding as a percentage of the net asset value, total investments of the Fund and the investee paidup capital has been set out in Annexures 1 to 4 to these financial statements.
- 5.2** As at June 30, 2011 the market value of securities given as collateral against short term finances amounted to Nil (2010: Rs 2,277.190 million).
- 5.3** Investments include shares with a market value of Rs 948.500 million (2010: Rs 686.480 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no.11 dated October 22, 2007 issued by the Securities and Exchange Commission of Pakistan.
- 5.4** The investment portfolio of the Fund includes shares of Pakistan State Oil Company Limited and Sui Northern Gas Pipelines Limited, that have been frozen by the Government of Pakistan (GoP) for sale in the equity market due to their proposed privatisation.

5.5 Net unrealised appreciation on re-measurement of investments classified as 'at fair value through profit or loss' - held for trading	2011 ————— (Rupees in '000)	2010 —————
Market value of investments	1,970,812	2,515,164
Less: Carrying value of investments	1,758,558	2,297,060
	<u>212,254</u>	<u>218,104</u>

NATIONAL INVESTMENT (UNIT) TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

5.6 Net unrealised appreciation on re-measurement of investments classified as 'available for sale'

	2011	2010
	(Rupees in '000)	
Market value of investments	37,177,324	26,949,809
Less: Carrying value of investments - net of impairment	20,070,471	15,214,992
	<u>17,106,853</u>	<u>11,734,817</u>
Less: Net unrealised appreciation in fair value of investments at the beginning of year	11,734,817	8,791,700
	<u><u>5,372,036</u></u>	<u><u>2,943,117</u></u>

5.7 Movement in provision for impairment loss on held to maturity investments

Opening balance	77,530	38,190
Charge for the year	-	-
Provision in respect of investments transferred from NI(U)T-LOC Holders' Fund	-	39,340
Reversals during the year	-	-
Closing balance	<u><u>77,530</u></u>	<u><u>77,530</u></u>

5.8 Impairment against equity securities classified as 'available for sale'

During the year, based on a scrip wise analysis of the deficit arising on revaluation of quoted shares, closed end mutual funds and open end mutual funds classified as 'available for sale', it has been determined that an amount of Rs 629.151 million (2010: Rs 509.375 million) should be charged to the income statement as impairment loss. This impairment loss has been fully recognised and the charge has been reflected in the income statement of the Fund.

	Note	2011	2010
		(Rupees in '000)	
6 LOANS AND RECEIVABLES			
Term finance certificates	6.1	802	802
Less: Provision for impairment loss on term finance certificates		(802)	(802)
		<u><u>-</u></u>	<u><u>-</u></u>

6.1 This represents term finance certificates of Crescent Standard Investment Bank Limited (Pacific Leasing). These carry interest at the rate of Nil % (2010: Nil %) per annum.

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

7	DIVIDEND AND OTHER RECEIVABLES	Note	2011 ————— (Rupees in '000)	2010 —————
	Dividend receivable		38,686	22,980
	Profit on term finance certificates		24,599	24,599
	Less: Provision against doubtful receivables		(24,599)	(24,599)
			-	-
	Profit on morabaha arrangements		51,267	51,267
	Less: Provision against profit on morabaha arrangements		(51,267)	(51,267)
			-	-
	Mark-up receivable on bank deposits		13,369	1,480
	Receivable against sale of investments		-	11
	Advance against pre IPO-investment	7.1	150,000	150,000
	Less: Provision against doubtful receivables	7.2	(150,000)	(150,000)
			-	-
	Other receivables		3,003	3,003
	Less: Provision against doubtful receivables		(2,991)	(2,991)
			12	12
			52,067	24,483

- 7.1 The Fund has subscribed towards the term finance certificates of an issuer as Pre-IPO on March 13, 2008. Under the agreement, the issuer was required to complete the public offering by November 23, 2008. However, no public offering has been carried out by the issuer as at June 30, 2011. In addition, profit on the advance against subscription, due after six months from the date of subscription, has also not been received by the Fund. As a matter of prudence, the Fund has made a provision of 100% against this advance.

7.2	Movement in provision for impairment loss on advance against Pre-IPO investment	Note	2011 ————— (Rupees in '000)	2010 —————
	Opening balance		150,000	69,047
	Charge for the year		-	80,953
	Closing balance		150,000	150,000

8 SHORT-TERM FINANCES

From commercial bank - secured	8.1	-	250,000
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NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

- 8.1** No short finance was outstanding as at June 30, 2011. The rate of mark-up on these short term finances ranged from 12.85% to 12.89% per annum as at June 30, 2010. These finances were repayable by July 2010 and were secured by pledge of marketable securities as mentioned in note 5.2 of these financial statements.

9	PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED	Note	2011	2010
		(Rupees in '000)		
- MANAGEMENT COMPANY				
On account of :				
	- repurchase of units		212,321	3,287
	- management participation fee	9.1	32,925	14,704
	- others	9.2	25,542	40,929
			<u>270,788</u>	<u>58,920</u>

- 9.1** Management Company is entitled to receive management participation fee on account of services rendered to the Trust. Management participation fee is charged at 1% of the average funds under management during the year subject to a maximum of 1% of the value of the Fund as on June 30 each year.

- 9.2** Others include preliminary charges on sale of units amounting to Rs 22.172 million (2010: Rs 32.274 million).

10 FEE PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

Under the provisions of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), a collective investment scheme categorised as equity scheme is required to pay as annual fee to the SECP, an amount equal to 0.095 percent of the average annual net assets of the scheme. The Fund has been categorised as an equity scheme by the management company.

11	CREDITORS, ACCRUED AND OTHER LIABILITIES	2011	2010
		(Rupees in '000)	
	Provision for Workers' Welfare Fund	150,415	46,002
	Excess dividend received	7,891	5,670
	Mark-up payable	-	1,147
	Distributions not claimed by unit holders	3,386	3,035
	Federal Excise Duty	-	640
	Brokerage payable against purchase of securities	34	-
	Others	12,178	15,126
		<u>173,904</u>	<u>71,620</u>

12 UNCLAIMED DISTRIBUTION

As at each accounting date, the amount of cash required to effect distribution of profits among holders of registered and bearer units, is transferred to a special account titled distribution account. The aggregate balance in such accounts for the years 1997-98 and earlier in case of distribution to registered unit holders and 1999-2000 and earlier in case of distribution to bearer unit holders exceeds the liability for unclaimed distribution by approximately Rs. 31.469 million (2010: 31.469 million). This amount represents payments of dividend out of accounts other than the relevant distribution account and is included as part of the deposited property of the Fund.

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2011 (2010: Nil).

14 NUMBER OF UNITS IN ISSUE

	Registered	Bearer	Total 2011	Total 2010
	(Number of units)			
Total outstanding at the beginning of the year	1,042,489,838	28,159,530	1,070,649,368	1,021,932,947
Add: Sales during the year	305,053,229	-	305,053,229	123,707,936
Units issued under Cumulative Investment Plan (CIP) during the year	34,972,607	-	34,972,607	37,021,191
Conversion of bearer units into registered	138,550	(138,550)	-	-
	<u>1,382,654,224</u>	<u>28,020,980</u>	<u>1,410,675,204</u>	<u>1,182,662,074</u>
Less: Repurchases during the year	(151,193,678)	(300,690)	(151,494,368)	(112,012,706)
Total units in issue at the end of the year	<u>1,231,460,546</u>	<u>27,720,290</u>	<u>1,259,180,836</u>	<u>1,070,649,368</u>

14.1 Pattern of Unit Holding

Pattern of unit holding as at June 30, 2011:

Category	Number of unit holders	Investment Amount	Percentage
Individuals	55,048	11,411,596	28.20%
Associated companies / directors	1	15,602	0.04%
Insurance companies	23	2,648,934	6.55%
Banks / DFIs	39	4,788,289	11.83%
NBFCs	35	1,672,826	4.13%
Retirement funds	465	12,087,176	29.88%
Public Limited companies	14	803,080	1.98%
Others	571	7,037,048	17.39%
	<u>56,196</u>	<u>40,464,551</u>	<u>100.00%</u>

Pattern of unit holding as at June 30, 2010:

Category	Number of unit holders	Investment Amount	Percentage
Individuals	53,843	10,339,825	34.29%
Associated companies / directors	3	1,321,774	4.38%
Insurance companies	27	2,034,675	6.75%

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

Category	Number of unit holders	Investment Amount	Percentage
Banks / DFIs	44	1,356,654	4.50%
NBFCs	35	61,523	0.20%
Retirement funds	516	10,150,418	33.66%
Public Limited companies	12	32,287	0.11%
Others	591	4,859,202	16.11%
	<u>55,071</u>	<u>30,156,358</u>	<u>100.00%</u>

15 WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh, challenging the applicability of WWF to the CISs, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements for the year ended 30 June 2010.

Subsequent to the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on December 14, 2010 the Ministry filed its response against the Constitutional petition requesting the court to dismiss the petition. According to the legal counsel who is handling the case, there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in Court.

Subsequent to the year ended 30 June 2011, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. The Management Company is hopeful that the decision of the LHC will lend further support to the Constitutional Petition which is pending in the SHC. However, pending the decision of the said constitutional petition, the Management Company, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs. 5.869 million (including Rs. 4.219 million for the current year) in these financial statements.

16 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains (whether realised or unrealised), is distributed among the unit holders. The Fund has not recorded provision for taxation as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the current year as reduced by capital gains (whether realised or unrealised) to its unit holders.

17 EARNINGS PER UNIT

	2011	2010
	(Rupees in '000)	
Net income with unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss	<u>5,459,803</u>	<u>2,316,563</u>
Net income without unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss and impairment loss on equity		

NATIONAL INVESTMENT (UNIT) TRUST
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	2011	2010
	(Rupees in '000)	
securities classified as 'available for sale'	5,876,700	2,607,834
	Number of units in '000	
Units outstanding as at June 30	1,259,181	1,070,649
	Rupees per unit	
Net income with unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss	4.34	2.16
Net income without unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss and impairment loss on equity securities classified as 'available for sale'	4.67	2.44

18 FINANCIAL INSTRUMENTS BY CATEGORY

	As at June 30, 2011				
	Loans and receivables	At fair value through profit or loss	Available for sale	Held to maturity	Total
	(Rupees in '000)				
Assets					
Bank balances	1,988,677	-	-	-	1,988,677
Receivable from National Investment Trust Limited - Management Company	-	-	-	-	-
Investments	-	1,977,248	37,177,324	-	39,154,572
Receivable against sale of investments	51,625	-	-	-	51,625
Dividend and other receivables	52,067	-	-	-	52,067
Deposit with National Clearing Company of Pakistan Limited	2,500	-	-	-	2,500
	<u>2,094,869</u>	<u>1,977,248</u>	<u>37,177,324</u>	<u>-</u>	<u>41,249,441</u>

NATIONAL INVESTMENT (UNIT) TRUST
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	As at June 30, 2011		
	Liabilities at fair value through profit or loss	Others	Total
	(Rupees in '000)		
Liabilities			
Short-term finances	-	-	-
Payable to National Investment Trust Limited - Management Company	-	270,788	270,788
Creditors, accrued and other liabilities	-	23,385	23,385
Unclaimed distribution	-	307,178	307,178
	-	601,351	601,351

	As at June 30, 2010				
	Loans and receivables	At fair value through profit or loss	Available for sale	Held to maturity	Total
	(Rupees in '000)				
Assets					
Bank balances	1,381,120	-	-	-	1,381,120
Receivable from National Investment Trust Limited - Management Company	80	-	-	-	80
Investments	-	2,515,164	26,949,809	-	29,464,973
Dividend and other receivables	24,483	-	-	-	24,483
Deposit with National Clearing Company of Pakistan Limited	2,500	-	-	-	2,500
	1,408,183	2,515,164	26,949,809	-	30,873,156

	As at June 30, 2010		
	Liabilities at fair value through profit or loss	Others	Total
	(Rupees in '000)		
Liabilities			
Short-term finances	-	250,000	250,000
Payable to National Investment Trust Limited - Management Company	-	58,920	58,920
Creditors, accrued and other liabilities	-	24,974	24,974
Unclaimed distribution	-	306,506	306,506
	-	640,400	640,400

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

19 TRANSACTIONS WITH CONNECTED PERSONS

- 19.1** Connected persons include National Investment Trust Limited being the Management Company, National Bank of Pakistan being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and directors and key management personnel of the Management Company.
- 19.2** Transactions with connected persons essentially comprise sale and repurchase of units, fee on account of managing the affairs of the Fund, sales load and other charges and dividend payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 19.3** Remuneration to the Management Company is determined in accordance with the provisions of the NBFC regulations and the Trust Deed.
- 19.4** The details of significant transactions carried out by the Fund with connected persons and balances with them at year end are as follows:

	2011	2010
	(Rupees in '000)	
Transactions during the year		
National Investment Trust Limited - Management Company		
Nil units issued (2010: 46,296,825 units)	-	1,421,276
3,566,755 units issued under CIP (2010: 973 units)	93,770	25
Management participation fee	344,472	300,877
Preliminary charges and handling fee	52,405	61,775
National Bank of Pakistan - Trustee		
1,405,000 shares purchased (2010: 140,000 shares)	93,665	9,989
975,000 shares sold (2010: 1,400,000 shares)	72,489	120,458
1,985,834 bonus shares (2010: 1,564,668 shares)	-	-
Directors and key management personnel		
63,857 units issued (2010: 143,632 units)	2,000	4,200
47,455 units issued under CIP (2010: 49,918 units)	1,248	1,257
242,000 units redeemed (2010: Nil)	7,456	-
Dividend distributed during the year	-	35
National Investment Trust Limited Provident Fund		
4,634 units issued under CIP (2010: 5,635 units)	122	142
Dividend distributed during the year	1,999	2,887
National Investment Trust Limited Pension Fund		
21,966 units issued under CIP (2010: 29,341 units)	577	739
Dividend distributed during the year	2,855	4,124

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

	2011	2010
	(Rupees in '000)	
Amount outstanding as at year end		
National Investment Trust Limited - Management Company		
49,873,755 units held (2010: 46,307,000 units)	1,602,942	1,304,468
Receivable from management company	-	80
Payable to management company	270,788	58,920
National Bank of Pakistan - Trustee		
Bank balances	494,593	503,021
9,929,176 shares held (2010: 7,513,341 shares)	500,629	481,605
Directors and key management personnel		
485,412 units held (2010: 663,285 units)	15,601	18,685
National Investment Trust Limited Provident Fund		
947,103 units held (June 30, 2010: 942,469 units)	30,440	26,549
National Investment Trust Limited Pension Fund		
1,547,661 units held (June 30, 2010: 1,525,695 units)	49,742	42,979

20 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

20.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Management Company manages market risk through diversification of the investment portfolio by exposures and by following the internal guidelines established by the investment committee and regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

20.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions are carried out in Pak Rupees.

