

# First Capital Mutual Fund June 2014

## MUFAP's Recommended Format

<b>Fund Type</b>	Open End
<b>Category</b>	Equity
<b>Launch date</b>	30 July 2013
<b>Net Assets</b>	313,713,290
<b>NAV</b>	11.0145
<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>	3%
<b>Back-end Load (converted units)</b>	20%
<b>Trustee</b>	CDC of Pakistan Ltd.
<b>Auditor</b>	A.F. Ferguson & Co. Chart. Acco.
<b>Asset Manager Rating</b>	AM4+ from 'PACRA'
<b>Risk Profile of the Fund</b>	Low
<b>Leverage</b>	Nil

Sector Allocation (% of Total Assets)	June 14	May 14
Oil & Gas	20.90%	19.65%
Banks	15.19%	15.19%
Construction & Materials	11.11%	10.18%
Chemicals	10.25%	10.05%
Electricity	9.38%	9.38%
Others	28.16%	28.08%

Asset Allocation (% of Total Assets)	June 14	May 14
Equities	94.99%	92.53%
T-Bills	3.00%	2.97%
Cash	1.65%	4.05%
Others including receivables	0.36%	0.45%

**Stock Market Review:** During June 2014, KSE-100 index down by 0.29% on the back of political risks in the country that had been aggravated with the violent protest in Lahore. Below expectations federal budget for FY15 and year-end liquidity issues dampened the investors' sentiments. On the other hand, successful SPO of UBL and PPL signaled the strong investor interest in stocks traded in local bourse. The net foreign investment of USD 71.45 million further supported the market.

Positive news on the military operation against TTP in Waziristan and future successful SPO transactions will catalyze the positive direction of the market.

**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

Shahzad Jawahar	Chief Executive Officer
Syed Asad Abbas Ali Zaidi	Chief Financial Officer
Syed Ghazanfar Ali Bukhari	Fund Manager

Fund Returns		
	First Capital Mutual Fund	Benchmark*
Year to date (YTD)**	24.14%	27.18%
1-Month	-0.14%	-0.29%

\*Benchmark=KSE-100 index

\*\* The year of the fund starts from 30 July 2013 i.e. effective date of conversion from close end to open end scheme.

Top Ten Stocks (% of Total Assets)	June 14	May 14
Pak. Petroleum Ltd.	4.46%	4.38%
Pak. Oilfields Ltd.	4.34%	4.11%
Hub Power Co. Ltd.	4.28%	4.16%
Fauji Fertilizer Co. Ltd.	4.12%	4.06%
Attock Petroleum Limited	3.94%	3.79%
Pakistan State Oil Ltd.	3.83%	3.82%
Shaheen Insurance Co. Ltd.	3.83%	3.96%
Oil & Gas Development Co. Ltd.	3.55%	3.22%
Habib Bank Limited	3.05%	2.89%
Engro Corporation Ltd.	2.92%	3.32%

**Disclosure:** The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 6,952,538, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs.0.2441/2.75%. For details investors are advised to read Note 5 of the latest Financial Statements of the Scheme.

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
-	-	-	-	-	-	-

**Fund Commentary:** During the month ended May 2014, First Capital Mutual Fund's NAV has decreased by 0.14% as compared to decrease of 0.29% in benchmark, thereby outperforming benchmark by 0.15%. On the YTD basis, the fund has underperformed the benchmark by 3.04%. On average, the fund remained 93.76% invested in equity.

During the month under review, the significant exposure to Oil and Gas sector has supported the downside of portfolio as this sector has outperformed the benchmark.

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependent on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.