

# First Capital Mutual Fund August 2017

## MUFAP's Recommended Format

<b>Fund Type</b>	Open End
<b>Category</b>	Equity
<b>Launch date</b>	8 January 1995*
<b>Net Assets</b>	177,188,269.19
<b>NAV</b>	10.7839
<b>Benchmark</b>	KSE-100 index
<b>Dealing Days &amp; Cut-off time</b>	Mon to Fri (9:00am to 3:00pm)
<b>Pricing Mechanism</b>	Forward
<b>Management Fee</b>	2%
<b>Front-end Load</b>	Upto 2%
<b>Back-end Load</b>	Nil
<b>Trustee</b>	CDC of Pakistan Ltd.
<b>Auditor</b>	KPMG Taseer Hadi & Co. Chart. Acco.
<b>Asset Manager Rating-30 Nov' 16</b>	AM4++ from 'PACRA'
<b>Risk Profile of the Fund</b>	High
<b>Expense Ratio (Annualized)</b>	3.82% (including 0.54% government levies)
<b>Leverage</b>	Nil

**Investment Objective:** The objective of First Capital Mutual Fund is to augment wealth of investors through investments geared towards securing maximum returns while simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The management of the fund is continuously striving towards achieving its objective.

### Investment Committee

Mr. Imran Hafeez	Chief Executive Officer
Syed Asad Abbas Ali Zaidi	Chief Financial Officer
Syed Ghazanfar Ali Bukhari	Fund Manager

Sector Allocation (% of Total Assets)	August 17	July 17
<b>Commercial Banks</b>	<b>17.54%</b>	<b>18.51%</b>
<b>Cement</b>	<b>10.51%</b>	<b>11.11%</b>
<b>Engineering</b>	<b>8.35%</b>	<b>8.10%</b>
<b>Fertilizer</b>	<b>7.20%</b>	<b>7.08%</b>
<b>Oil &amp; Gas Marketing Co.</b>	<b>6.22%</b>	<b>5.48%</b>
<b>Others</b>	<b>39.17%</b>	<b>39.17%</b>

Asset Allocation (% of Total Assets)	August 17	July 17
<b>Equities</b>	<b>88.99%</b>	<b>89.45%</b>
<b>T-Bills</b>	<b>6.13%</b>	<b>5.38%</b>
<b>Cash</b>	<b>4.03%</b>	<b>4.64%</b>
<b>Others including receivables</b>	<b>0.84%</b>	<b>0.54%</b>

**Stock Market Review:** During the month of August 2017 KSE-100 (the benchmark) decreased by 10.44% due to political uncertainty after disqualification of prime minister. President Trump's allegation that Pakistan offers safe haven to terrorist organizations led to further decline in Pakistan stock market. Further, penalty imposition on HBL's New York branch also deteriorated investor's confidence.

Foreign investors remained net seller with the outflow of US\$80.46 million during the month under review, as compared to outflow of US\$37.90 million in previous month.

Fund Returns		
	First Capital Mutual Fund	Benchmark
<b>Year to date (YTD)</b>	<b>-13.98%</b>	<b>-11.51%</b>
<b>Trailing One Year</b>	<b>-5.62%</b>	<b>3.51%</b>
<b>One Month Return</b>	<b>-12.07%</b>	<b>-10.44%</b>
<b>FY 2017</b>	<b>17.28%</b>	<b>23.24%</b>
<b>FY 2016</b>	<b>6.97%</b>	<b>9.84%</b>
<b>FY 2015</b>	<b>15.82%</b>	<b>16.01%</b>
<b>FY 2014</b>	<b>32.22%</b>	<b>41.16%</b>
<b>FY 2013</b>	<b>28.23%</b>	<b>52.20%</b>
<b>Since Inception**</b>	<b>-10.57%</b>	<b>1.61%</b>

Top Ten Stocks (% of Total Assets)	August 17	July 17
<b>Habib Bank Ltd.</b>	<b>5.47%</b>	<b>6.42%</b>
<b>Packages Ltd.</b>	<b>4.73%</b>	<b>4.62%</b>
<b>United Bank Ltd.</b>	<b>4.39%</b>	<b>4.33%</b>
<b>Engro Corp. Ltd.</b>	<b>3.86%</b>	<b>3.89%</b>
<b>Lucky Cement Ltd.</b>	<b>3.68%</b>	<b>3.84%</b>
<b>MCB Bank Ltd.</b>	<b>3.87%</b>	<b>3.65%</b>
<b>Pakistan State Oil Ltd.</b>	<b>3.34%</b>	<b>2.76%</b>
<b>Hub Power Co. Ltd.</b>	<b>3.27%</b>	<b>3.15%</b>
<b>Inter. Steel Ltd.</b>	<b>2.53%</b>	<b>2.46%</b>
<b>Aisha Steel Ltd.</b>	<b>2.34%</b>	<b>2.22%</b>

**Disclosure:** The Scheme has reversed the provision against Workers' Welfare Fund's liability of Rs. 8,204,866 as per instructions received from MUFAP through letter, dated January 12, 2017. The NAV per unit of the scheme has increased by Rs. 0.5031 due to aforementioned adjustment.

Name of Non-compliant investment	Type of investment	Value of investment before provision	Provision held if any	Value of investment after provision	Percentage (%) of Net Assets	Percentage (%) of Gross Assets
<b>Fund Commentary:</b> During the month under review, First Capital Mutual Fund's NAV has decreased by 12.07% as compared to decrease of 10.44% in KSE-100 (the benchmark), thereby underperforming the benchmark by 1.63%. The Fund underperformed the benchmark mainly on the back of over-weight in cement, Pharmaceuticals, Food & Personal Care Products and Technology & Communication sector's stocks which underperformed the market.						

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

Performance Data does not include the cost incurred directly by an investor in the form of sales load etc. The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable

\*Converted into open end fund as on 30 July 2013

\*\* Last 10 Years average annualized