NATIONAL INVESTMENT (UNIT) TRUST

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FOR THE YEAR ENDED JUNE 30, 2011

20.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund does not hold any variable rate instruments and is not exposed to cashflow interest rate risk.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2011, the Fund holds Treasury Bills which are classified as available for sale, exposing the Fund to fair value interest rate risk. In case of 100 basis points increase in rates announced by the Financial Market Association of Pakistan on June 30, 2011, with all other variables held constant, the net assets would have been lower by Rs. 2.996 million. In case of 100 basis points decrease in rates announced by the Financial Market Association on June 30, 2011, with all other variables held constant, the net assets would have been higher by Rs. 3.003 million.

The composition of the Fund's investment portfolio and rates announced by the Financial Market Association is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2011 is not necessarily indicative of the effect on the Fund's net assets due to future movements in interest rates.

Yield / interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

As at June 30, 2011					
Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and up-to one year	More than one year		
Percentage	(Rupees in '000)				

On-balance sheet financial instruments

Financial Assets

Bank balances	6-13	1,488,294	-	-	500,383	1,988,677
Investments	13.74 - 14.07	2,833,248	-	-	36,321,324	39,154,572
Receivable against sale of investments		-	-	-	51,625	51,625
Dividend and other receivables		-	-	-	52,067	52,067
Deposit with National Clearing Company of Pakistan Limited		-	-	-	2,500	2,500
		4,321,542	-	-	36,927,899	41,249,441

Financial Liabilities

Short-term finances	-	-	-	-	-	-
Payable to National Investment Trust Limited						
-Management Company	-	-	-	-	270,788	270,788

NATIONAL INVESTMENT (UNIT) TRUST
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As at June 30, 2011

Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and up-to one year	More than one year		
Percentage	(Rupees in '000)				
On-balance sheet financial instruments					
Creditors, accrued and other liabilities	-	-	-	23,385	23,385
Unclaimed distribution	-	-	-	307,178	307,178
	-	-	-	601,351	601,351
On-balance sheet gap	4,321,542	-	-	36,326,548	40,648,090
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap	-	-	-	-	-
Total interest rate sensitivity gap	4,321,542	-	-	36,326,548	40,648,090
Cumulative interest rate sensitivity gap	4,321,542	4,321,542	4,321,542		

As at June 30, 2010

Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and up-to one year	More than one year		
Percentage	(Rupees in '000)				
On-balance sheet financial instruments					
Financial Assets					
Bank balances	6 - 11.5	874,518	-	506,602	1,381,120
Receivable from National Investment Trust Limited					
-Management Company		-	-	80	80
Investments		-	-	29,464,973	29,464,973

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As at June 30, 2010

Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and up-to one year	More than one year		
Percentage	(Rupees in '000)				
Dividend and other receivables	-	-	-	24,483	24,483
Deposit with National Clearing Company of Pakistan Limited	-	-	-	2,500	2,500
	874,518	-	-	29,998,638	30,873,156
Financial Liabilities					
Short-term finances	12.85 - 12.89	250,000	-	-	250,000
Payable to National Investment Trust Limited					
- Management Company		-	-	58,920	58,920
Creditors, accrued and other liabilities		-	-	24,974	24,974
Unclaimed distribution		-	-	306,506	306,506
		250,000	-	390,400	640,400
On-balance sheet gap		624,518	-	29,608,238	30,232,756
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap		-	-	-	-
Total interest rate sensitivity gap		624,518	-	29,608,238	30,232,756
Cumulative interest rate sensitivity gap		624,518	624,518	624,518	

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

20.1.3 Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

The Fund is exposed to equity price risk because of investments held by the Fund and classified on the Statement of Assets and Liabilities as available for sale and at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 10% of net assets, or issued capital of the investee company and sector exposure limit to 30% of net assets or index weight of the security whichever is higher, subject to maximum of 35% of the net assets. However, relaxation in this regard has been obtained from the SECP.

In case of 5% increase / decrease in KSE 100 index on June 30, 2011, with all other variables held constant, net income of the Fund for the year would increase / decrease by Rs 37.835 million (June 30, 2010: Rs 86.061 million) and the net assets would increase / decrease by the same amount, as a result of gains / losses on equity securities included in KSE 100 index classified as at fair value through profit or loss. Other components of equity and net assets of the Fund would increase / decrease by Rs 1,030.937 million (June 30, 2010: Rs. 977.265 million) as a result of gains / (losses) on equity securities included in KSE 100 index classified as available for sale.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE 100 index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KSE 100 index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2011 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of KSE 100 index.

20.2 Credit risk

Credit risk represents the risk of a loss if counter parties fail to perform as contracted. Credit risk arises from deposits with banks and financial institutions, receivable from management company, investment in debt securities, credit exposure arising as a result of dividends receivable on equity securities and receivable against sale of investments. For banks and financial institutions, only reputed parties are accepted. Risk attributable to investment in Treasury Bills is limited as these are guaranteed by the Federal Government. Credit risk on dividends receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery using the central clearing company. The risk of default is considered minimal due to inherent systematic measures taken therein.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. The Fund does not expect to incur material credit losses on its financial assets.

NATIONAL INVESTMENT (UNIT) TRUST

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The analysis below summarises the credit quality of the Fund's financial assets as at June 30, 2011 and June 30, 2010.

Bank balances by rating category	2011	2010
A - 1+	25.30%	100.00%
A - 2	74.70%	-
	<u>100.00%</u>	<u>100.00%</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2011 is the carrying amount of the financial assets. Investments in equity securities, however, are not exposed to credit risk.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Funds portfolio of financial instruments is mostly concentrated in government securities and deposits held with a commercial bank.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to the daily settlement of equity securities and to daily cash redemptions, if any. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Fund's listed securities are considered readily realisable, as they are listed on the Karachi Stock Exchange.

The Fund has the ability to borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any significant redemptions during the year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the period end date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

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	As at June 30, 2011			
	Total	Upto three months	Over three months and upto one year	Over one year
(Rupees in '000)				
Liabilities				
Short-term finances	-	-	-	-
Payable to National Investment Trust Limited				
- Management Company	270,788	270,788	-	-
Creditors, accrued and other liabilities	23,385	23,385	-	-
Unclaimed distribution	307,178	307,178	-	-
	601,351	601,351	-	-

	As at June 30, 2010			
	Total	Upto three months	Over three months and upto one year	Over one year
(Rupees in '000)				
Liabilities				
Short-term finances	250,000	250,000	-	-
Payable to National Investment Trust Limited				
- Management Company	58,920	58,920	-	-
Creditors, accrued and other liabilities	24,974	24,974	-	-
Unclaimed distribution	306,506	306,506	-	-
	640,400	640,400	-	-

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The Unit holders' fund is represented by redeemable units. They are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns for unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

NATIONAL INVESTMENT (UNIT) TRUST

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22 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing at the close of trading on the year end date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book values as the items are either short term in nature or periodically repriced.

IFRS 7 requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, whether directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2) ; and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3)

Investments of the Fund carried at fair value are categorised as follows:

Assets	Level 1	Level 2	Level 3	Total
Financial assets classified as 'at fair value through profit or loss'				
- Investment in shares / units of mutual funds	1,970,812	-	-	1,970,812
- Derivative financial instruments (unrealised gain on letter of rights)	-	6,436	-	6,436
Financial assets classified as 'available for sale'				
- Investment in shares / units of mutual funds	34,344,076	-	-	34,344,076
- Investment in government securities	-	2,833,248	-	2,833,248

NATIONAL INVESTMENT (UNIT) TRUST

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FOR THE YEAR ENDED JUNE 30, 2011

23 TRANSACTIONS WITH TOP TEN BROKERS / DEALERS

List of top ten brokers by percentage of commission paid for the year ended June 30, 2011

- (i) AKD Securities Limited
- (ii) Arif Habib Limited
- (iii) JS Global Capital Limited
- (iv) Amin Tai Securities (Pvt) Limited
- (v) Cassim Investment (Pvt) Limited
- (vi) KASB Securities Limited
- (vii) BMA Capital Management Limited
- (viii) Al-Habib Capital Markets (Pvt) Limited
- (ix) Taurus Securities Limited
- (x) Invest & Finance Securities Limited

List of top ten brokers by percentage of commission paid for the year ended June 30, 2010

- (i) JS Global Capital Limited
- (ii) AKD Securities Limited
- (iii) Arif Habib Limited
- (iv) BMA Capital Management Limited
- (v) Cassim Investment (Pvt) Limited
- (vi) KASB Securities Limited
- (vii) Invest and Finance Securities Limited
- (viii) Al-Habib Capital Markets (Pvt) Limited
- (ix) Concordia Securities (Pvt) Limited
- (x) Amin Tai Securities (Pvt) Limited

24 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of the investment committee of the Fund are as follow:

S.No	Name	Designation	Qualification	Experience in years
1	Wazir Ali Khoja	Chairman and Managing Director	B. Com	40
2	Shahid Anwar	Head of MD's Secretariat and Personnel	MBA & DAIBP	34
3	Manzoor Ahmed	Chief Operating Officer	MBA, DAIBP & Candidate for CFA Level III	22
4	S. Zubair Ahmed	Controller of Branches	M.Phil, MBA, PGD-General management & PGD-Development Policies	38
5	Aamir Amin	Head of Finance	CA	14

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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24.1 Mr. Manzoor Ahmed is the Manager of the Fund. Other funds being managed by the Fund Manager are as follows:

- National Investment (Unit) Trust - LOC Holders' Fund
- NIT-State Enterprise Fund

25 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 283rd, 284th, 285th, 286th and 287th Board meetings were held on July 05, 2010, August 13, 2010, October 14, 2010, February 8, 2011 and April 11, 2011 respectively. Information in respect of attendance by the Directors in the meetings is given below:

	Name of Director	Number of meetings			Meetings not attended
		Held	Attended	Leave granted	
1	Mr. Wazir Ali Khoja	5	5	-	-
2	Mian Tajammal Hussain	5	5	-	-
3	Syed Ali Raza *	3	3	-	-
4	Mr. Qamar Hussain *	2	2	-	-
5	Ms. Rukhsana Saleem	5	3	2	284th and 285th meeting
6	Mr. Jamal Nasim	5	5	-	-
7	Mr. Bahauddin Khan	5	5	-	-
8	Ms. Nazrat Bashir	5	5	-	-
9	Mr. Abdul Razak Adamjee	5	1	4	284th, 285th, 286th and 287th meeting
10	Mr. Aftab Ahmed Khan **	-	-	-	-
11	Mr. Muhtashim Ahmed Ashai **	4	4	-	-

* Mr. Qamar Hussain was co-opted as nominee of National Bank of Pakistan in place of Syed Ali Raza in 286th BoD held on February 8, 2011.

** Mr. Muhtashim Ahmed Ashai was co-opted as nominee of MCB Bank Limited in place of Mr. Aftab Ahmed Khan in 283rd BoD meeting held on July 5, 2010.

26 CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications were made in these financial statements.

27 NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

The Board of Directors of the Management Company in this meeting held on July 5, 2011 approved a distribution of Rs 4.00 per unit (2010: Rs 2.25 per unit) for the year ended June 30, 2011. The financial statements of the Fund for the year ended June 30, 2011 do not include the effect of the final distribution which will be accounted for in the financial statements of the Fund for the year ending June 30, 2012.

NATIONAL INVESTMENT (UNIT) TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 22, 2011 by the Board of Directors of the Management Company.

