

First Capital Mutual Fund

March 2014

MUFAP's Recommended Format

Fund Type	Open End
Category	Equity
Launch date	30 July 2013
Net Assets	295,111,706
NAV	11.0927
Benchmark	KSE-100 index
Dealing Days & Cut-off time	Mon to Fri (9:00am to 3:00pm)
Pricing Mechanism	Forward
Management Fee	3%
Back-end Load (converted units)	20%
Trustee	CDC of Pakistan Ltd.
Auditor	A.F. Ferguson & Co. Chart. Acco.
Asset Manager Rating	AM4+ from 'PACRA'
Risk Profile of the Fund	Low
Leverage	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

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

Sector Allocation (% of Total Assets)	Mar' 14	Feb' 14
Oil & Gas	20.03%	21.51%
Banks	16.67%	14.53%
Chemicals	12.05%	12.78%
Construction & Materials	10.84%	10.69%
Electricity	9.44%	10.05%
Others	29.01%	26.28%

Asset Allocation (% of Total Assets)	Mar' 14	Feb' 14
Equities	98.04%	95.84%
T-Bills	-	-
Cash	0.54%	2.27%
Others including receivables	1.41%	1.89%

Stock Market Review: During the month under review, KSE-100 index had gained 5.34% to close at 27,160 levels. The positive developments on the peace talks between Government of Pakistan and Tehreek-e-Taliban Pakistan had triggered the optimism in market. Furthermore, unexpected healthy inflows from Saudi Arabia had improved the FX reserves position and a sharp appreciation was noticed in PKR that had positively impacted the market. Foreign investors remained the net sellers of US \$ 5.2 million in view of the tapering announced by US government, however, significant inflows in the equity market from the mutual funds had absorbed this selling pressure. The healthy payouts in the outgoing results season and expectations of gains on the PIB portfolios resulted in the buoyant performance of banking sector. Foreign selling in the key oil and gas exploration companies had resulted in the subdued performance of Oil and Gas sector.

Fund Returns		
	First Capital Mutual Fund	Benchmark*
Year to date (YTD)**	16.30%	16.49%
1-Month	6.18%	5.34%

*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)	Mar'14	Feb' 14
Pakistan State Oil Ltd.	5.88%	7.13%
Fauji Fertilizer Co. Ltd.	4.97%	4.83%
Pak. Oilfields Ltd.	4.37%	5.12%
Shaheen Insurance Co. Ltd.	4.36%	4.66%
Hub Power Co. Ltd.	4.12%	4.50%
Pak. Petroleum Ltd.	3.94%	4.91%
Pak. Telecommunication Co. Ltd.	3.86%	3.32%
Engro Corporation Ltd.	3.69%	4.61%
Attock Petroleum Limited	3.53%	2.61%
United Bank Limited	3.24%	2.52%

Disclosure: The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 6,470,160, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs.0.2432/2.55%. 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 under review, First Capital Mutual Fund's NAV had increased by 6.18% as compared to increase of 5.34% in benchmark, thereby outperforming benchmark by 0.84%. On the YTD basis, the fund had slightly underperformed the benchmark by 0.19%. On average, the fund remained 96.94% invested in equity. The healthy performance of banking sector had positively contributed in the growth of portfolio while the NAV remained pressurized on the back of subdued performance of power companies.

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.