29 GENERAL

29.1 Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

29.2 The bifurcation of undistributed income into realised and unrealised income at the beginning and end of the year as required by the NBFC Regulations has not been disclosed as such bifurcation is not practicable.

**For National Investment Trust Limited
(Management Company)**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**

**E.V.P. / Divisional Head
For National Bank of Pakistan (Trustee)**

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AT FAIR VALUE THROUGH PROFIT OR LOSS - HELD FOR TRADING AS AT JUNE 30, 2011

SHARES OF COMPANIES - Fully Paidup ordinary shares of Rs. 10 each unless stated otherwise

Name of Investee Company	Number of shares / certificates						Balances as at June 30, 2011		Percentage in relation to		
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
Rupees in '000											
OPEN END MUTUAL FUNDS											
Pakistan Strategic Allocation Fund	1,238,865	-	-	-	(1,238,865)	-	-	-	-	-	-
	1,238,865	-	-	-	(1,238,865)	-	-	-	-	-	-
OIL AND GAS											
Attock Refinery Limited	1,663,134	-	-	-	(445,440)	1,217,694	98,097	149,448	0.37	0.38	1.43
Mari Gas Company Limited	168,598	-	-	-	-	168,598	21,813	18,102	0.04	0.05	0.23
National Refinery Limited	405,864	-	-	-	(245,000)	160,864	29,414	56,666	0.14	0.14	0.20
Oil & Gas Development Company Limited	1,831	-	-	-	-	1,831	259	280	-	-	-
Pakistan Oilfields Limited	44,191	-	-	-	(44,000)	191	41	69	-	-	-
Pakistan Petroleum Limited	902,665	-	150,533	-	(1,053,188)	10	2	2	-	-	-
Pakistan Refinery Limited	21,616	-	-	-	-	21,616	1,698	1,739	-	-	0.06
Pakistan State Oil Company Limited	128,674	-	-	-	(101,000)	27,674	7,201	7,322	0.02	0.02	0.02
Shell Pakistan Limited	2,305	-	-	-	-	2,305	529	519	-	-	-
	3,338,878	-	150,533	-	(1,888,628)	1,600,783	159,054	234,147	0.57	0.59	
CHEMICALS											
BOC Pakistan Limited	66,660	-	-	-	-	66,660	5,204	6,392	0.02	0.02	0.27
Dawood Hercules Chemicals Limited	294,489	-	883,467	-	-	1,177,956	51,668	76,591	0.19	0.20	0.24
Dewan Salman Fibre Limited	1,766,986	-	-	-	-	1,766,986	2,686	4,612	0.01	0.01	0.48
Engro Corporation Limited	66,280	-	-	-	(66,280)	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	973,090	-	-	-	(973,090)	-	-	-	-	-	-
Fauji Fertilizer Company Limited	1,598,596	-	38,187	-	(1,635,845)	938	77	141	-	-	-
I.C.I Pakistan Limited	328,181	-	-	-	(299,400)	28,781	3,412	4,370	0.01	0.01	0.02
Lotte Pakistan PTA Limited	15,471	-	-	-	-	15,471	125	214	-	-	-
Sitara Chemical Industries Limited	19,585	-	979	-	-	20,564	2,643	2,052	0.01	0.01	-
	5,129,338	-	922,633	-	(2,974,615)	3,077,356	65,815	94,372	0.24	0.25	
FORESTRY AND PAPER											
Century Paper & Board Mills Limited	52,518	-	-	-	-	52,518	840	809	-	-	0.07
Security Papers Limited	34,812	-	-	-	-	34,812	1,497	1,410	0.01	0.01	0.08
	87,330	-	-	-	-	87,330	2,337	2,219	0.01	0.01	
INDUSTRIAL METALS AND MINING											
Crescent Steel & Allied Products Limited	16,596	-	-	-	-	16,596	417	433	-	-	0.03
International Industries Limited	50,832	-	10,166	-	-	60,998	2,846	3,019	0.01	0.01	-
	67,428	-	10,166	-	-	77,594	3,263	3,452	0.01	0.01	
CONSTRUCTION & MATERIALS											
Al-Abbas Cement Industries Limited	788,148	-	-	-	-	788,148	2,829	2,081	0.01	0.01	0.43
Cherat Cement Company Limited	56,488	-	-	-	-	56,488	521	508	-	-	0.06
D. G. Khan Cement Company Limited	2,919,589	-	416,918	-	(835,000)	2,501,507	57,576	57,510	0.14	0.15	0.57
Lucky Cement Limited	1,152,226	-	-	-	(1,148,997)	3,229	201	229	-	-	-
Maple Leaf Cement Factory Limited	922,806	-	-	-	-	922,806	2,870	1,901	-	-	0.25
	5,839,257	-	416,918	-	(1,983,997)	4,272,178	63,997	62,229	0.15	0.16	
GENERAL INDUSTRIALS											
Ghani Glass Limited	1,164,347	-	116,434	-	-	1,280,781	66,368	67,305	0.17	0.17	1.18

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AT FAIR VALUE THROUGH PROFIT OR LOSS - HELD FOR TRADING AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates					Balances as at June 30, 2011			Percentage in relation to		
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
	Rupees in '000										
Packages Limited	9,145	-	-	-	-	9,145	1,084	1,006	-	-	0.01
Siemens Pakistan Engineering Company Limited	34,713	-	-	-	-	34,713	36,086	37,636	0.09	0.10	4.21
Thal Limited (Rs 5 / share)	8,233	-	1,646	-	-	9,879	782	998	-	-	0.01
Tri-Pack Films Limited	484,358	-	-	-	-	484,358	47,239	82,946	0.20	0.21	1.61
	1,700,796	-	118,080	-	-	1,818,876	151,559	189,891	0.46	0.48	
INDUSTRIAL ENGINEERING											
Hinopak Motors Limited	9,152	-	-	-	-	9,152	1,192	1,056	-	-	0.07
Millat Tractors Limited	15,382	-	882	-	(15,382)	882	339	531	-	-	-
	24,534	-	882	-	(15,382)	10,034	1,531	1,587	-	-	
AUTO MOBILE AND PARTS											
Honda Atlas Cars (Pakistan) Limited	389,158	-	-	-	-	389,158	5,071	3,911	0.01	0.01	0.27
Pak Suzuki Motor Company Limited	1,090	-	-	-	-	1,090	86	68	-	-	-
	390,248	-	-	-	-	390,248	5,157	3,979	0.01	0.01	
FOOD PRODUCERS											
Habib ADM Limited (Rs 5 / share)	119,017	-	-	-	(29,682)	89,335	1,252	1,095	-	-	0.21
Nestle Pakistan Limited	2,796	-	-	-	-	2,796	4,711	15,308	0.04	0.04	0.01
Unilever Pakistan Limited (Rs 50/ share)	589	-	-	-	-	589	2,288	3,078	0.01	0.01	-
Unilever Pakistan Limited - Preference Shares	123	-	-	-	-	123	478	643	-	-	-
	122,525	-	-	-	(29,682)	92,843	8,729	20,124	0.05	0.05	
HOUSEHOLD GOODS											
Pak Elektron Limited	815,173	-	-	714,256	-	1,529,429	21,975	10,140	0.03	0.03	1.26
Pak Elektron Limited - Convertible Preference share (loaded)	307,869	-	-	(307,869)	-	-	-	-	-	-	-
Pak Elektron Limited - Non-Convertible Preference share (un-loaded)	923,607	-	-	(923,607)	-	-	-	-	-	-	-
	2,046,649	-	-	(517,220)	-	1,529,429	21,975	10,140	0.03	0.03	
PERSONAL GOODS											
Azgard Nine Limited	144,302	-	-	-	-	144,302	1,610	797	-	-	0.03
Bannu Woollen Mills Limited	374,490	-	-	-	-	374,490	3,033	5,790	0.01	0.01	4.92
Crescent Textile Mills Limited	190,058	-	-	-	-	190,058	4,100	2,959	0.01	0.01	0.39
D.S. Industries Limited	883,102	-	-	-	-	883,102	1,925	971	-	-	1.47
Din Textile Mills Limited	18,943	-	1,894	-	-	20,837	510	574	-	-	0.10
Fateh Textile Mills Limited	58,125	-	-	-	-	58,125	7,440	6,240	0.02	0.02	4.65
Gadoon Textile Mills Limited	513,399	-	-	-	(513,399)	-	-	-	-	-	-
Gul Ahmed Textile Mills Limited	853,784	-	-	-	-	853,784	15,821	44,166	0.11	0.12	1.34
Ibrahim Fibres Limited	18,530	-	-	-	-	18,530	633	782	-	-	0.01
Kohinoor Mills Limited	1,662,229	-	-	-	-	1,662,229	5,253	1,745	-	-	3.26
Kohinoor Textile Mills Limited	71,577	-	-	-	-	71,577	402	283	-	-	0.03
Maqbool Textile Mills Limited	245,873	-	-	-	-	245,873	2,636	2,483	0.01	0.01	1.46
Mehmood Textile Mills Limited	112,861	-	-	15,202	-	128,063	5,529	8,731	0.02	0.02	0.85
Nishat (Chunian) Limited	712,854	-	-	237,618	(105,000)	845,472	13,654	18,846	0.05	0.05	0.52
Nishat (Chunian) Limited - 15% Convertible Preference shares	237,618	-	-	(237,618)	-	-	-	-	-	-	-
Nishat Mills Limited	1,639,945	-	-	-	(875,000)	764,945	32,984	38,507	0.10	0.10	0.22

NATIONAL INVESTMENT (UNIT) TRUST

INVESTMENTS - AT FAIR VALUE THROUGH PROFIT OR LOSS -

HELD FOR TRADING

AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
	Rupees in '000										
Pakistan Synthetics Limited	2,656,283	-	-	-	-	2,656,283	16,177	52,116	0.13	0.13	4.74
Premium Textile Mills Limited	2,216	-	-	-	-	2,216	51	66	-	-	0.04
Rupali Polyester Limited	202,223	-	-	-	-	202,223	6,673	7,996	0.02	0.02	0.59
Saif Textile Mills Limited	46,244	-	-	-	-	46,244	114	326	-	-	0.18
Sapphire Fibers Limited	362,871	-	-	-	-	362,871	37,162	42,819	0.11	0.11	1.84
Sapphire Textile Mills Limited	571,112	-	-	-	-	571,112	62,194	67,962	0.17	0.17	2.84
Sapphire Holding Limited	-	-	-	571,112	-	571,112	-	5,711	0.01	0.01	2.84
SFL Limited	-	-	-	362,871	-	362,871	-	3,629	0.01	0.01	1.84
Service Industries Limited	1,681,975	-	-	-	-	1,681,975	380,917	329,835	0.82	0.84	13.98
	13,260,614	-	1,894	949,185	(1,493,399)	12,718,294	598,818	643,334	1.60	1.63	
TOBACCO											
Pakistan Tobacco Company Limited	29,714	-	-	-	-	29,714	3,091	2,874	0.01	0.01	0.01
	29,714	-	-	-	-	29,714	3,091	2,874	0.01	0.01	
PHARMA AND BIO TECH											
Abbot Laboratories (Pakistan) Limited	77,509	-	-	-	-	77,509	7,181.00	7,246	0.02	0.02	0.08
Glaxosmithkline Pakistan Limited	84,253	-	12,637	-	-	96,890	6,836.00	7,441	0.02	0.02	0.05
Highnoon Laboratories Limited	98,717	-	9,871	-	-	108,588	2,355	3,490	0.01	0.01	0.60
	260,479	-	22,508	-	-	282,987	16,372	18,177	0.05	0.05	
MEDIA											
Southern Networks Limited (Under winding up through court)	301,260	-	-	-	-	301,260	404	404	-	-	0.60
	301,260	-	-	-	-	301,260	404	404	-	-	
TRAVEL AND LEISURE											
Pakistan International Airlines Corporation	2,410,150	-	-	-	-	2,410,150	6,628	5,158	0.01	0.01	0.09
Pakistan Services Limited	210,756	-	-	-	-	210,756	26,024	30,033	0.07	0.08	0.65
	2,620,906	-	-	-	-	2,620,906	32,652	35,191	0.08	0.09	
FIXED LINE TELECOMMUNICATION											
Callmate Telips Telecom (Under winding up through court)	83	-	-	-	-	83	-	-	-	-	-
Pakistan Telecommunication Company Limited	771,184	-	-	-	-	771,184	13,727	10,966	0.03	0.03	0.02
Telecard Limited	449,735	-	-	-	-	449,735	1,196	693	-	-	0.15
Worldcall Telecom Limited	310,591	-	-	-	-	310,591	904	655	-	-	0.04
	1,531,593	-	-	-	-	1,531,593	15,827	12,314	0.03	0.03	
ELECTRICITY											
The Hub Power Company Limited	664,551	-	-	-	(605,859)	58,692	1,876	2,201	0.01	0.01	0.01
Karachi Electric Supply Company Limited (Rs 3.5 / share)	9,170,161	-	-	-	-	9,170,161	20,449	19,716	0.05	0.05	0.04
Kohinoor Energy Limited	660,867	-	-	-	-	660,867	17,506	10,904	0.03	0.03	0.39
Kot Addu Power Company Limited	708,329	-	-	-	-	708,329	29,566	30,182	0.07	0.08	0.08
	11,203,908	-	-	-	(605,859)	10,598,049	69,397	63,003	0.16	0.17	
GAS WATER AND MULTIUTILITIES											
Sui Northern Gas Pipelines Limited	41,067	-	-	-	-	41,067	1,141	818	-	-	0.01
Sui Southern Gas Company Limited	5,531,717	-	1,382,929	-	-	6,914,646	88,010	149,840	0.37	0.38	0.82
	5,572,784	-	1,382,929	-	-	6,955,713	89,151	150,658	0.37	0.38	

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AT FAIR VALUE THROUGH PROFIT OR LOSS - HELD FOR TRADING AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investments	Paid up capital of the investee company
Rupees in '000											
BANKS											
Allied Bank Limited	4,481	-	448	-	-	4,929	255	316	-	-	-
Askari Bank Limited	920,935	-	92,093	-	-	1,013,028	14,017	11,022	0.03	0.03	0.14
Bank Alfalah Limited	1,740,025	-	-	-	(500,000)	1,240,025	11,731	11,867	0.03	0.03	0.09
Bank Al - Habib Limited	3,602,173	-	720,434	-	-	4,322,607	113,468	127,387	0.31	0.33	0.49
Faysal Bank Limited	1,795,153	-	359,030	-	-	2,154,183	25,599	19,948	0.05	0.05	0.29
Habib Bank Limited	50,468	-	5,046	-	-	55,514	4,908	6,443	0.02	0.02	0.01
Habib Metropolitan Bank Limited	515,722	-	103,144	-	-	618,866	12,326	13,473	0.03	0.03	0.06
JS Bank Limited	72,000	-	23,760	-	-	95,760	274	232	-	-	-0
KASB Bank Limited	619	-	-	-	-	619	3	1	-	-	-
National Bank Of Pakistan	1,883,695	-	227,173	-	(975,000)	1,135,868	58,247	57,270	0.14	0.15	0.07
NIB Bank Limited	19,092,042	-	-	-	-	19,092,042	57,085	28,831	0.07	0.07	0.47
Samba Bank Limited	1,777,740	-	-	-	-	1,777,740	4,035	3,040	0.01	0.01	0.12
Silkbank Limited	11,090,305	-	-	-	-	11,090,305	30,055	28,058	0.07	0.07	0.30
Soneri Bank Limited	3,429,516	-	1,140,314	-	-	4,569,830	34,612	23,169	0.06	0.06	0.76
United Bank Limited	13,531	-	-	-	-	13,531	734	838	-	-	-
	45,988,405	-	2,671,442	-	(1,475,000)	47,184,847	367,349	331,895	0.82	0.85	
FINANCIAL SERVICES											
English Leasing Limited	707,261	-	-	-	-	707,261	566	460	-	-	8.84
First Dawood Investment Bank Limited	109,415	-	-	-	-	109,415	195	174	-	-	0.17
Invest Capital Investment Bank	6,322,138	-	-	-	-	6,322,138	5,374	2,023	-	0.01	2.22
JS Investments Limited	34,480	-	-	-	-	34,480	257	176	-	-	0.03
National Asset Leasing Corporation	265,013	-	-	-	-	265,013	27	27	-	-	2.78
Natover Lease & Refinance Limited	729,349	-	-	-	-	729,349	5,105	5,105	0.01	0.01	8.31
Saudi Pak Leasing Company Limited	133,185	-	-	-	-	133,185	96	87	-	-	0.29
Standard Chartered Leasing Limited	773,924	-	-	-	-	773,924	1,648	1,935	-	-	0.79
	9,074,765	-	-	-	-	9,074,765	13,268	9,987	0.01	0.02	
EQUITY INVESTMENT INSTRUMENT											
B.F.Modarba	416,727	-	41,672	-	-	458,399	1,542	2,246	0.01	0.01	6.10
B.R.R. Guardian Modarba	3,006,274	-	-	-	-	3,006,274	3,878	6,584	0.03	0.02	3.85
Crescent Standard Modarba	185,214	-	-	-	-	185,214	96	91	-	0.01	0.93
First Al-Noor Modarba	1,034,440	-	-	-	-	1,034,440	3,052	4,138	0.01	0.01	4.93
First Elite Capital Modarba	925,620	-	-	-	-	925,620	1,990	2,953	0.01	0.01	8.16
First Equity Modarba	1,780,110	-	-	-	-	1,780,110	2,225	2,225	0.01	0.01	3.39
First Fidelity Leasing Modarba	1,028,078	-	-	-	-	1,028,078	1,542	1,501	-	-	3.89
First IBL Modarba	1,426,774	-	-	-	-	1,426,774	3,995	1,512	-	-	7.07
First Prudential Modarba	341,251	-	-	-	-	341,251	300	324	-	-	2.43
First Punjab Modarba	1,168,034	-	-	-	-	1,168,034	1,297	1,156	-	-	0.78
First Tri-Star Modarba	297,278	-	-	-	-	297,278	544	565	-	-	1.48
First U.D.L. Modarba	1,714,625	-	-	-	-	1,714,625	10,116	12,431	0.04	0.04	0.01
KASB Modarba	687,745	-	-	-	-	687,745	1,135	1,754	-	-	0.39
Modarba Al Mali	144,310	-	-	-	-	144,310	85	144	-	-	3.43
PICIC Energy Fund	1,477,772	-	-	-	-	1,477,772	7,611	10,862	0.03	0.03	6.95
PICIC Growth Fund	37,442	-	-	-	-	37,442	347	501	-	-	1.40

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AT FAIR VALUE THROUGH PROFIT OR LOSS - HELD FOR TRADING

AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
	Rupees in '000										
Standard Chartered Modaraba	3,152,598	-	-	-	-	3,152,598	29,004	31,747	0.08	0.08	6.50
Unicap Modaraba	349,197	-	-	-	-	349,197	53	101	-	-	2.56
	19,173,489	-	41,672	-	-	19,215,161	68,812	80,835	0.22	0.22	
GRAND TOTAL	129,003,765	-	5,739,657	431,965	(11,705,427)	123,469,960	1,758,558	1,970,812	4.87	5.03	

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

SHARES OF COMPANIES - Fully Paidup ordinary shares of Rs. 10 each unless stated otherwise

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investments	Paid up capital of the investee company
OPEN END MUTUAL FUNDS											
AKD Income Fund	108,691	-	-	-	(108,691)	-	-	-	-	-	-
Faysal Savings Growth Fund	50,624	-	-	-	(50,624)	-	-	-	-	-	-
First Habib Income Fund	124,994	-	-	-	(124,994)	-	-	-	-	-	-
HBL Income Fund	379,225	-	-	-	(379,225)	-	-	-	-	-	-
HBL Multi Asset Fund	750,000	-	-	-	(750,000)	-	-	-	-	-	-
HBL Stock Fund	264,573	-	-	-	(264,573)	-	-	-	-	-	-
IGI Income Fund	127,430	-	-	-	(127,430)	-	-	-	-	-	-
JS Large Capital Fund	1,369,104	-	-	(1,232,194)	-	136,910	3,149	11,939	0.03	0.03	-
	3,174,641	-	-	(1,232,194)	(1,805,537)	136,910	3,149	11,939	0.03	0.03	
OIL & GAS											
Attock Petroleum Limited	-	456,350	21,008	-	(209,141)	268,217	83,096	100,386	0.25	0.26	0.30
Attock Refinery Limited	4,027,598	2,906,159	-	-	-	6,933,757	628,850	850,980	2.10	2.17	8.13
Burshane LPG Pakistan Limited	1,534,033	-	-	-	-	1,534,033	33,779	38,013	0.09	0.10	6.78
Mari Gas Company Limited	3,133,414	-	-	-	-	3,133,414	155,026	336,435	0.83	0.86	4.26
National Refinery Limited	4,274,528	1,050,040	-	-	-	5,324,568	708,238	1,875,632	4.64	4.79	6.66
Oil & Gas Development Company Limited	3,118,472	-	-	-	(1,288,660)	1,829,812	93,534	279,943	0.69	0.71	0.04
Pakistan Oilfields Limited	2,637,460	1,797,912	-	-	(1,622,124)	2,813,248	525,467	1,009,984	2.50	2.58	0.02
Pakistan Petroleum Limited	1,451,336	1,163,529	416,307	-	(514,277)	2,516,895	321,872	521,173	1.29	1.33	0.21
Pakistan Refinery Limited	1,575,000	-	-	-	-	1,575,000	123,748	126,709	0.31	0.32	4.50
Pakistan State Oil Company Limited	12,989,137	518,550	-	-	-	13,507,687	1,305,151	3,573,864	8.83	9.13	0.06
	34,740,978	7,892,540	437,315	-	(3,634,202)	39,436,631	3,978,761	8,713,119	21.53	22.25	
CHEMICALS											
Adil Polypropylene Limited	136,200	-	-	-	-	136,200	-	-	-	-	2.46
Arif Habib Corporation Limited	1,101,895	-	-	-	-	1,101,895	27,426	28,980	0.07	0.07	0.29
Agritech Limited	6,666,667	-	-	-	-	6,666,667	126,667	126,667	0.31	0.32	1.70
BOC Pakistan Limited	900,681	-	-	-	-	900,681	70,316	86,366	0.21	0.22	3.60
Clariant Pakistan Limited	1,552,377	-	388,094	175	-	1,940,646	18,443	311,163	0.77	0.79	5.69
Dawood Hercules Chemicals Limited	235,735	-	707,205	-	-	942,940	27,540	61,310	0.15	0.16	0.20
Descon Chemicals Limited (Rs 5 / share)	513,395	-	-	-	-	513,395	-	1,078	0.01	0.01	0.26
Dewan Salman Fibre Limited	4,192,737	-	-	-	-	4,192,737	5,911	10,943	0.03	0.03	1.14
Dynea Pakistan Limited (Rs 5 / share)	1,787,610	-	-	-	-	1,787,610	17,622	18,752	0.05	0.05	9.47
Engro Corporation Limited	1,580,513	1,540,626	376,389	-	(468,693)	3,028,835	406,525	494,457	1.22	1.26	0.77
Fatima Fertilizer Company Limited	5,299,257	-	1,584,340	-	-	6,883,597	71,540	114,543	0.28	0.29	0.34
Fauji Fertilizer Bin Qasim Limited	1,150,000	1,633,435	-	-	(350,000)	2,433,435	62,312	102,569	0.25	0.26	0.26
Fauji Fertilizer Company Limited	26,285,875	-	6,571,468	132	(982,859)	31,874,616	1,098,251	4,792,349	11.84	12.24	3.76
I.C.I Pakistan Limited	610,190	980,161	-	-	-	1,590,351	204,083	241,495	0.60	0.62	0.12
Leiner Pak Gelatine Limited	26,266	-	-	-	(2)	26,264	341	525	-	-	0.35
Lotte Pakistan PTA Limited	4,799,259	9,446,708	-	-	-	14,245,967	145,537	197,022	0.49	0.50	0.94
Pakistan Gum & Chemicals Limited	97,057	-	-	-	-	97,057	1,449	1,854	-	-	2.28
Polyron Limited (Under winding up through court)	147	-	-	-	-	147	-	-	-	-	-
Sardar Chemical Industries Limited	147,777	-	-	-	-	147,777	-	222	-	-	2.46

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investments	Paid up capital of the investee company
Rupees in '000											
Sind Alkalis Limited	704,745	-	-	-	-	704,745	-	-	-	-	9.42
Sitara Chemical Industries Limited	662,495	-	33,125	2,533	-	698,153	69,683	69,683	0.17	0.18	3.26
Sitara Peroxide Limited	104,322	-	-	-	-	104,322	926	1,747	0.01	0.01	0.19
United Distributors Pakistan Limited	452,388	-	-	-	-	452,388	-	-	-	-	4.93
Wah-Noble Chemicals Limited	636,624	-	-	-	-	636,624	10,157	23,141	0.06	0.06	7.07
	59,644,212	13,600,930	9,660,621	2,840	(1,801,554)	81,107,049	2,364,729	6,684,866	16.52	17.07	
FORESTRY AND PAPER											
Century Paper & Board Mills Limited	5,500,015	-	-	-	-	5,500,015	72,545	84,700	0.21	0.21	7.78
Pakistan Paper Products Limited	289,780	-	96,583	387	-	386,750	568	16,247	0.04	0.04	7.74
Security Papers Limited	1,800,000	-	-	-	-	1,800,000	69,300	72,900	0.18	0.19	4.37
	7,589,795	-	96,583	387	-	7,686,765	142,413	173,847	0.43	0.44	
INDUSTRIAL METALS AND MINING											
Crescent Steel & Allied Products Limited	3,891,245	-	-	-	-	3,891,245	66,268	101,639	0.25	0.26	6.89
Huffaz Seamless Pipe Industries Limited	1,362,396	-	-	-	-	1,362,396	6,758	16,866	0.04	0.04	2.46
International Industries Limited	10,464,279	-	2,092,856	1	-	12,557,136	471,834	621,578	1.54	1.59	10.47
International Steels Limited	-	4,800,000	-	-	-	4,800,000	67,536	65,328	0.16	0.17	1.10
Metropolitan Steel Corporation Limited	98,518	-	-	-	-	98,518	-	896	-	-	0.32
Quality Steel Works Limited	2,922	-	-	-	-	2,922	-	-	-	-	0.16
	15,819,360	4,800,000	2,092,856	1	-	22,712,217	612,396	806,307	1.99	2.06	
CONSTRUCTION AND MATERIALS											
Al-Abbas Cement Industries Limited	14,821	-	-	-	-	14,821	42	39	-	-	0.01
Attock Cement Pakistan Limited	-	869,311	-	-	-	869,311	42,188	42,188	0.10	0.11	1.00
Balochistan Glass Limited	591,534	-	-	-	-	591,534	858	1,183	-	-	0.69
Berger Paints Pakistan Limited	618,426	-	-	-	-	618,426	9,760	8,998	0.02	0.02	3.40
Buxly Paints Limited	175,218	-	-	-	-	175,218	1,354	1,354	0.01	0.01	12.17
Cherat Cement Company Limited	12,699,288	-	-	-	-	12,699,288	114,294	114,294	0.28	0.29	13.29
D. G. Khan Cement Company Limited	951,815	2,310,882	652,539	-	-	3,915,236	96,446	90,011	0.22	0.23	0.89
Dadabhoy Construction Technology Limited	69,085	-	-	-	-	69,085	-	-	-	-	2.97
Dewan Cement Limited	4,921,424	-	-	-	-	4,921,424	8,317	8,317	0.02	0.02	1.26
Emco Industries Limited	754,929	-	-	-	-	754,929	1,215	1,215	-	-	2.16
Fauji Cement Company Limited	-	2,117,670	-	-	-	2,117,670	8,725	8,725	0.02	0.02	0.31
Fecto Cement Limited	1,727,655	-	-	-	-	1,727,655	9,416	9,416	0.02	0.02	3.44
Karam Ceramics Limited	358,232	-	-	-	-	358,232	1,752	2,543	0.01	0.01	2.46
Kohat Cement Company Limited	245,503	-	-	-	-	245,503	1,500	1,500	0.01	0.01	0.19
Lafarge Pakistan Cement Limited	20,715,094	749,815	-	-	-	21,464,909	48,097	57,955	0.14	0.15	1.64
Lucky Cement Limited	5,226,818	2,503,409	-	-	(125,000)	7,605,227	405,646	538,754	1.33	1.38	2.35
Maple Leaf Cement Factory Limited	2,606,440	-	-	-	-	2,606,440	5,369	5,369	0.01	0.01	0.49
Mustehkam Cement Limited	678,819	-	-	-	-	678,819	5,235	7,053	0.02	0.02	0.78
Pioneer Cement Limited	1,286,444	-	-	-	-	1,286,444	7,088	7,088	0.02	0.02	0.57
Shabbir Tiles & Ceramics Limited (Rs 5 / share)	3,535,939	-	-	-	-	3,535,939	23,019	23,019	0.06	0.06	4.90
Thatta Cement Company Limited	-	2,884,864	721,216	-	-	3,606,080	64,569	72,049	0.18	0.18	4.52
Zeal Pak Cement Factory Limited	486,248	-	-	-	-	486,248	-	214	-	-	0.11
	57,663,732	11,435,951	1,373,755	-	(125,000)	70,348,438	854,890	1,001,284	2.47	2.56	

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as a percentage of net assets	Market value as a percentage of total investments	Paid up capital of the investee company
Rupees in '000											
GENERAL INDUSTRIALS	-										
Balochistan Particle Board Limited (Rs 5 / share)	781,130	-	-	-	-	781,130	-	-	-	-	13.02
Dadabhoy Sack Limited	49,259	-	-	-	-	49,259	-	-	-	-	1.23
Ghani Glass Limited	719,626	-	71,963	-	-	791,589	32,756	41,598	0.10	0.11	0.74
Hashmi Can Company Limited	160,986	-	-	-	-	160,986	-	-	-	-	9.86
Merit Packaging Limited	684,145	-	-	-	-	684,145	3,169	17,678	0.04	0.05	14.42
Packages Limited	4,569,383	-	-	-	-	4,569,383	370,988	502,632	1.24	1.28	5.42
Siemens Pakistan Engineering Company Limited	983,658	-	-	-	-	983,658	1,001,364	1,066,492	2.64	2.72	11.93
Syed Match Company Limited	14,777	-	-	-	-	14,777	148	207	-	-	4.93
Thal Limited (Rs 5 / share)	2,100,933	-	420,186	169	-	2,521,288	125,957	254,751	0.63	0.65	4.11
Tri-Pack Films Limited	378,091	-	-	-	-	378,091	36,875	64,748	0.16	0.17	1.26
	10,441,988	-	492,149	169	-	10,934,306	1,571,257	1,948,106	4.81	4.98	
ELECTRONIC AND ELECTRICAL EQUIPMENT	-										
Johnson And Phillips (Pakistan) Limited	574,324	-	-	-	-	574,324	-	5,169	0.01	0.01	10.54
Pakistan Cables Limited	1,758,827	-	-	-	-	1,758,827	11,872	80,203	0.20	0.21	6.18
	2,333,151	-	-	-	-	2,333,151	11,872	85,372	0.21	0.22	
INDUSTRIAL ENGINEERING	-										
Bolan Castings Limited	405,106	-	40,510	-	-	445,616	4,850	21,835	0.05	0.06	4.27
Ghandhara Industries Limited	258,577	-	-	-	-	258,577	1,943	2,146	0.01	0.01	1.21
Hinopak Motors Limited	500,000	-	-	-	-	500,000	55,100	57,715	0.14	0.15	4.03
K.S.B. Pumps Co. Limited	1,501,659	-	-	-	-	1,501,659	31,742	49,314	0.12	0.13	11.38
Millat Tractors Limited	390,640	-	97,660	56	(70,747)	417,609	35,784	251,280	0.62	0.64	1.14
Taxila Engineering Company Limited	206,888	-	-	-	-	206,888	-	-	-	-	4.87
	3,262,870	-	138,170	56	(70,747)	3,330,349	129,419	382,290	0.94	0.99	
INDUSTRIAL TRANSPORTION	-										
Pakistan National Shipping Corporation	436,564	-	-	-	-	436,564	4,483	10,478	0.03	0.03	0.33
Pan Islamic Steamship Company Limited	1,136	-	-	-	-	1,136	-	-	-	-	0.02
	437,700	-	-	-	-	437,700	4,483	10,478	0.03	0.03	
SUPPORT SERVICES	-										
TRG Pakistan Limited - Class (A)	828,741	-	-	-	-	828,741	1,119	2,122	0.01	0.01	0.22
	828,741	-	-	-	-	828,741	1,119	2,122	0.01	0.01	
AUTO MOBILE AND PARTS	-										
Agriauto Industries Limited (Rs 5 / share)	1,304,660	-	-	-	-	1,304,660	9,754	90,674	0.22	0.23	4.53
Atlas Honda Limited	167,905	-	25,185	-	-	193,090	645	22,229	0.05	0.06	0.27
Baluchistan Wheels Limited	1,592,160	-	-	-	-	1,592,160	46,173	50,790	0.13	0.13	11.94
Bela Engineering Limited	266,145	-	-	-	-	266,145	-	-	-	-	7.83
Exide Pakistan Limited	388,992	-	-	-	-	388,992	15,429	85,232	0.21	0.22	6.88
The General Tyre And Rubber Company Of Pakistan Limited	3,765,976	-	-	-	-	3,765,976	38,225	86,994	0.21	0.22	6.30
Ghandara Nissan Limited	2,688,711	-	-	-	-	2,688,711	8,335	8,335	0.02	0.02	5.97
Honda Atlas Cars Pakistan Limited	3,619,831	-	-	-	-	3,619,831	36,017	36,379	0.09	0.09	2.53
Indus Motor Company Limited	710,108	36,709	-	-	(51,011)	695,806	78,968	153,077	0.38	0.39	0.89
Pak Suzuki Motor Company Limited	2,084,415	346,050	-	-	-	2,430,465	152,026	152,026	0.38	0.39	2.95
Saif Nadeem Kawasaki Motors Limited	482	-	-	-	-	482	-	-	-	-	0.02

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
	Rupees in '000										
Taga Pakistan Limited	96,055	-	-	-	-	96,055	-	-	-	-	3.69
	16,685,440	382,759	25,185	-	(51,011)	17,042,373	385,572	685,736	1.69	1.75	
BEVERAGES											
Shezan International Limited	1,141,177	-	-	-	-	1,141,177	70,519	168,141	0.42	0.43	19.02
	1,141,177	-	-	-	-	1,141,177	70,519	168,141	0.42	0.43	
FOOD PRODUCERS											
Al- Abbas Sugar Mills Limited	1,427,183	-	-	-	-	1,427,183	13,538	143,090	0.36	0.37	8.22
Al-Noor Sugar Mills Limited	2,296,656	-	-	-	-	2,296,656	-	90,144	0.22	0.23	12.37
Bawany Sugar Mills Limited	493	-	-	-	-	493	-	-	-	-	0.01
Chashma Sugar Mills Limited	942,227	-	-	-	-	942,227	3,062	9,554	0.02	0.02	3.28
Colony Sugar Mills Limited	335,682	-	-	-	-	335,682	-	604	-	-	0.34
Crescent Sugar Mills & Distillery Limited	1,048,579	-	-	-	-	1,048,579	5,505	11,459	0.03	0.03	4.91
Data Agro Limited	98,518	-	-	-	-	98,518	-	-	-	-	2.46
Dewan Sugar Mills Limited	2,415,432	-	-	-	-	2,415,432	4,058	7,440	0.02	0.02	6.62
Faran Sugar Mills Limited	2,668,982	-	-	-	-	2,668,982	36,796	49,376	0.12	0.13	12.33
Fazal Vegetable Ghee Mills Limited	42,005	-	-	-	-	42,005	-	-	-	-	2.10
Habib Sugar Mills Limited (Rs 5 / share)	10,354,601	-	2,588,650	-	-	12,943,251	40,932	346,361	0.86	0.88	8.63
Kohinoor Sugar Mills Limited	719,955	-	-	-	-	719,955	2,160	2,520	0.01	0.01	6.60
Mian Muhammed Sugar Mills Limited	172,406	-	-	-	-	172,406	-	-	-	-	1.17
Mirpurkhas Sugar Mills Limited	901,925	-	180,385	-	-	1,082,310	-	53,163	0.13	0.14	12.83
Mitchell'S Fruit Farms Limited	562,203	-	-	-	-	562,203	31,372	43,992	0.11	0.11	11.15
Moralco Industries Limited	57,409	-	-	-	-	57,409	-	-	-	-	10.10
Mubarik Dairies Limited	416	-	-	-	-	416	-	-	-	-	0.01
Nestle Pakistan Limited	98,000	-	-	-	-	98,000	107,014	536,559	1.33	1.36	0.22
Noon Sugar Mills Limited	2,898	-	-	-	-	2,898	-	49	-	-	0.02
Pak Ghee Industries Limited	58,618	-	-	-	-	58,618	-	-	-	-	2.66
Pangrio Sugar Mills Limited	779,820	-	-	-	-	779,820	-	-	-	-	7.19
The Premier Sugar Mills & Distillery Company Limited	73,463	-	-	-	-	73,463	3,047	2,910	0.01	0.01	1.96
Punjab Oil Mills Limited	366,248	-	160,903	-	-	527,151	6,579	21,086	0.05	0.05	9.78
Sakrand Sugar Mills Limited	-	-	-	340,700	-	340,700	-	818	-	-	1.53
Saleem Sugar Mills Limited	8,761	-	-	-	-	8,761	-	-	-	-	0.39
Saleem Suger Limited											
(6% Preference Share, Rs 100 / share)	198	-	-	-	-	198	-	-	-	-	0.04
Sanghar Sugar Mills Limited	1,063,616	-	-	-	-	1,063,616	-	12,763	0.03	0.03	8.90
Shahmurad Sugar Mills Limited	2,417,910	-	-	-	-	2,417,910	-	21,761	0.05	0.06	11.45
Shahtaj Sugar Mills Limited	801,695	-	-	-	-	801,695	13,393	50,467	0.13	0.13	6.67
Shakarganj Mills Limited	7,194,553	-	-	-	-	7,194,553	27,339	45,613	0.11	0.12	10.35
Suraj Ghee Industries Limited	54,324	-	-	-	-	54,324	-	-	-	-	5.67
Unilever Pakistan Limited (Rs 50 / share)	111,000	-	-	-	-	111,000	200,656	580,029	1.43	1.48	0.83
Uqab Breeding Farms Limited	139,748	-	-	-	-	139,748	-	-	-	-	5.27
	37,215,524	-	2,929,938	340,700	-	40,486,162	495,451	2,029,758	5.02	5.18	

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
Rupees in '000											
HOUSEHOLD GOODS	-										
Al-Abid Silk Mills Limited	954,306	-	190,861	20	-	1,145,187	19,630	31,722	0.08	0.08	8.54
Casspak Industries Limited	54,184	-	-	-	-	54,184	-	-	-	-	2.46
Nakshbandi Industries Limited	115,407	-	-	-	(115,407)	-	-	-	-	-	-
Pak Elektron Limited	7,896,556	-	-	-	-	7,896,556	52,354	52,354	0.13	0.13	6.48
Regal Ceramics Limited	89,947	-	-	-	-	89,947	-	-	-	-	1.23
Singer Pakistan Limited	6	-	-	-	-	6	-	-	-	-	-
Turbo Tec Limited	170,879	-	-	-	-	170,879	-	-	-	-	1.71
	9,281,285	-	190,861	20	(115,407)	9,356,759	71,984	84,076	0.21	0.21	
LEISURE GOODS	-										
Grays Of Cambridge (Pakistan) Limited	315,909	-	-	-	-	315,909	4,072	13,218	0.03	0.03	4.30
	315,909	-	-	-	-	315,909	4,072	13,218	0.03	0.03	
PERSONAL GOODS	-										
(Colony) Sarhad Textile Mills Limited	328,879	-	-	-	-	328,879	-	99	-	-	8.22
Accord Textile Limited	458,109	-	-	-	-	458,109	-	-	-	-	4.93
Adil Textile Mills Limited	93,592	-	-	-	-	93,592	-	833	-	-	1.21
Ahmed Hassan Textile Mills Limited	913,009	-	-	-	-	913,009	10,966	11,869	0.03	0.03	6.34
Al - Qaim Textile Mills Limited	358,753	-	-	-	-	358,753	-	-	-	-	4.81
Alif Textile Mills Limited	320,085	-	-	-	-	320,085	-	-	-	-	8.21
Allawasaya Textile & Finishing Mills Limited	47	-	-	-	-	47	4	4	-	-	0.01
Amazai Textile Mills Limited	299	-	-	-	-	299	-	-	-	-	0.01
Antex Limited	2,400,000	-	596,774	-	(410,751)	2,586,023	6,310	6,543	0.02	0.02	1.00
Apex Fabrics Limited	284,101	-	-	-	-	284,101	-	-	-	-	4.93
Aruj Garment Accessories Limited	41,769	-	-	-	(38,501)	3,268	15	17	-	-	0.05
Asim Textile Mills Limited	1,142,712	-	-	-	-	1,142,712	-	-	-	-	7.53
Awan Textile Mills Limited	213,390	-	-	-	-	213,390	-	-	-	-	2.46
Ayaz Textile Mills Limited	210,188	-	-	-	-	210,188	-	-	-	-	2.46
Azam Textile Mills Limited	620,655	-	-	-	-	620,655	-	-	-	-	4.68
Azgard Nine Limited	1,064,055	-	-	-	-	1,064,055	5,874	5,874	0.01	0.02	0.24
Babri Cotton Mills Limited	70,006	-	10,500	72	-	80,578	392	1,289	-	-	2.21
Bahawalpur Textile Mills Limited	64,250	-	-	-	-	64,250	-	-	-	-	6.43
Bata Pakistan Limited	1,090,234	-	-	-	-	1,090,234	58,347	669,425	1.65	1.71	14.42
Blessed Textile Mills Limited	13,152	-	-	-	(13,152)	-	-	-	-	-	-
Brothers Textile Mills Limited	617,961	-	-	-	-	617,961	-	-	-	-	6.31
Chakwal Spinning Mills Limited	754,008	-	-	-	-	754,008	-	1,206	-	-	1.89
Colony Mills Limited	1,521,599	-	-	-	-	1,521,599	2,736	2,587	0.01	0.01	0.62
Crescent Fibres Limited	852,681	-	-	-	-	852,681	-	11,042	0.03	0.03	6.87
Crescent Jute Proudcts Limited	1,488,808	-	-	-	-	1,488,808	-	-	-	-	6.27
Crescent Spinning Mills Limited	727,080	-	-	-	-	727,080	-	-	-	-	4.80
Crescent Textile Mills Limited	1,870,010	-	-	-	-	1,870,010	29,116	29,116	0.07	0.07	3.80
D. M. Textile Mills Limited	336,614	-	-	-	-	336,614	606	1,279	-	-	11.03
D.S. Industries Limited	44,780	-	-	-	-	44,780	49	49	-	-	0.07
Dar-es-Salaam Textile Mills Limited	266,787	-	-	-	-	266,787	587	934	-	-	3.33
Data Textile Limited	618,595	-	-	-	-	618,595	-	-	-	-	6.24

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
	Rupees in '000										
Dawood Lawrencepur Limited	234,768	-	35,215	-	-	269,983	6,004	8,639	0.02	0.02	0.46
Dewan Khalid Textile Mills Limited	279,486	-	-	-	-	279,486	307	559	-	-	4.92
Dewan Mushtaq Textile Mills Limited	240,424	-	-	-	-	240,424	481	1,080	-	-	7.00
Din Textile Mills Limited	281,239	-	28,124	1	-	309,364	3,847	8,523	0.02	0.02	1.52
Ellicot Spinning Mills Limited	706,880	-	-	-	-	706,880	7,509	16,965	0.04	0.04	6.46
Fateh Industries Limited	23,062	-	-	-	-	23,062	-	-	-	-	1.15
Fateh Sports Wear Limited	45,219	-	-	-	-	45,219	-	-	-	-	2.26
Fateh Textile Mills Limited	35,925	-	-	-	-	35,925	3,857	3,857	0.01	0.01	2.87
Fatima Enterprises Limited	628,671	-	-	-	-	628,671	5,468	9,619	0.02	0.02	4.42
Fazal Cloth Mills Limited	1,105,611	-	-	-	-	1,105,611	13,415	60,753	0.15	0.16	5.89
Fazal Textile Mills Limited	67,755	-	-	-	-	67,755	1,231	21,817	0.05	0.06	1.10
Gadon Textile Mills Limited	1,335,356	-	-	-	(1,335,356)	-	-	-	-	-	-
Ghulam Muhammad Dadabhojy Pudable	49,259	-	-	-	-	49,259	-	-	-	-	0.99
Globe Textile Mills Limited	65,972	-	-	-	-	65,972	346	660	-	-	0.40
Gul Ahmed Textile Mills Limited	527,681	-	-	-	-	527,681	9,778	27,297	0.07	0.07	1.52
Gulistan Spinning Mills Limited	292,085	-	-	-	-	292,085	1,129	2,337	0.01	0.01	1.99
Gulistan Textile Mills Limited	734,617	-	-	-	-	734,617	6,011	13,664	0.03	0.03	3.87
Gulshan Spinning Mills Limited	1,002,804	-	200,560	110	-	1,203,474	4,558	13,238	0.03	0.03	5.41
Hafiz Textile Mills Limited	85	-	-	-	-	85	-	2	-	-	0.01
Hajra Textile Mills Limited	518,063	-	-	-	-	518,063	-	-	-	-	3.77
Hakkim Textile Mills Limited	257,368	-	-	-	-	257,368	-	-	-	-	4.77
Harum Textile Mills Limited	58,248	-	-	-	-	58,248	-	-	-	-	0.62
I. C. C. Textiles Limited	164,870	-	-	-	-	164,870	176	196	-	-	0.55
Ibrahim Fibres Limited	1,800,000	-	-	-	-	1,800,000	53,658	75,996	0.19	0.19	0.58
Ideal Spinning Mills Limited	658,396	-	-	-	-	658,396	922	2,772	0.01	0.01	6.64
Indus Dyeing & Manufacturing Company Limited	525,295	-	-	-	-	525,295	5,509	200,384	0.50	0.51	2.91
Indus Polyester Company Limited											
(Under winding up through court)	4	-	-	-	-	4	-	-	-	-	-
International Knitwear Limited	119,144	-	-	-	-	119,144	-	626	-	-	3.69
Ishaq Textile Mills Limited	443,946	-	-	-	-	443,946	919	2,641	0.01	0.01	4.60
Itti Textile Mills Limited	163,151	-	-	-	-	163,151	-	-	-	-	2.46
J. A. Textile Mills Limited	677,361	-	-	-	-	677,361	-	-	-	-	5.38
J. K. Spinning Mills Limited	324,568	-	16,228	-	-	340,796	373	2,420	0.01	0.01	1.85
Junaid Cotton Mills Limited	37,436	-	-	-	-	37,436	-	-	-	-	1.50
Kaiser Arts & Krafts Mills Limited	36,944	-	-	-	-	36,944	-	-	-	-	0.43
Karim Cotton Mills Limited	110,562	-	-	-	-	110,562	-	-	-	-	9.34
Karim Silk Mills Limited	19,223	-	-	-	-	19,223	-	-	-	-	1.97
Khalid Siraj Textile Mills Limited	700,498	-	-	-	-	700,498	-	-	-	-	6.55
Kohinoor Industries Limited	334,468	-	-	-	-	334,468	-	368	-	-	1.10
Kohinoor Looms Limited	169,648	-	-	-	-	169,648	-	-	-	-	1.57
Kohinoor Mills Limited	2,859,830	-	-	-	-	2,859,830	3,003	3,003	0.01	0.01	5.62
Kohinoor Spinning Mills Limited	602,327	-	-	-	-	602,327	-	958	-	-	0.46
Kohinoor Textile Mills Limited	3,161,234	-	-	-	-	3,161,234	12487	12487	0.03	0.03	1.29
Land Mark Spinning Industries Limited	447,937	-	-	-	-	447,937	-	-	-	-	3.69

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
	Rupees in '000										
Maqbool Textile Mills Limited	1,420,216	-	-	-	-	1,420,216	11,362	14,344	0.04	0.04	8.45
Masood Textile Mills Limited	2,025,828	-	-	-	-	2,025,828	37,288	39,504	0.10	0.10	3.38
Mehr Dastgir Textile Mills Limited	259	-	-	-	-	259	-	-	-	-	-
Mehran Jute Mills Limited	121,543	-	-	-	-	121,543	-	-	-	-	3.96
Mian Textile Industries Limited	736,078	-	-	-	-	736,078	221	368	-	-	3.33
Moonlite (Pak) Limited	115,477	-	-	-	-	115,477	635	924	-	-	5.35
Muhammad Farooq Textile Mills Limited	1,860,277	-	-	-	-	1,860,277	1,488	1,507	0.01	0.01	9.85
Nishat (Chunian) Limited	3,721,535	1,895,588	-	1,239,757	-	6,856,880	84,071	152,840	0.38	0.39	0.52
Nishat (Chunian) Limited											
- Convertible Preference Shares	1,239,757	-	-	(1,239,757)	-	-	-	-	-	-	-
Nishat Mills Limited	7,657,400	2,666,449	-	-	-	10,323,849	368,365	519,703	1.28	1.33	2.94
Norrie Textile Mills Limited	136,500	-	-	-	-	136,500	-	-	-	-	2.81
Olympia Textile Mills Limited	358,359	-	-	-	-	358,359	-	-	-	-	3.32
Paramount Spinning Mills Limited	1,773,797	-	177,379	10	-	1,951,186	11,288	27,317	0.07	0.07	11.24
Premium Textile Mills Limited	807,307	-	-	-	-	807,307	8,803	24,025	0.06	0.06	13.10
Qayyum Spinning Mills Limited	149	-	-	-	-	149	-	-	-	-	-
Ravi Textile Mills Limited	346,636	-	-	-	-	346,636	-	305	-	-	1.39
Redco Textiles Limited	786,569	-	-	-	-	786,569	-	-	-	-	3.69
Reliance Cotton & Spinning Mills Limited	465,638	-	-	-	-	465,638	3,824	12,740	0.03	0.03	4.52
Reliance Weaving Mills Limited	592,645	-	-	-	-	592,645	2074	6667	0.02	0.02	1.92
Ruby Textile Mills Limited	610,664	-	-	-	-	610,664	-	-	-	-	1.56
Rupali Polyester Limited	1,400,000	-	-	-	-	1,400,000	45,621	55,356	0.14	0.14	4.11
Sadoon Textile Mills Limited	985	-	-	-	-	985	-	-	-	-	0.03
Saif Textile Mills Limited	1,965,871	-	-	-	-	1,965,871	4,856	13,879	0.03	0.04	7.44
Saltex Spinning Mills Limited	358,212	-	-	-	-	358,212	-	-	-	-	4.84
Sajjad Textile Mills Limited	316,932	-	-	-	-	316,932	-	-	-	-	1.49
Salfi Textile Mills Limited	104,645	-	-	-	-	104,645	956	6,726	0.02	0.02	3.13
Sally Textile Mills Limited	348,279	-	-	-	-	348,279	-	2,295	0.01	0.01	3.97
Salman Noman Enterprises Limited	292,746	-	14,637	-	-	307,383	-	1,076	-	-	7.36
Samin Textiles Limited	139,945	-	-	-	-	139,945	763	675	-	-	0.52
Sana Industries Limited	270,721	-	-	-	-	270,721	3,925	10,558	0.03	0.03	4.92
Sapphire Fibers Limited	224,435	-	-	-	-	224,435	16,945	26,483	0.07	0.07	1.14
Sapphire Textile Mills Limited	352,976	-	-	-	-	352,976	24,355	42,004	0.10	0.11	1.76
Sapphire Holding Limited	-	-	-	352,976	-	352,976	-	3,530	0.01	0.01	1.76
SFL Limited	-	-	-	224,435	-	224,435	-	2,244	0.01	0.01	1.14
Sargoda Spinning Mills Limited	588,202	-	-	-	-	588,202	-	1,682	0.01	0.01	1.89
Saritow Spinning Mills Limited	648,933	-	-	-	-	648,933	-	980	-	-	4.89
Schon Textiles Limited	258,610	-	-	-	-	258,610	-	-	-	-	2.16
Service (Textile) Industries Limited	162,908	-	-	-	-	162,908	-	-	-	-	3.66
Service Fabrics Limited	1,349,180	-	-	-	-	1,349,180	-	-	-	-	8.56
Shadab Textile Mills Limited	94,207	-	-	-	-	94,207	-	-	-	-	3.14
Shahpur Textile Mills Limited	890,850	-	-	-	-	890,850	-	-	-	-	6.37
Shahtaj Textile Mills Limited	475,726	-	-	-	-	475,726	4,370	13,320	0.03	0.03	4.92
Shams Textile Mills Limited	1,211,998	-	-	-	-	1,211,998	6,908	21,816	0.05	0.06	14.03

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
Rupees in '000											
Siftag International Limited	108,222	-	-	-	-	108,222	-	-	-	-	3.59
Sind Fine Textile Mills Limited	78,011	-	-	-	-	78,011	-	-	-	-	2.28
Sunrays Textile Mills Limited	271,565	-	-	-	-	271,565	2,741	9,233	0.02	0.02	3.94
Sunshine Cotton Mills Limited	426,521	-	-	-	-	426,521	-	-	-	-	5.43
Suraj Cotton Mills Limited	389,555	-	-	-	-	389,555	4,947	14,394	0.03	0.03	2.16
Taj Textile Mills Limited	1,409,947	-	-	-	-	1,409,947	-	423	-	-	4.22
Tariq Cotton Mills Limited	43,100	-	-	-	-	43,100	-	-	-	-	6.16
Tata Textile Mills Limited	2,094,285	-	-	-	-	2,094,285	18,725	67,017	0.17	0.17	12.09
Tawakkal Garments Industries Limited	118,664	-	-	-	-	118,664	-	-	-	-	-
Tawakkal Limited	113,264	-	-	-	-	113,264	-	-	-	-	0.81
Treet Corporation Limited	3,550,640	-	-	-	-	3,550,640	8,280	184,704	0.46	0.47	8.49
Tri-Star Polyester Limited	629,772	-	-	-	-	629,772	-	-	-	-	2.93
Yousuf Weaving Mills Limited	1,188,621	-	-	-	-	1,188,621	1,248	1,426	0.01	0.01	2.97
Zahur Cotton Mills Limited	485,694	-	-	-	-	485,694	-	-	-	-	4.93
Zahur Textile Mills Limited	412,147	-	-	-	-	412,147	-	-	-	-	0.55
Zil Limited	340,859	-	-	-	-	340,859	4,865	20,175	0.04	0.05	6.40
	88,527,490	4,562,037	1,079,417	577,604	(1,797,760)	92,948,788	934,914	2,533,267	6.26	6.47	
TOBACCO											
Pakistan Tobacco Company Limited	1,807,339	-	-	-	-	1,807,339	131,665.00	174,806	0.43	0.45	0.71
	1,807,339	-	-	-	-	1,807,339	131,665	174,806	0.43	0.45	
HEALTH CARE EQUIPMENT AND SERVICES											
Medi Glass Limited	295,554	-	-	-	-	295,554	-	-	-	-	3.89
	295,554	-	-	-	-	295,554	-	-	-	-	
PHARMA AND BIO TECH											
Abbot Laboratories (Pakistan) Limited	2,593,029	-	-	-	-	2,593,029	207,961.00	242,422	0.60	0.62	2.65
Ferozsons Laboratories Limited	1,186,216	-	237,243	-	-	1,423,459	1,877.00	133,805	0.33	0.34	5.69
Glaxosmithkline Pakistan Limited	6,335,730	-	950,359	1	-	7,286,090	481,135	559,572	1.38	1.43	3.61
Highnoon Laboratories Limited	320,625	-	32,062	1	-	352,688	3,639	11,335	0.03	0.03	1.94
IBL Health Care Limited	295,437	-	-	-	-	295,437	-	2,807	0.01	0.01	1.48
Otsuka Pakistan Limited	105,217	-	-	-	(25,111)	80,106	1,231	2,603	0.01	0.01	0.80
Sanofi-Aventis Limited	229,461	-	-	-	-	229,461	21,056	33,733	0.08	0.08	2.38
Searle Pakistan Limited	904,749	-	-	-	-	904,749	21,204	49,173	0.12	0.13	2.95
Wyeth Pakistan Limited (Rs 100 / share)	111,574	-	-	-	-	111,574	43,913	110,124	0.27	0.28	7.85
	12,082,038	-	1,219,664	2	(25,111)	13,276,593	782,016	1,145,574	2.83	2.93	
MEDIA											
Eye Television Network Limited	9,159	-	-	-	(9,159)	-	-	-	-	-	-
	9,159	-	-	-	(9,159)	-	-	-	-	-	
TRAVEL AND LEISURE											
Pakistan Services Limited	893,795	-	-	-	-	893,795	101,044	127,366	0.31	0.33	2.75
	893,795	-	-	-	-	893,795	101,044	127,366	0.31	0.33	
FIXED LINE TELECOMMUNICATION											
Pak Datacom Limited	143,119	-	-	-	-	143,119	2,538	4,291	0.01	0.01	1.83
Pakistan Telecommunication Company Limited	7,374,384	-	-	-	-	7,374,384	104,864	104,864	0.26	0.27	0.20
Wateen Telecom Limited	3,500,000	-	-	-	-	3,500,000	7,280	7,280	0.02	0.02	0.57
	11,017,503	-	-	-	-	11,017,503	114,682	116,435	0.29	0.30	

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
Rupees in '000											
ELECTRICITY	-										
The Hub Power Company Limited	14,710,605	350,000	-	-	(250,000)	14,810,605	215,385	555,398	1.38	1.41	1.28
Karachi Electric Supply Company Limited (Rs 3.5 / share)	5,667,614	-	-	-	-	5,667,614	11,732	12,185	0.03	0.03	0.03
Kohinoor Energy Limited	410,390	-	-	-	-	410,390	6,771	6,771	0.02	0.02	0.24
Kohinoor Power Company Limited	290,160	-	-	-	-	290,160	795	795	-	-	2.30
Kot Addu Power Company Limited	1,231,503	-	-	-	-	1,231,503	38,866	52,474	0.12	0.13	0.14
Nishat Chunian Power Limited	3,000,000	-	-	-	-	3,000,000	30,000	41,160	0.10	0.11	0.82
S. G. Power Limited	323,376	-	-	-	-	323,376	194	291	-	-	1.81
Sitara Energy Limited	256,117	-	-	-	-	256,117	4,354	5,058	0.02	0.02	1.34
	25,889,765	350,000	-	-	(250,000)	25,989,765	308,097	674,132	1.67	1.72	
GAS WATER AND MULTIUTILITIES	-										
Sui Northern Gas Pipelines Limited	16,894,303	-	-	-	-	16,894,303	109,282	336,535	0.83	0.86	3.08
Sui Southern Gas Company Limited	10,069,822	-	2,517,455	-	-	12,587,277	105,834	272,766	0.68	0.70	1.50
	26,964,125	-	2,517,455	-	-	29,481,580	215,116	609,301	1.51	1.56	
BANKS	-										
Allied Bank Limited	1,590,381	195,411	168,579	-	(100,000)	1,854,371	49,231	118,939	0.29	0.30	0.22
Askari Bank Limited	22,097,586	825,000	2,292,258	897	-	25,215,741	235,452	274,347	0.68	0.70	3.57
Atlas Bank Limited	16,766,336	-	-	(16,766,336)	-	-	-	-	-	-	-
Bank Al - Habib Limited	62,974,317	-	12,594,863	201	-	75,569,381	1,023,632	2,227,030	5.50	5.69	8.60
Bank Alfalah Limited	-	10,185,631	-	-	-	10,185,631	104,848	97,476	0.24	0.25	0.75
Bank Islami Pakistan Limited	599,368	-	-	-	-	599,368	1,924	2,038	0.01	0.01	0.11
Faysal Bank Limited	8,721,298	-	1,744,260	116	-	10,465,674	84,422	96,912	0.24	0.25	1.43
Habib Bank Limited	847,846	424,620	91,427	1	-	1,363,894	99,905	158,294	0.39	0.40	0.12
Habib Metropolitan Bank Limited	58,178,084	-	11,635,616	1,041	-	69,814,741	1,056,392	1,519,867	3.75	3.88	6.66
JS Bank Limited	21,025,241	700,000	6,938,329	-	-	28,663,570	69,366	69,366	0.17	0.18	3.52
KASB Bank Limited	1,836,797	-	-	-	-	1,836,797	2,461	2,553	0.01	0.01	0.19
MCB Bank Limited	345,414	251,940	37,585	-	(221,500)	413,439	77,653	82,398	0.20	0.21	0.05
National Bank Of Pakistan	5,629,646	1,405,000	1,758,661	1	-	8,793,308	294,879	443,359	1.10	1.13	0.52
NIB Bank Limited	10,608,990	-	-	-	-	10,608,990	16,020	16,020	0.04	0.04	0.26
Samba Bank Limited	10,452,500	-	-	-	-	10,452,500	17,874	17,874	0.04	0.05	0.73
Silkbank Limited	12,524,877	-	-	-	-	12,524,877	26,177	31,688	0.08	0.08	0.34
Soneri Bank Limited	68,757,730	-	22,865,906	-	-	91,623,636	464,512	464,512	1.15	1.19	15.21
Summit Bank Limited	842,013	-	-	7,544,851	-	8,386,864	24,406	31,535	0.08	0.08	1.16
United Bank Limited	1,228,134	991,090	-	-	(484,000)	1,735,224	81,838	107,428	0.27	0.27	0.14
	305,026,558	14,978,692	60,127,484	(9,219,228)	(805,500)	370,108,006	3,730,992	5,761,636	14.24	14.72	
NON LIFE INSURANCE	-										
Union Insurance Company Of Pakistan Limited	306	-	-	-	-	306	-	8	-	-	-
	306	-	-	-	-	306	-	8	-	-	
REAL STATE INVESTMENT AND SERVICES	-										
Pace (Pakistan) Limited	525,716	-	-	-	-	525,716	1,146	1,146	0.01	0.01	0.19
	525,716	-	-	-	-	525,716	1,146	1,146	0.01	0.01	

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
Rupees in '000											
FINANCIAL SERVICES	-										
Arif Habib Investments Limited	143,589	-	28,717	-	-	172,306	2,776	3,720	0.01	0.01	0.48
Arif Habib Limited	44,085	-	8,817	-	-	52,902	1,041	1,041	-	-	0.12
Dadabhoy Leasing Limited	370,674	-	-	-	-	370,674	-	-	-	-	4.93
Dawood Capital Management Limited	663,832	-	-	-	-	663,832	856	1,022	-	-	4.43
First Capital Securities Corporation Limited	3,654,145	-	365,414	-	-	4,019,559	7,281	9,768	0.02	0.02	1.27
First Dawood Investment Bank Limited	2,626,149	-	-	-	-	2,626,149	4,149	4,176	0.01	0.01	4.19
First National Equities Limited	65,227	-	-	-	(455)	64,772	188	188	-	-	0.11
IGI Investment Bank Limited	7,682,579	-	-	-	-	7,682,579	12,676	12,676	0.03	0.03	3.62
Invest Capital Investment Bank Limited	8,271,554	-	-	-	-	8,271,554	2,647	2,647	0.01	0.01	2.90
Investec Securities Limited	98,518	-	-	-	-	98,518	41	41	-	-	0.60
Islamic Investment Bank Limited	139,990	-	-	-	-	139,990	-	-	-	-	0.71
Javed Omer Vohra & Company Limited	1,775,606	-	-	-	-	1,775,606	4,475	4,475	0.01	0.01	3.49
Jahangir Siddiqui & Company Limited	993,701	-	-	-	-	993,701	6,439	6,439	0.02	0.02	0.13
JS Investments Limited	7,302	-	-	-	-	7,302	37	37	-	-	0.01
Orix Leasing Pakistan Limited	2,903,580	-	-	-	-	2,903,580	15,186	16,173	0.04	0.04	3.54
Pervaiz Ahmed Securities Limited	230,884	-	-	-	-	230,884	332	332	-	-	0.30
Pervez Ahmed Securities Limited - Right	533,526	-	-	-	-	533,526	-	-	-	-	0.69
Prudential Investment Bank Limited	326,292	-	-	-	-	326,292	-	-	-	-	3.26
Saudi Pak Leasing Limited	2,972,567	-	-	-	-	2,972,567	1,635	1,932	0.01	0.01	6.58
Security Investment Bank Limited	2,277,698	-	-	-	-	2,277,698	3,417	4,077	0.01	0.01	4.43
Security Leasing Corporation Limited	447,026	-	-	-	-	447,026	755	894	-	-	1.23
	36,228,524	-	402,948	-	(455)	36,631,017	63,931	69,638	0.17	0.17	
EQUITY INVESTMENT INSTRUMENT	-										
Al-Meezan Mutual Fund	2,866,385	-	-	-	-	2,866,385	10,262	31,817	0.08	0.08	2.08
Asian Stocks Fund Limited	344,813	-	-	-	-	344,813	1,207	1,776	0.01	0.01	0.38
B.R.R. Guardian Modarba	1,858,077	-	-	-	-	1,858,077	2,397	4,069	0.01	0.01	2.38
Dominion Stock Fund Limited	157,629	-	-	-	-	157,629	54	54	-	-	3.15
First Capital Mutual Fund Limited	143,097	-	-	-	-	143,097	303	358	-	-	0.48
First Habib Bank Modarba	5,035,756	-	-	-	-	5,035,756	15,258	40,286	0.10	0.10	12.68
First Habib Modarba (Rs 5 / certificate)	1,584,070	-	-	-	-	1,584,070	8,982	12,910	0.03	0.03	0.79
First Tawakkal Modaraba	474,032	-	-	-	-	474,032	-	-	-	-	1.83
Investec Mutual Fund	172,406	-	-	-	-	172,406	29	29	-	-	1.72
JS Growth Fund	9,787,430	-	-	-	-	9,787,430	29,167	57,746	0.14	0.15	3.08
JS Value Fund Limited	1,190,610	-	-	-	-	1,190,610	4,286	6,548	0.02	0.02	1.00
LTV Capital Modaraba (Rs 5 / certificate)	321	-	-	-	-	321	-	-	-	-	-
Pakistan Premier Fund Limited	722,456	-	-	-	(722,456)	-	-	-	-	-	-
PICIC Growth Fund	6,429,358	-	-	-	-	6,429,358	35,940	86,025	0.21	0.22	2.27
PICIC Investment Fund	10,108,128	-	-	-	-	10,108,128	20,520	59,133	0.14	0.15	3.56
Standard Chartered Modaraba	1,948,462	-	-	-	-	1,948,462	13,269	19,621	0.05	0.05	4.29
	42,823,030	-	-	-	(722,456)	42,100,574	141,674	320,372	0.79	0.82	
SOFTWARE AND COMPUTER SERVICES	-										
Netsol Technologies Limited	442,877	-	-	-	-	442,877	7,910	9,061	0.02	0.02	0.57
	442,877	-	-	-	-	442,877	7,910	9,061	0.02	0.02	

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units					Balances as at June 30, 2011		Percentage in relation to			
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
Ruppes in '000											
TECHNOLOGY HARDWARE AND EQUIPMENT	-										
Pakistan Telephone Cables Limited	91,424	-	-	-	-	91,424	149	323	-	-	0.44
	91,424	-	-	-	-	91,424	149	323	-	-	
DELISTED / UNQUOTED COMPANIES											
Adamjee Floorings	59,110	-	-	-	-	59,110	-	-	-	-	-
Adamjee Industries	121	-	-	-	-	121	-	-	-	-	-
Adamjee Paper	269,806	-	-	-	-	269,806	-	-	-	-	-
Afsar Textile Mills Limited	64,184	-	-	-	-	64,184	-	-	-	-	-
Al-Hussany Industries Limited	61,573	-	-	-	-	61,573	-	-	-	-	2.46
Arag Industries Limited	189,220	-	-	-	-	189,220	-	-	-	-	-
Aslo Electronics	39,407	-	-	-	-	39,407	-	-	-	-	-
Aswan Tentage Limited	168,712	-	-	-	-	168,712	-	-	-	-	-
Balochistan Tower	74,114	-	-	-	-	74,114	-	-	-	-	-
Bankers Equity Limited (under winding up through court)	3,408,091	-	-	-	-	3,408,091	-	-	-	-	-
Bawany Textile Mills Limited	84,233	-	-	-	-	84,233	-	-	-	-	-
Central Cotton Limited	34,948	-	-	-	-	34,948	-	-	-	-	-
Chilya C. Board	43,200	-	-	-	-	43,200	-	-	-	-	-
Crescent Knitwear Limited	81,277	-	-	-	-	81,277	-	-	-	-	-
Crown Textile Limited	317,647	-	-	-	-	317,647	-	-	-	-	-
Ghaffar Textile Mills Limited	45,835	-	-	-	-	45,835	-	-	-	-	-
Greaves Aircondition	59,110	-	-	-	-	59,110	-	-	-	-	-
Gypsum Corporation	165,017	-	-	-	-	165,017	-	-	-	-	-
H-Shaikh	113,022	-	-	-	-	113,022	-	-	-	-	-
Hyderabad Electronic	98,518	-	-	-	-	98,518	-	-	-	-	-
Indus Bank Limited	147	-	-	-	-	147	-	-	-	-	-
Industrial Development Bank Of Pakistan Limited	1,970	-	-	-	-	1,970	-	-	-	-	-
Innovative Investment Bank Limited	35,227	-	-	-	-	35,227	-	352	-	-	0.35
Karachi Pipe	156,102	-	-	-	-	156,102	-	-	-	-	-
Kohinoor Cotton Limited	62,553	-	-	-	-	62,553	-	-	-	-	-
Lafayette Industries Synthetics Limited	92,360	-	-	-	-	92,360	-	-	-	-	2.59
Marr Fabrics Limited	118,221	-	-	-	-	118,221	-	-	-	-	4.93
Mehran Bank Limited	738,590	-	-	-	-	738,590	-	-	-	-	-
Mohib Textile Mills Limited	159,813	-	-	-	-	159,813	-	-	-	-	1.33
National Construction Overseas	24,629	-	-	-	-	24,629	-	-	-	-	-
National Match Industries	26,452	-	-	-	-	26,452	-	-	-	-	-
Naveed Textile Mills Limited	70,637	-	-	-	-	70,637	-	-	-	-	3.62
Nowshera Engineering	26,057	-	-	-	-	26,057	-	-	-	-	-
Nusrat Textile Mills Limited	306,342	-	-	-	-	306,342	-	-	-	-	-
Pak Paper Corporation	103,848	-	-	-	-	103,848	-	-	-	-	-
Pearl Fabrics	229,970	-	-	-	-	229,970	-	-	-	-	-
Premier Board	29,998	-	-	-	-	29,998	-	-	-	-	-
Punjab Building	443,845	-	-	-	-	443,845	-	-	-	-	-
Punjab Cotton	56,155	-	-	-	-	56,155	-	-	-	-	-

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

Name of Investee Company	Number of shares / certificates / units						Balances as at June 30, 2011		Percentage in relation to		
	As at July 01, 2010	Purchases during the year	Bonus / Right / New Issue	Merger / Demerger effects / Adjustments	Sales during the year	As at June 30, 2011	Carrying Value	Market value	Market value as percentage of net assets	Market value as percentage of total investments	Paid up capital of the investee company
Rupees in '000											
Punjab Lamp	108,468	-	-	-	-	108,468	-	-	-	-	-
RCD Ball Bearing	19,716	-	-	-	-	19,716	-	-	-	-	-
Refrigerators Manufacturing Company of											
Pakistan Limited	26	-	-	-	-	26	-	-	-	-	-
Rex Baren Battery	56,155	-	-	-	-	56,155	-	-	-	-	-
Saleem Denim (Kaytex Mills) Limited	162,160	-	-	-	-	162,160	-	-	-	-	-
Shahyar (O.E.)	78,469	-	-	-	-	78,469	-	-	-	-	-
Shahyar Textile Mills Limited	222,109	-	-	-	-	222,109	-	-	-	-	-
Sunrise Textile Mills Limited	15,024	-	-	-	-	15,024	-	-	-	-	-
Sunshine Cloth Mills Limited	440,918	-	-	-	-	440,918	-	-	-	-	-
Zaffar Textile Limited	66,844	-	-	-	-	66,844	-	-	-	-	-
	9,229,950	-	-	-	-	9,229,950	-	352	-	-	-
	822,431,656	58,002,909	82,784,401	(9,529,643)	(11,213,899)	942,475,424	17,235,422	34,344,076	84.87	87.71	

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - AVAILABLE FOR SALE AS AT JUNE 30, 2011

MARKET TREASURY BILLS

Issue Date	Tenor	Face Value				Balance as at June 30, 2011			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2010	Purchases during the year	Sales / matured during the year	As at June 30, 2011	Carrying Value	Market Value	Appreciation / (Diminution)		
Rupees in '000										
Market Treasury Bills										
June 2, 2011	3 Months	-	1,000,000,000	-	1,000,000,000	980,488	979,843	(645)	2.42%	2.50%
May 19, 2011	3 Months	-	400,000,000	-	400,000,000	394,227	393,941	(286)	0.97%	1.01%
May 5, 2011	3 Months	-	1,399,000,000	-	1,399,000,000	1,385,677	1,384,844	(833)	3.42%	3.54%
April 21, 2011	3 Months	-	75,000,000	-	75,000,000	74,657	74,620	(37)	0.18%	0.19%
April 7, 2011	3 Months	-	200,000,000	200,000,000	-	-	-	-	-	-
March 24, 2011	3 Months	-	50,000,000	50,000,000	-	-	-	-	-	-
March 10, 2011	3 Months	-	150,000,000	150,000,000	-	-	-	-	-	-
June 17, 2010	12 Months	-	360,000,000	360,000,000	-	-	-	-	-	-
February 24, 2011	3 Months	-	200,000,000	200,000,000	-	-	-	-	-	-
February 10, 2011	3 Months	-	375,000,000	375,000,000	-	-	-	-	-	-
December 30, 2010	3 Months	-	1,137,500,000	1,137,500,000	-	-	-	-	-	-
October 7, 2010	3 Months	-	1,295,000,000	1,295,000,000	-	-	-	-	-	-
September 26, 2009	12 Months	-	750,000,000	750,000,000	-	-	-	-	-	-
Total			7,391,500,000	4,517,500,000	2,874,000,000	2,835,049	2,833,248	(1,801)	7.00%	7.24%

NATIONAL INVESTMENT (UNIT) TRUST INVESTMENTS - HELD TO MATURITY AS AT JUNE 30, 2011

S. No	Name	At cost			% age of net assets
		Opening	Redemptions during the year	Closing	
Rupees in '000					
Investment under Morabaha Arrangements					
1	Textile Management (Private) Limited	4,125	-	4,125	0.01%
2	Pak China Fertilizers Limited	27,000	-	27,000	0.06%
3	Quaidabad Woolen Mills Limited	23,000	-	23,000	0.06%
	Sub-total	54,125	-	54,125	0.13%
	Less : Provision for impairment loss	(54,125)	-	(54,125)	-0.13%
		-	-	-	-
Participation Term Certificates					
1	Adamjee Paper & Board Mills Limited	10,500	-	10,500	0.03%
	Less : Provision for impairment loss	(10,500)	-	(10,500)	-0.03%
		-	-	-	-
Term Finance Certificates and Redeemable Capital					
1	Adamjee Paper & Board Mills Limited	8,125	-	8,125	0.02%
2	Brothers Steel Mills Limited	1,959	-	1,959	0.00%
3	Naimat Basal Oil & Gas Securitization Company Limited	2	-	2	0.00%
4	Pakistan Telecommunication Limited (PTC) / BEL	2,819	-	2,819	0.01%
	Sub-total	12,905	-	12,905	0.03%
	Less : Provision for impairment loss	(12,905)	-	(12,905)	-0.03%
		-	-	-	-
	Total	77,530	-	77,530	0.19%
	Less: Provision for impairment	(77,530)	-	(77,530)	-0.19%
		-	-	-	-

NATIONAL INVESTMENT (UNIT) TRUST PERFORMANCE TABLE

LAST 3 YEARS

		JUNE 11	JUNE 10	JUNE 09
Total Net Asset Value Ex-Dividend	(Rs. In 000's)	35,427,827	27,747,397	24,409,513
Net Asset Value per Unit Ex-dividend	(Rs./unit)	28.14	25.92	23.89
Last Issue Price per Unit *	(Rs./unit)	33.10	29.05	27.85
Last Repurchase Price per Unit *	(Rs./unit)	32.14	28.17	26.85
Highest Issue Price During the year	(Rs./unit)	34.15	33.30	43.90
Lowest Issue Price During the year	(Rs./unit)	25.90	25.45	21.15
Highest Repurchase Price During the year	(Rs./unit)	33.16	32.26	42.35
Lowest Repurchase Price During the year	(Rs./unit)	25.13	24.55	20.40
Total Return of the Fund	%	24.00	17.92	(41.48)
Capital Growth	%	8.57	8.50	(48.49)
Income Distributions	%	15.43	9.42	7.01
Distribution per Unit (Final)	(Rs./unit)	4.00	2.25	3.25
Distribution Date		5-Jul-11	5-Jul-10	6-Jul-09
Average Annual Return				
One Year	%	24.00	17.92	(41.48)
Two Years	%	20.96	(11.78)	(23.62)
Three Years	%	0.15	(9.77)	-

Note: 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 returns.

* These are cum-dividend prices of 30th June.